

CHAPTER 577—H. F. No. 1113

An act relating to taxes on and measured by net income and the taxation of certain unincorporated enterprises as corporations; amending Minnesota Statutes 1965, Section 290.03.

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

Section 1. Minnesota Statutes 1965, Section 290.03 is amended to read:

290.03 Income tax; unincorporated enterprises; imposition, classes of taxpayers. An annual tax for each taxable year, computed in the manner and at the rates hereinafter provided, is hereby imposed upon the taxable net income for such year of the following classes of taxpayers:

(1) Domestic and foreign corporations not taxable under section 290.02 which own property within this state or whose business within this state during the taxable year consists exclusively of foreign commerce, interstate commerce, or both;

Business within the state shall not be deemed to include transportation in interstate or foreign commerce, or both, by means of ships navigating within or through waters which are made international for navigation purposes by any treaty or agreement to which the United States is a party;

(2) Resident and non-resident individuals;

(3) Estates of decedents, dying domiciled within or without this state;

(4) Trusts (except those taxable as corporations) however created by residents or non-residents or by domestic or foreign corporations; and,

(5) Any proprietorship or partnership owning an unincorporated business enterprise which has elected under the provisions of section 1361 of the internal revenue code of 1954, as amended, to be taxed as a domestic corporation shall for purposes of chapter 290 be deemed to be a corporation and subject to tax as any other corporation under the provisions of this section or section 290.02 depending upon its manner of operation.

In the event that such election is revoked or otherwise terminated, the tax consequences of such revocation or termination, for the purposes of chapter 290, shall be determined in accordance with

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the provisions of section 1361 of the Internal Revenue Code and other applicable provisions of said code and regulations.

Approved May 18, 1967.

CHAPTER 578—H. F. No. 1116

An act relating to the assessment of ad valorem taxes and the lien thereof; amending Minnesota Statutes 1965, Sections 272.31 and 273.17, Subdivision 1.

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

Section 1. Minnesota Statutes 1965, Section 272.31, is amended to read:

272.31 Taxation; assessments; liens. The taxes assessed upon real property shall be a perpetual lien thereon, and on all structures and standing timber thereon and on all minerals therein, from and including ~~May first~~ *January 2* in the year in which they are levied, until they are paid; but, as between grantor and grantee, such lien shall not attach until the first Monday of January of the year next thereafter.

Sec. 2. Minnesota Statutes 1965, Section 273.17, Subdivision 1, is amended to read:

273.17 Assessment of real property in odd-numbered years. Subdivision 1. ~~In every odd-numbered year, at the time of assessing personal property on January 2,~~ the assessor shall also assess all real property that may have become subject to taxation since the last previous assessment, including all real property platted since the last real estate assessment in the even-numbered year, and all buildings or other structures of any kind, whether completed or in process of construction, of over \$100 in value, the value of which has not been previously added to or included in the valuation of the land on which they have been erected. He shall make return thereof to the county auditor, with his return of personal property, showing the tract or lot on which each structure has been erected and the true value added thereto by such erection. Every assessor shall list, without revaluing, in each odd-numbered year, on a form to be prescribed by the commissioner of taxation, all parcels of land that shall have become homesteads or shall have ceased to be homesteads for taxation purposes since the last real estate assessment.

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