

on any final process, issued from any court, shall be exempt also as to the estates and persons charged with or upon whom any liability is imposed under the provisions of this act."

Approved April 21, 1931.

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CHAPTER 302—H. F. No. 1511

*An act to amend Laws 1929, Chapter 271, Sections 4 and 5, and repealing Section 6 thereof.*

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

Section 1. **Reference.**—That Laws 1929, Chapter 271, Section 4, be amended to read as follows:

"Sec. 4. After the appointment of such referee as herein provided the court may by special order refer to said referee for the respective hearings thereon, each and every issue, other than those issued therein which are heard and decided by the judge of said court, of any matter, cause or proceeding then pending in said court, and the court may by general order refer to said referee for the respective hearings thereon each and every issue, other than those issues which are heard and decided by the judge of said court of any and all matters, causes, and proceedings thereafter coming on for hearing or had before said court during such referee's term of office and each and every such issue of any and all such matters, causes, and proceedings not heard and decided by or had before the Judge of said court, shall without any further order of said court, be thereby referred to such referee."

Sec. 2. **Trial and hearing by referee—powers—duties.**—That Laws 1929, Chapter 271, Section 5, be amended to read as follows:

"Sec. 5. In all matters so referred to him the referee shall find the facts and report the same to the judge of said court. The said referee shall have no power to decide any of the issues involved in the matter so referred to him but shall hear the evidence and report the facts thereof to the judge who shall decide the issue. The referee shall not rule on the admissibility of any testi-

*mony but shall make a note of all objections made by either of the parties to the introduction of any testimony and report the same to the judge who shall rule on the admissibility thereof."*

Sec. 3. **Law repealed.**—That Laws 1929, Chapter 271, Section 6, be and the same hereby is repealed.

Approved April 21, 1931.

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#### CHAPTER 303—H. F. No. 1516

*An act directing the Minnesota Tax Commission to compromise taxes assessed upon shareholders of banks.*

WHEREAS, the right of this State and other states to collect taxes on national banks and their shareholders is governed and controlled by the Congress of the United States, and whereas the Supreme Court of this State in *State of Minnesota vs. First National Bank*, 164 Minn. 235, and the Supreme Court of the United States, *Minnesota vs. First National Bank*, 273 U. S. 561, have held that this State cannot collect taxes on shareholders of national banks at more than about one-eighth of present rate, and whereas until Congress removes its present restriction as expressed in Section 5219 R. S., the State can do nothing which effectively will insure the collection of any taxes on national banks, and whereas during the coming two years, in addition to other difficulties relating to public revenues in the various cities, villages, school districts and counties over the State there will be almost certain loss of all revenues from bank taxation with a consequent increase in the taxes paid by all other taxpayers; and whereas in this emergency an effort must be made in some form or by some means to preserve as much of the revenue assessed against banks and their shareholders as the State can possibly secure, and whereas this legislature has at this session enacted laws providing for pressing as vigorously as may be its effort to have Congress amend the federal law now barring the State from effective taxation of national banks and their shareholders, which amendment cannot possibly be effected within one year and probably cannot be secured before the next session of this legislature, and whereas because of the