

mulative ratio of assets to reserves currently applicable to such annuitant or class of annuitants. Exact procedures to be followed in making determinations as to the amounts to be received by persons commencing to receive benefits during the various fiscal years shall be determined by the officers of the highway patrolmen's retirement association in accordance with accepted actuarial and accounting practices.

(5) *Notwithstanding Minnesota Statutes, Section 356.18, increases in annuity payments pursuant to this section will be made automatically unless written notice is filed by the annuitant with the officers of the highway patrolmen's retirement association requesting that the increase shall not be made.*

Sec. 2. Minnesota Statutes 1967, Chapter 11, is amended by adding a section to read:

Sec. [11.28]. *All money necessary to meet the requirements of certification of withdrawal by funds authorized to participate in the Minnesota adjustable fixed benefit fund are hereby annually, and from time to time, appropriated from the Minnesota adjustable fixed benefit fund to the participating pension funds involved. Withdrawals for pensions is limited to those pensions for which reserves have been transferred to the Minnesota adjustable fixed benefit fund.*

Sec. 3. **Effective date.** *This act takes effect on July 1, 1969.*

Approved June 6, 1969.

CHAPTER 978—H. F. No. 1662

An act relating to taxes on and measured by net income; amending Minnesota Statutes 1967, Section 290.19, Subdivision 1.

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

Section 1. Minnesota Statutes 1967, Section 290.19, Subdivision 1, is amended to read:

290.19 Taxes; net income; allocation to state, methods. Subdivision 1. **Computation, business conducted partly within state; apportionment.** The taxable net income from a trade or business carried on partly within and partly without this state

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

shall be computed by deducting from the gross income of such business, wherever derived, deductions of the kind permitted by section 290.09, so far as connected with or allocable against the production or receipt of such income. The remaining net income shall be apportioned to Minnesota as follows:

(1) If the business consists of the mining, producing, smelting, refining, or any combination of these activities of copper and nickel ores, or of the manufacture ~~in Minnesota or within and without Minnesota~~ of personal property and the sale of said property within and without the state, the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(a) The percentage which the sales made within this state and through, from or by offices, agencies, branches or stores within this state is of the total sales wherever made;

(b) The percentage which the total tangible property, real, personal, and mixed, owned or *rented*, and used by the taxpayer in this state *during the tax period* in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned; or *rented and*, used by the taxpayer in connection with such trade or business *during the tax period*; and,

(c) The percentage which the taxpayer's total pay-rolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total pay-rolls paid or incurred in connection with such entire trade or business;

(d) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (1) (a), 15 percent of the percentage determined under clause (1) (b), and 15 percent of the percentage determined under clause (1) (c);

(2) (a) In all other cases the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(1) The percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted;

(2) The percentage which the total tangible property, real,

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personal, and mixed, owned or *rented*, and used by the taxpayer in this state *during the tax period* in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned, or *rented*, and used by the taxpayer in connection with such trade or business *during the tax period*; and

(3) The percentage which the taxpayer's total pay-rolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total pay-rolls paid or incurred in connection with such entire trade or business;

(4) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (2) (a) *(1)*, 15 percent of the percentage determined under clause (2) ~~(b)~~ *(a)* (2), and 15 percent of the percentage determined under clause (2) ~~(c)~~ *(a)* (3);

(b) If the methods prescribed under clause (2) (a) will not properly reflect taxable net income assignable to the state, there may be used, if practicable and if such use will properly and fairly reflect such income, the percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted; or the separate or segregated accounting method;

(3) The sales, pay-rolls, earnings, and receipts referred to in this section shall be those for the taxable year in respect of which the tax is being computed. The property referred to in this section shall be the average of the property owned or used by the taxpayer during the taxable year in respect of which the tax is being computed;

(4) For the purposes of this section, in determining the amount of sales made within Minnesota, there shall be excluded therefrom sales negotiated or effected in behalf of the taxpayer by agents or agencies chiefly situated at, connection with, or sent out from premises for the transaction of business owned or rented by the taxpayer or by his agents or agencies outside the state and sales otherwise determined by the commissioner to be attributable to the business conducted on such premises. If the commissioner finds that the taxpayer maintains an office, warehouse or other places of business outside the state for the purpose of reducing its tax under this section it shall in determining the amount of taxable net income include therein

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the proceeds of sales attributed by the taxpayer to the business conducted at such place outside the state.

Approved June 6, 1969.

CHAPTER 979—H. F. No. 2443

[Coded]

An act relating to Afton state park; authorizing the acquisition of lands therefor; appropriating money.

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

Section 1. **[85.1873] State parks; Afton state park.** Subdivision 1. Afton state park is established in Washington county.

Subd. 2. The commissioner of administration for the commissioner of conservation is authorized to acquire by gift or purchase the following described land in Washington county:

In Township 28 North, Range 20 West. All that part of the Southeast Quarter of the Southeast Quarter of Section 33 lying easterly of C.S.A.H. 21.

All of the Southeast Quarter and the East Half of the Southwest Quarter; all of the West Half of the Southwest Quarter except the north 1522 feet of the west 660 feet; all in Section 34.

All of Government Lots 2, 3, and 4, the Northwest Quarter of the Southwest Quarter and the Southwest Quarter of the Northwest Quarter; all in Section 35.

In Township 27 North, Range 20 West. All of Government Lots 5 and 8 and the Southwest Quarter of the Southwest Quarter; all that part of Government Lot 7 lying easterly of the Township road; all of Government Lot 6 except that part described as follows: commencing at the northwest corner of Section 2, thence S. 01° 09' W., 1144 ft. along the West line to the northwest corner of Government Lot 6, thence easterly 1174 feet along the North line of Government Lot 6, thence S. 18° 15' W., 377.8 ft., thence S. 42° 58' W., 232.4 ft. to the point of beginning, thence S. 53° 53' W., 130 ft., thence S. 28° 50' W., 347.5 ft., thence S. 13° 50' W., 369.7 ft. along the traveled road to the South line of Government Lot 6, thence westerly

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