

ury, not otherwise disposed of, the sum of \$19,000 payable July 1, 1939, and \$19,000 July 1, 1940, to each county of this state now or hereafter having not less than 50 nor more than 70 congressional townships, whole or fractional, and now or hereafter having an assessed valuation of less than \$750,000, in which more than 40% or more of the total area, not including boundary waters, is federal and state school, swamp, forest, parkway, university and Indian trust lands.

Such monies shall be paid to the county treasurer by the state treasurer on the warrant of the state auditor, \$11,500 of such monies shall be placed in such county fund as the county board may direct and \$7,500 shall be paid by the county treasurer to the various school districts of the county as follows:

(1) One-half thereof in the proportion that the federal and state school, swamp, forest, parkway, university, and Indian trust lands within each district bear to the total area of federal and state school, swamp, forest, parkway, university, and Indian trust lands within such county.

(2) The other half of the proportion that the average school attendance within each district bears to the total average school attendance of such county for the year last preceding such payment.

**Sec. 11. Unexpended balances reappropriated.**—The unexpended balance on hand June 30, 1939, in the several appropriations hereinbefore named and any balance in the revolving loan fund for maintenance of crippled children and other disabled persons receiving vocational training, are hereby reappropriated for the fiscal years ending June 30, 1940, and June 30, 1941, and where an appropriation is made in this Act and there remains a balance in a previous appropriation for the same purpose, such balance shall be added to and become a part of such appropriation; provided that if an appropriation has heretofore been made for a specific purpose and the object for which such appropriation was made has been accomplished, and unexpended balance in such appropriation shall not be hereby reappropriated, except as hereinbefore provided.

Approved April 22, 1939.

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CHAPTER 438—H. F. No. 1613

*An act relating to distribution of income tax collections and to amend Section 2394-57, Mason's 1938 Supplement.*

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

Section 1. **Law amended.**—That the 1938 Supplement to Mason's Minnesota Statutes of 1927, Section 2394-57, be amended so as to read as follows:

"2394-57. **Payment of refunds.**—The revenues derived from the taxes, interest and penalties under this Act shall be paid into the state treasury; and be credited to a special fund to be known as 'Income Tax School Fund,' and be distributed as follows:

"(a) There shall be paid from said Income Tax School Fund all refunds of taxes erroneously collected from taxpayers under this Act, as provided herein.

"(b) There shall be transferred each year from said fund to the General Revenue Fund the amount expended from the latter fund for expenses of administering this Act.

"(c) Out of the balance in said Income Tax School Fund after meeting the requirements of subsections (a) and (b), there shall be distributed to each school district of the state, including municipalities operating their own school, an amount equal to \$10.00 per child between the ages of six years and sixteen years, both years inclusive, residing in such district, provided that a child in his sixteenth year shall be included only if in actual attendance in school. *The school census taken during the fiscal year shall be used as the basis for computing the amount due each school district.* Except as otherwise provided by any law heretofore or hereafter passed with respect to particular school districts, the money so distributed shall be used for the following purposes only:

"(1) Payment or providing for the payment of any bonded or other indebtedness of such district outstanding January 1, 1933.

"(2) Providing for the payment of any bonded or other indebtedness thereafter incurred until such debts are fully paid or payment thereof provided for.

"(3) Any such revenue not required to pay or provide for the payment of any such indebtedness shall be used to pay current operating expenses and to reduce and replace levies on real and personal property.

"(4) Where the county auditor is required by any law to levy a tax to pay any interest or principal of any bonded indebtedness of a school district, such district may on or before October 1 of any year pay any of such money available there-

for to the county treasurer to pay any interest or principal maturing or becoming due during the next ensuing year, in which case the auditor shall reduce the amount of the levy so required to be made by him by the amount so paid to the treasurer.

“(d) If any money remains in said Income Tax School Fund after making the distributions specified in subsection (a), (b) and (c), such balance, not in excess, however, of the amount appropriated for such purpose, shall be used to pay special school aid provided by law, and the amount so used shall be deducted from the appropriation therefor.

“(e) The moneys available for distribution under subsections (c) and (d), shall be distributed by the State Board of Education semi-annually, in the same manner, as nearly as practicable, as now provided by law governing the distribution of state funds by said board, except that each school district shall be entitled to receive the money distributable under subsection (c) without being subject to any conditions.

*(f) All moneys collected up to and including December 31, 1937, irrespective of the year for which such taxes were assessed and from which have been deducted the sums required for the payment of all costs of administration incurred and paid prior to said December 31, 1937, and for the payment of all refunds granted prior to said December 31, 1937, and not heretofore distributed, shall be distributed on the basis of school population within such district of compulsory school age and shall be based on the 1936 school census; this distribution shall be additional to the amounts provided in subsection (c) hereof and used only for the purposes therein stated.*

*(g) All moneys collected on and after January 1, 1938, irrespective of the year for which such taxes were assessed shall be distributed as provided in subsection (c) hereof.*

Section 2. This Act shall take effect from and after its passage.

Approved April 22, 1939.

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#### CHAPTER 439—H. F. No. 164

*An act to amend Mason's Minnesota Statutes of 1927, Section 9513, by including labor disputes therein.*

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