

(f) All *money* 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 *money* collected on and after Jan. 1, 1938, irrespective of the year for which such taxes were assessed shall be distributed as provided in subsection (c) hereof; *provided, that in common school districts which have no debt and where no school is conducted but where educational facilities are provided by contract with another public school, the income tax accruing to said common school district may, by a majority vote of the governing board of such common school district, be assigned to the public school providing the educational facilities for the pupils of such common school district, for the purpose of aiding in the liquidation of bonded indebtedness incurred in construction of school buildings in the district affording such educational facilities under contract with such common school district. The assignment of such income tax shall not be construed as compensation for providing educational facilities for the students of such common school district but in addition thereto, and only for the purpose herein designated."*

Approved April 25, 1941.

CHAPTER 446—S. F. No. 1095

An act empowering the supervisors in towns in the state of Minnesota having a population of more than 3,000, exclusive of incorporated villages or cities therein, and an assessed valuation of taxable property, exclusive of money and credits, of more than \$10,000,000, to lease, sell or otherwise dispose of the telephone systems of such towns upon such terms and conditions as the town board of such towns may agree upon, and legalizing and validating all expenditures made and contracts heretofore entered into for such purposes.

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

Section 1. Application of act.—This act shall apply to all towns in the state of Minnesota having a population of more than 3,000, exclusive of incorporated villages or cities therein, and an assessed valuation of taxable property, exclusive of money and credits, of more than \$10,000,000.

Sec. 2. Board of supervisors of certain towns may dispose of telephone lines.—The board of supervisors of such towns is empowered to lease, sell or otherwise dispose of the town telephone lines of any such town upon the terms and conditions as the board may agree.

Sec. 3. Proceedings legalized.—All expenditures made and all contracts heretofore entered into by the board of supervisors of any such town are hereby legalized and made valid obligations of such towns.

Approved April 25, 1941.

CHAPTER 447—S. F. No. 1096

An act relating to the financial affairs of certain towns, legalizing and validating expenditures and contracts, authorizing the funding of certain indebtedness and providing penalties for violations thereof.

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

Section 1. Certain organized towns on cash basis.—From and after January 1, 1942, no organized town in the state of Minnesota having a population of more than 3,000 inhabitants, exclusive of incorporated villages or cities therein, and an assessed valuation of taxable property, exclusive of money and credits, of more than \$10,000,000, shall draw any order or warrant on any fund until there is sufficient money in such fund to pay the same, together with all orders previously issued against said fund.

Sec. 2. Application of law—how determined.—In determining the application of this law to any such town, the population thereof shall be determined by the last preceding state or federal census and the valuation shall be that used as a basis for spreading the 1940 taxes of the town.

Sec. 3. Not to create indebtedness.—Whenever, from and after January 1, 1942, the expense, and obligations incurred,