

**297A.255 Aircraft; payment of taxes prior to registration and licensing**

Subdivision 1. Notwithstanding the provisions of section 297A.25, subdivision 1, clause (k), no aircraft shall be registered or licensed in this state unless the applicant presents proof that the sales or use tax imposed by chapter 297A has been paid or that said transaction is exempt from the imposition of the sales and use tax under that chapter.

Subd. 2. In the case of an aircraft purchased from a dealer holding a valid sales and use tax permit provided for by chapter 297A, the applicant shall present proof that the tax has been paid to such dealer.

Subd. 3. In the case of aircraft purchased from persons who are not the holder of valid sales and use tax permits under chapter 297A, the purchaser shall pay the tax to the department of taxation prior to registering or licensing such aircraft within this state. The commissioner of taxation shall issue his certificate stating that the sales and use tax in respect to the transaction has been paid.

Subd. 4. In the case of the purchase of an aircraft that is exempt under chapter 297A, the commissioner shall issue his certificate that no sales or use tax is due and owing in respect to such transaction.

[1973 c 476 s 1]

**CHAPTER 298. OCCUPATION TAXES**

**MINING**

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**MINING**

**298.01 Mining or producing ores**

Subdivision 1. Every person engaged in the business of mining or producing iron ore or other ores in this state shall pay to the state of Minnesota an occupation tax equal to 15.5 percent of the valuation of all ores except taconite, semi-taconite and iron sulphides mined or produced after December 31, 1971. Said tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

[1973 c 631 s 1]

Subd. 2. Every person engaged in the business of producing or mining taconite, semi-taconite and iron sulphides in this state shall pay to the state an occupation tax equal to 15 percent of the valuation of all taconite, semi-taconite and iron sulphides mined or produced after December 31, 1970. The tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

[1973 c 631 s 2]

**298.10 Commissioner to assess taxes and bill persons liable for tax**

The commissioner of taxation shall enter on his records the amount of taxes found and determined by him to be due from any person, as herein provided; and, on or before June first, shall make an assessment and send a

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statement to the person subject to the tax, which tax shall be payable to the commissioner of taxation as provided in this chapter and deposited in the state treasury.

[1973 c 631 s 3]

## 298.12 Commissioner's assessment prima facie evidence of amount due

The assessment of the commissioner of taxation for the tax, or tax and penalties, imposed by the provisions of sections 298.01 to 298.11, shall be prima facie evidence, in any court where proceedings may be brought for its enforcement, that the amount therein stated is due the state from the person indicated.

[1973 c 631 s 4]

## 298.13 Attorney general to collect unpaid taxes

On July first each year, the commissioner of taxation shall deliver to the attorney general a certification of all unpaid taxes imposed under sections 298.01 to 298.16, and he shall bring an action thereon in the district court of Ramsey county, or of the county where such ores are mined or produced, for the amount of such taxes, together with interest, penalties, and costs. The judgment of the court, when so obtained, shall bear interest at the rate of one percent per month and be enforceable in the manner provided by law for the enforcement of judgments obtained in civil actions.

[1973 c 631 s 5]

## 298.22 Iron range resources and rehabilitation

Subdivision 1. On and after July 1, 1969, there is hereby appropriated from the general fund for the purposes hereinafter set forth, five percent of all amounts paid and credited to said fund from the proceeds of taxes paid under the provisions of sections 298.01 to 298.21. The office of commissioner of iron range resources and rehabilitation is hereby created. The commissioner shall be appointed by the governor, with the advice and consent of the senate for a four year term which shall coincide with the term of the governor until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall take office immediately and shall carry on the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The salary of the commissioner, who shall be in unclassified service, shall be paid from the amounts appropriated by this section; provided, that such salary shall be reduced by such amount as he may receive from other funds, and the commissioner may hold such other positions or appointments as are not incompatible with his duties as commissioner of iron range resources and rehabilitation. The commissioner may appoint a deputy commissioner who shall serve in the unclassified service at the pleasure of the commissioner. All expenses of the commissioner, including the payment of such assistance as may be necessary, shall be paid out of the amounts appropriated by this section.

