

*computed does not exceed \$10, a minimum penalty of \$10 shall be assessed. The amount so added to any tax shall be collected at the same time and in the same manner as the tax due and as a part of the tax unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.*

Sec. 3. Minnesota Statutes 1967, Section 297A.39, Subdivision 3, is amended to read:

Subd. 3. If any person; ~~with intent to evade the tax imposed by sections 297A.01 to 297A.44, shall fail wilfully fails~~ to file any return or make any payment required by sections 297A.01 to 297A.44, or ~~shall with such intent file wilfully files~~ a false or fraudulent return, or ~~wilfully attempts in any manner to evade or defeat any such tax or payment thereof,~~ there shall also be imposed on him as a penalty an amount equal to 50 percent of any tax (less any amounts paid by him on the basis of such false or fraudulent return) found due from him for the period to which such return related. The penalty imposed by this subdivision shall be collected as part of the tax, and shall be in addition to any other penalties, civil and criminal, provided by this section.

Sec. 4. Minnesota Statutes 1967, Section 297A.39, is amended by adding a new subdivision to read:

*Subd. 7. Interest. The amount of tax not timely paid, together with any penalty provided by this section, shall bear interest at the rate of eight percent per annum from the time such tax should have been paid until paid. Any interest and penalty shall be added to the tax and be collected as a part thereof.*

Approved May 22, 1969.

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#### CHAPTER 574—H. F. No. 1000

*An act relating to taxation of property and the determination of market value of certain lands for tax purposes; amending Minnesota Statutes 1967, Sections 273.11 and 273.12.*

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

Section 1. Minnesota Statutes 1967, Section 273.11, is amended to read:

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

**273.11 Taxation; real property; market value; vacant land.** All property shall be valued at its market value. In determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which such property would sell at auction or at a forced sale, or in the aggregate with all the property in the town or district; but he shall value each article or description of property by itself, and at such sum or price as he believes the same to be fairly worth in money. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for at a fair, voluntary sale, for cash. *In valuing real property which is vacant, the fact that such property is platted shall not be taken into account.* Taxable leasehold estates shall be valued at such a price as they would bring at a fair, voluntary sale, for cash. Money, whether in possession or on deposit, shall be entered in the statement at the full amount thereof. Every credit for a sum certain, payable either in money, property of any kind, labor, or services, shall be valued at the full price thereof so payable; if for a specific article, or for a specified number or quantity of any article of property, or for a certain amount of labor, or for services of any kind, it shall be valued at the current price of such property, or for such labor or services, at the place where payable. Each assessor shall annually file with the county auditor the ratio which he has used of adjusted market value to market value of all the taxable property within the taxing district, except property which by law, custom, or practice is valued by the commissioner of taxation.

Sec. 2. Minnesota Statutes 1967, Section 273.12, is amended to read:

**273.12 Assessment of real property.** It shall be the duty of every assessor and board, in determining the value of lands for the purpose of taxation, and in fixing the assessed value thereof, to consider and give due weight to every element and factor affecting the market value thereof, including its location with reference to roads and streets and the location of roads and streets thereon or over the same, and to take into consideration a reduction in the acreage of each tract or lot sufficient to cover the amount of land actually used for any improved public highway and the reduction in area of land caused thereby, *provided, that in determining the market value of va-*

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*cant land, the fact that such land is platted shall not be taken into account.* It shall be the duty of every assessor and board, in determining the value of lands for the purpose of taxation, and in fixing the assessed value thereof, to consider and give due weight to lands which are comparable in character, quality, and location, to the end that all lands similarly located and improved will be assessed upon a uniform basis and without discrimination.

Approved May 22, 1969.

CHAPTER 575—H. F. No. 1663

*An act relating to taxes on and measured by net income and medical expense deduction and reimbursement; amending Minnesota Statutes 1967, Sections 290.01, Subdivision 20; 290.08, Subdivision 5; and 290.09, Subdivision 10.*

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

Section 1. Minnesota Statutes 1967, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. **Taxation; income tax; medical expense deductions and reimbursement.** Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

The term "gross income" in its application to individuals, estates and trusts means the adjusted gross income as computed for federal income tax purposes as defined in the laws of the United States for the taxable year with the modifications specified in this section.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code;

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