

A board of public accountancy was established, the examination and license fee for all public accountants being fixed at \$25.

Under certain conditions cut-over and wild lands were exempted from all taxation for a period of five years.

The inheritance tax was changed to include the grandfather and grandmother of the decedent in the first class of heirs and increasing the amount exempted to the wife from \$2,000 to \$5,000.

A tax of  $\frac{1}{4}$  cent per ton on all beets manufactured into sugar was imposed to cover the expense of state inspection of sugar-beet factories.

County boards of supervisors were authorized to levy a special tax for the purpose of advertising the agricultural advantages of the state, etc.; also to levy a tax of 50 cents on the \$1,000 valuation to establish a county agricultural department, and a tax of  $\frac{1}{16}$  mill for repairs to public buildings.

## MINNESOTA.<sup>1</sup>

In Minnesota, the prevailing system of taxation, except as to certain public utility corporations, real estate mortgages, grain, and money and credits, is known as the "general property tax." Although the state derives an increasing amount of revenue from special taxes, separation of state and local revenues has not yet been accomplished.

In a general way, revenues may be divided as follows: Those derived from the ad valorem tax on telegraph and sleeping-car companies and the gross earnings tax on railroad, telephone, freight line, and express companies are devoted to state purposes only; those from general property, tonnage, inheritance, money and credits, bushel tax on grain, mortgage registry tax, and license tax, to both state and local purposes, and those from the gross premium tax on insurance companies, to local purposes only.

### CONSTITUTIONAL PROVISIONS.

#### ARTICLE IX.

SEC. 1. The power of taxation shall never be surrendered, suspended or contracted away. Taxes shall be uniform upon the same class of subjects, and shall be levied and collected for public purposes, but public burying grounds, public schoolhouses, public hospitals, academies, colleges, universities, and all seminaries of learning, all churches, church property used for religious purposes, and houses of worship, institutions of purely public charity, and public property used exclusively for any public purpose, shall be exempt from taxation, and there may be exempted from taxation personal property not exceeding in value \$200, for each household, individual, or head of a family, as the legislature may determine: *Provided*, That the legislature may authorize municipal corporations to levy and collect assessments for local improvements upon property benefited thereby without regard to a cash valuation: *And, provided further*, That nothing herein contained shall be construed to affect, modify, or repeal any existing law providing for the taxation of the gross earnings of railroads.

#### ARTICLE IV.

SEC. 32a. Any law providing for the repeal or amendment of any law or laws heretofore or hereafter enacted, which provides that any railroad company now existing in this state, or operating its road therein, or which may be hereafter organized, shall in lieu of all other taxes and assessments upon their real estate, roads, rolling stock, and other personal property, at and during the time and periods therein specified, pay into the treasury of this state a certain

percentage therein mentioned of the gross earnings of such railroad companies now existing or hereafter organized, shall, before the same shall take effect or be in force, be submitted to a vote of the people of the state and be adopted and ratified by a majority of the electors of the state voting at the election at which the same shall be submitted to them.

SEC. 33. The legislature shall pass no local or special law regulating the building or repairing of schoolhouses and the raising of money for such purposes, exempting property from taxation, or authorizing public taxation for a private purpose.

#### ARTICLE XI.

SEC. 5. Local taxation.—Any county and township organization shall have such powers of local taxation as may be prescribed by law.

#### ARTICLE IX.

SEC. 17. The legislature may impose upon the property within this state of any and all owners or operators of any and all sleeping, parlor, and drawing room cars, which run into or through this state; also upon the property within the state of any and all telegraph and telephone companies in the state; also upon the property within the state of all express companies, domestic insurance companies, operators of mines, boom companies, shipbuilders (provided that the amendment does not apply to railroad property) a tax on property uniform with other taxes or upon net earnings, graded or progressive, or both.

#### OFFICERS.

The officers most directly concerned with taxation are:

- (1) Assessors; in townships and villages, elected by the people for two years; in cities, appointed by the councils.
- (2) Town board of review, composed of the supervisors of each town, the assessor, clerk and president of each incorporated village, and the assessor, clerk, and mayor of each city, except cities whose charters provide for a board of equalization. The borough council of every borough constitutes a borough board of equalization. In cities of the fourth class, except those whose charters provide for a board of equalization, the board of review consists of the mayor, clerk, and board of aldermen.
- (3) County auditor, who has general supervision of the assessment.
- (4) County board of equalization, composed of the county commissioners and the county auditor.
- (5) County treasurer, who is collector of taxes, elected for two years.
- (6) State tax commission, composed of three members appointed by the governor. Term of office six years, only one member retiring at a time. This commission exercises general supervision over the administration of the assessment and taxation laws of the state and sitting as a board of equalization has the power of equalizing individual town and county assessments.

### STATE REVENUES.

#### A. GENERAL PROPERTY TAXES.

##### 1. Base—

a. *The property included and exempt.*—All real and personal property in the state, and all personal prop-

<sup>1</sup> This compilation is derived mainly from the following sources: The General Statutes of Minnesota and the Session Laws to 1913. Tax Laws of Minnesota, compiled by the state tax commission, 1908.

Reports of the state tax commission, especially the one for the year 1912.