When the commissioner shall determine that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use thereof in the future and the decrease in employment resulting therefrom, now or hereafter, he may use such amounts of the appropriation made to him in this section as he may determine to be necessary and proper in the development of the remaining resources of said county and in the vocational training and rehabilitation of its residents. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

Subd. 2. There is hereby created the iron range resources and rehabilitation commission, consisting of seven members, three of whom shall be state senators appointed by the committee on committees of the senate, and three of whom shall be representatives, appointed by the speaker of the house of

representatives, their terms of office to commence on May 1, 1943, and continue until January 3rd, 1945, or until their successors are appointed and qualified. Their successors shall be appointed each two years in the same manner as the original members were appointed, in January of every second year, commencing in January, 1945. The seventh member of said commission shall be the commissioner of natural resources of the state of Minnesota. Vacancies on the commission shall be filled in the same manner as the original members were chosen. All expenditures and projects made by the commissioner of iron range resources and rehabilitation shall first be submitted to said iron range resources and rehabilitation commission which shall recommend approval or disapproval or modification of expenditures and projects for rehabilitation purposes as provided by this section, and the method, manner, and time of payment of all said funds proposed to be disbursed shall be first approved or disapproved by said commission. The commission shall biennially make its report to the governor and the legislature prior to the convening of each regular session. The expenses of said commission shall be paid by the state of Minnesota from the funds raised pursuant to this section.

Subd. 3. Whenever the commissioner of iron range resources and rehabilitation has made determinations required by subdivision 1 and has determined that distress and unemployment exists or may exist in the future in any county by reason of the removal of the natural resources or a possible limited use thereof in the future and the decrease in employment resulting therefrom and he deems that the acquirement of real estate or personal property is necessary and proper in the development of the remaining resources, he may acquire such property or interests therein by gift, purchase or lease. If after such property is acquired it is necessary in the judgment of the commissioner to acquire a right of way for access to projects operated on property acquired, by gift, purchase or lease, said right of way may be acquired by condemnation in the manner provided by law.

Subd. 4. Whenever property has been granted and conveyed to the state of Minnesota in accordance with an agreement made by the commissioner of iron range resources and rehabilitation and the commissioner of administration for the necessary and proper development of the remaining resources of any distressed county, such grants, and conveyances or leases are hereby accepted in accordance with the terms and conditions thereof.

Subd. 5. In order to carry out the terms and provisions of this section, the commissioner of iron range resources and rehabilitation and the commissioner of administration may lease any property acquired hereunder for a term not to exceed 20 years upon such terms as they may determine, provided that such property shall not be leased to any person in such a manner as to constitute a direct contribution of working capital to a business enterprise. Such lease may provide that in the event the property is ever sold by the state to such lessee, the lessee may obtain a credit on the purchase price covering the rentals paid under his lease or any renewals thereof and that said real estate can be conveyed by the commissioner of iron range resources and rehabilitation and the commissioner of administration and the said commissioners are hereby authorized to make such conveyances.

[1973 c 613 s 1]

#### **298.221 Receipts from contracts; appropriation**

All moneys paid to the state of Minnesota pursuant to the terms of any contract entered into by the state under authority of Laws 1941, Chapter 544, Section 4, or of said section as amended and any fees which may, in the discretion of the commissioner of iron range resources and rehabilitation, be charged in connection with any project pursuant to that section as amended, shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation commission account in the special revenue fund and are hereby appropriated for the purposes of section 298.22.

[1973 c 613 s 2]

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## 298.28 Division of proceeds

Subdivision 1. The proceeds of the tax collected under section 298.24 shall be distributed by the state treasurer, upon certificate of the commissioner of taxation to the general fund of the state and to the various taxing districts in which the lands from which taconite was mined or quarried were located in the following manner and proportions: 11½ percent thereof to the city, village or town; 27 percent thereof to the school district; 11½ percent thereof to the county; three percent thereof to the state and 47 percent thereof, less any amount required to be distributed under subdivision 1a to the taconite property tax relief account in the apportionment fund in the state treasury. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities, villages and towns among such subdivisions as provided above, and the part going to school districts among such districts, and the part going to counties among such counties, upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount so distributed shall be divided among the various funds of the state, or of the taxing districts in the same proportion as the general ad valorem tax thereof. If in any year the state shall not spread any general ad valorem tax levy against real property, the state's proportion of the tax shall be paid into the general fund. The amount distributed to any city or village and one-third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter of the amount distributed to any school district under the provisions hereof shall be included in computing the permissible levies of such city, village or school district under sections 275.11 or 275.125, provided, in computing the deduction from permissible levies of cities or villages by reason hereof effect shall be given to the cost of living adjustment allowed by section 275.11, subdivision 2, regardless of whether or not more than 25 percent of the assessed valuation consists of iron ore. On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of taxation and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or village which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in such next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of taxation. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district except in the case of school districts one-third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter of the indicated amount is to be used in computing, pursuant to sections 275.11 or 275.125, the permissible tax levy of

such city, village or school district in the year in which such estimate is made, and payable in the next ensuing calendar year. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of taxation pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of taxation, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.11 or 275.125 has been made, if the taxes distributable to any such city, village or school district are greater than the amount estimated to be paid to any such city, village or school district in such year, the excess of such distribution shall be held in a special fund by the city, village or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.11 or 275.125, of such city, village or school district payable in such year. If the amounts distributable to any such city, village or school district, after final determination by the commissioner of taxation under section 298.28 are less than the amounts indicated by such estimates, such city, village or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.11 or 275.125 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby appropriated to such taxing districts as are stated herein and to the taconite property tax relief account in the apportionment fund in the state treasury, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer.

