

widow and child, or children, shall be entitled to a pension, or pensions, as follows:

(a) To the widow, a pension of 18 units per month for her natural life; but if she remarry the pension shall cease as of the date of the remarriage.

(b) To each child, a pension of six units per month until the child reaches the age of 18 years; *or in the case of a child in full-time attendance during the normal school year, in a school approved by the board of directors, until the child receives a bachelor's degree or attains the age of 22 years, whichever occurs first.*

The total pensions hereunder for the widow and children of a deceased member shall not exceed 32 units per month.

Sec. 2. *This act shall be in effect upon its approval by the governing body of the city of Minneapolis and upon compliance with the provisions of Minnesota Statutes, Section 645.021.*

Approved May 24, 1967.

CHAPTER 821—H. F. No. 2022

An act relating to taxation; relating to the gross earnings tax on telephone companies, amending Minnesota Statutes 1965, Sections 294.01, 294.02, 294.03, 294.05, 294.06, 295.34, Subdivisions 1 and 2, and 295.35.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1965, Section 294.01, is amended to read:

294.01 Telephone companies; gross earnings tax; companies to report gross earnings. *Subdivision 1.* On or before February first, of each year, every company, joint stock association, co-partnership, corporation, or individual required by law to pay taxes to the state on a gross earnings basis shall make and furnish an itemized statement, in duplicate, to the commissioner of taxation, in such form as he shall prescribe, containing a true and just report of the gross earnings for and during the year ending December thirty-first preceding, verified by the president, secretary, treasurer, individual owner, or chief agent of such company in this state; provided, that railroad companies shall make semiannual reports, as provided in section 295.02. One copy of the report received shall be

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filed with the public examiner. Such gross earnings shall be computed in accordance with the method prescribed by law.

Subd. 2. Notwithstanding subdivision 1, each telephone company shall file its return with the commissioner of taxation by April 15 of each year, and shall compute the tax due thereon.

Sec. 2. Minnesota Statutes 1965, Section 294.02, is amended to read:

294.02 Duties of commissioner of taxation. The commissioner of taxation shall keep a permanent file of such gross earnings reports, inspect and verify each report and assess the earnings as shown thereon with the amount of taxes due, and, *except in the case of telephone companies*, certify the amount of such earnings and taxes to the state auditor, who thereupon shall make his draft on such company, joint stock association, copartnership, corporation, or individual, for the amount of taxes due, as thus certified, and place the draft in the hands of the state treasurer for collection.

Sec. 3. Minnesota Statutes 1965, Section 294.03, is amended to read:

294.03 Failure to pay tax. If any company, joint stock association, copartnership, corporation, or individual required by law to pay taxes to the state on a gross earnings basis shall fail to pay such tax or gross earnings percentage by March first; or, if a railway company subject to semiannual payment, by March first, and September first, respectively, or as provided by law, *or if a telephone company shall fail to pay such tax by April 15*, a penalty of ten percent thereof shall immediately accrue and thereafter one percent for each month after the same becomes delinquent March first or September first, while such tax remains unpaid.

Sec. 4. Minnesota Statutes 1965, Section 294.05, is amended to read:

294.05 Failure to make report. *Subdivision 1.* If any company, joint stock association, copartnership, corporation, or individual fails to make and file a gross earnings report, as required by section 294.01, the commissioner of taxation shall notify such company of such neglect or default; and, if such default continue for 30 days after service of such notice, he shall notify the public examiner of such default, who shall examine the records of such company and report to the commissioner of taxation his findings of such company's taxable earnings for official entry in the books of the commissioner of taxation. Thereupon the commissioner of taxation, upon the basis of such findings and such other evidence as he

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may possess, shall fix the amount of such gross earnings and assess the tax thereon and the accruing penalties, making official entry thereof, and certify the amount thereof, together with the penalty, to the state auditor, who shall proceed as in section 294.02. Such entry shall stand in place of the report required by law to be made by such company, joint stock association, copartnership, corporation, or individual and the same, or a certified copy thereof, shall, in all the courts of the state, for all purposes, be prima facie evidence of the correctness and validity of such gross earnings and of such tax and penalties, and the liability of such company therefor.

Subd. 2. In the case of telephone companies the commissioner of taxation shall assess the tax, notify the taxpayer of the assessment, and if not paid within 60 days, certify the tax, penalty and interest to the attorney general for collection.