[1973 c 631 s 6]

[For text of subs. 1a to 3, see M.S.1971]

**298.282 Distribution of taconite municipal aid account; taconite municipal aid; payment**

[For text of subd. 1, see M.S.1971]

Subd. 2. Each year commencing in 1972, and the following final determination of the amount of taxes payable under section 298.241, the commissioner of taxation shall determine the amount in the taconite municipal aid account as of July 1 of such year and the amount to be distributed to each qualifying municipality during such year. The amount to be distributed to each qualifying municipality shall be determined by dividing the total amount in said account as of July 1 by the total population according to the latest federal census of all qualifying municipalities to determine the per capita distributive share for such year and by multiplying the per capita distributive share by the population of such municipality. Upon completion of such determination, the commissioner of taxation shall certify to the chief clerical officer of each qualifying municipality the amount which will be distributed to such municipality from the taconite municipal aid account that year.

[1973 c 631 s 7]

Subd. 3. If the amount certified by the commissioner of taxation as distributable to any qualifying municipality is greater than the amount previously estimated to have been distributable to such qualifying municipality in such year, the excess distributed to such municipality shall be held in a separate fund by the qualifying municipality and shall not be expended until the succeeding calendar year and shall be deducted, first, from the permissible general levy and then proportionately from permissible excess levies of

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the qualifying municipality in the succeeding calendar year. If the amount distributable to any qualifying municipality, after final determination by the commissioner of taxation is less than the amount estimated to have been distributable to such qualifying municipality, such municipality may issue certificates of indebtedness in the amount of the shortage and may include in its next tax levy in excess of then existing levy limitations an amount sufficient to pay such certificates of indebtedness and interest thereon or, if no certificates were issued, an amount equal to such shortage.

[1973 c 631 s 8]

Subd. 4. On or before August 15, 1972, and on or before August 15 of each year thereafter, the state auditor shall issue his warrant in favor of the treasurer of each qualifying municipality in the amount determined by the commissioner of taxation to be due and payable to such qualifying municipality in such year.

[1973 c 631 s 9]

298.283 Change of status of municipality; date for determining status

If any qualifying municipality as defined in section 298.282, is consolidated with another municipality or part thereof, the secretary of state shall certify that fact to the commissioner of taxation, who shall determine the amounts payable to the consolidated municipality according to the combined population resulting, for the purpose of determining aid payable under the provisions of section 298.282. The determination of amounts payable under the provisions of section 298.282 shall however be based on the status of the municipality on January 1 of each year.

[1973 c 631 s 10]

CHAPTER 299. ORE; TAX UPON ROYALTIES

Sec.		Sec.	
299.012	Tax credit upon production of high labor cost ores and taconites.	299.07	Time for payment.
299.05	Assessment by commissioner.	299.08	Lien; payment of tax.
299.06	Failure to make reports; penalty; procedure.	299.09	Assessment for tax; collection.
		299.10	Penalty for non-payment; collection of delinquent tax.

299.012 Tax credit upon production of high labor cost ores and taconites

[For text of subs. 1 and 2, see M.S.1971]

Subd. 3. In case any tax is not paid at the time provided in section 299.07, the commissioner, not earlier than ten days after notice to the royalty recipient, shall direct the royalty payor to withhold from any royalties due, or to become due to said recipient, the amount of tax determined to be delinquent, and shall direct such royalty payor to remit the same to the commissioner of taxation in the same manner and under the same conditions as prescribed by said section 299.08 for the withholding and remitting of the royalty tax.

[1973 c 631 s 11]

299.05 Assessment by commissioner

Upon the receipt by the commissioner of taxation of the report provided for in section 299.03, he shall determine, from such information as he may possess, or obtain, whether the same is correct, or otherwise; and, if found correct, he shall determine therefrom the amount of tax due from such person, enter the amount thereof in his records, make his assessment of taxes due thereon from such person, and the amount that has been paid thereon; and, on or before June 30, of each year, demand payment from such person. The commissioner of taxation shall have power, in case he shall deem the report incorrect, or in case the report is not made and filed with the commissioner as provided in section 299.03, to make his findings as to the amount of such taxes due after hearing upon notice to the person interested, and his findings