Sec. 5. Minnesota Statutes 1965, Section 294.06, is amended to read:

294.06 Delinquent tax, a lien. Such delinquent and unpaid tax and penalties, assessed and certified by the commissioner of taxation, as provided in sections 294.03 and 294.05, shall be a lien upon all the property, estate and effects of any such company, joint stock association, copartnership, corporation, or individual, and shall take precedence of all demands and judgments against the same; and said lien shall relate back to and be effective from the date when such tax was originally due and payable; and the certificate of the commissioner of taxation that said tax and penalties are due and unpaid, and/or the unpaid draft of the state auditor issued in pursuance thereof, shall be sufficient warrant for the attorney general to institute proceedings for the collection of said tax and penalties by sale of such property or otherwise.

Laws 1943, Chapter 120, shall apply to all taxes and penalties certified by the commissioner of taxation after March 15, 1943; provided that nothing therein shall affect property rights acquired in good faith and for value from a gross earnings taxpayer prior to March 15, 1943.

Sec. 6. Minnesota Statutes 1965, Section 295.34, Subdivision 1, is amended to read:

295.34 Gross earnings tax. Subdivision 1. Except as provided in subdivision 2 every telephone company shall ~~pay into the state treasury, on or before March first, in each year, beginning with March 1, 1938, file a return with the commissioner of taxation on or before April 15 of each year, and submit payment~~

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therewith, of the following percentages of its gross earnings of the preceding calendar year derived from business within this state: (a) 4 percent of its gross earnings from service to rural subscribers; (b) 4 percent of its gross earnings from exchange business of all cities of the fourth class and boroughs and villages having a population of 10,000 or less; and (c) 7 percent of its gross earnings derived from all other business; which shall be in lieu of all other taxes, except the taxes imposed by chapter 290 and by sections 285.01 and 285.02. All moneys paid by a company for connecting fees and switching charges to any other company shall be reported as earnings by the company to which they are paid, but shall not be deemed earnings of the collecting and paying company. For the purposes of this section, the population of any village shall be considered as that stated in the latest federal census.

Sec. 7. Minnesota Statutes 1965, Section 295.34, Subdivision 2, is amended to read:

Subd. 2. All telephone companies whose gross earnings from operations during any calendar year whether derived from fixed assessments or any other source, and exclusive of connecting fees and switching charges paid to others, are \$1,000 or less, shall pay ~~into the state treasury~~ *to the commissioner of taxation* a tax of 30 cents per telephone for each telephone connected to the system during such calendar year whether the same is in actual use or not. Every taxpayer subject to this subdivision shall on or before ~~February first~~ *April 15* of each year file a *verified* report in duplicate copy with the commissioner of taxation in such form as may be prescribed, showing the number of telephones connected to the system whether in use or not, and such other information as the commissioner may deem necessary to a proper determination of the tax herein imposed. In all other respects the taxpayers subject to these provisions shall be governed by all other provisions of law in force and applicable to the gross earnings tax of telephone companies.

Sec. 8. Minnesota Statutes 1965, Section 295.35, is amended to read:

295.35 Report; examination. For the purpose of ascertaining such gross earnings, such telephone company shall keep an accurate account of all such earnings; and, on or before December fifteenth, in each year, shall furnish an abstract thereof to the ~~state treasurer~~ *commissioner of taxation*. Such abstract shall be verified by the person constituting such company, if a person, or by its president or treasurer, if an association or corporation; and, for the purpose of ascertaining its correctness, the governor or any other

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person authorized by him may examine, under oath, such person or the officers of any such company.

Sec. 9. *This act would apply to all gross earnings received after December 31, 1966.*

Approved May 24, 1967.

CHAPTER 822—H. F. No. 2028

[Not Coded]

An act relating to certain independent school districts in the county of Hennepin; permitting joint establishment of area vocational-technical schools by such school districts; authorizing creation of joint school boards and defining their powers.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Hennepin county school districts; area vocational-technical schools; agreement for joint exercise of powers by school districts.** Two or more of the independent school districts numbered 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, and 286, Hennepin county, whether or not contiguous, may enter into agreements to accomplish jointly and cooperatively the acquisition, betterment, construction, maintenance, and operation of area vocational-technical schools. Each school district which becomes a party to such an agreement is hereinafter referred to as a "participating school district." The agreement may provide for the exercise of such powers by the school board of one of the school districts on behalf of and for the benefit of other school districts, or by a joint school board created as set forth in this act. If the powers are to be carried out by one of the school districts, it shall in doing so have the same powers and duties and be subject to the same limitations as are herein provided for joint school boards.

Sec. 2. **Joint school board; bylaws.** The agreement may provide for a joint school board which shall represent the parties to the agreement, and shall specify the name of the board, the number and manner of election or appointment of its members, their terms and qualifications, and other necessary and desirable provisions; provided, that each member of the board shall be a voter of one of the school districts which is a party to the agreement. The board may adopt bylaws specifying the duties and powers of its officers and the meeting dates of the board, and containing such

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