

CHAPTER 268

S. B. No. 36—(Erickson)

COMPENSATION ETC., SECRETARY BOARD OF CAPITOL COMMISSIONERS

An Act to repeal Subsections c and e of Section 1 of Chapter 185, Laws of 1933, and to amend and re-enact Section 2 of Chapter 205, Laws of 1931, relating to the Board of State Capitol Commissioners, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. REPEAL.] That Subsections c and e of Section 1 of Chapter 185, Laws of 1933, be and the same are hereby repealed.

§ 2. AMENDMENT.] That Section 2 of Chapter 205, Laws of 1931, be and the same is hereby amended and re-enacted to read as follows:

§ 2. SECRETARY, COMPENSATION, DUTIES.] The Secretary of the Board of Administration of the State of North Dakota shall, without additional compensation, be the Secretary of the Board of Capitol Commissioners. He shall file such oath and bond, if any, and keep such records and perform such duties as shall be required by the Board.

§ 3. EMERGENCY.] Whereas an emergency exists, now therefore, this act shall be in full force and effect from and after its passage and approval.

Approved February 14, 1935.

TAXATION

CHAPTER 269

S. B. No. 189—(Committee on Taxes and Tax Laws)

BETTER COLLECTION TAXES, ON CIGARETTES, SNUFF AND CIGARETTE PAPERS

An Act providing for the better collection of taxes and better enforcement of Laws relating to the imposition and collection of taxes now or hereafter imposed upon cigarettes, snuff and cigarette papers.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The mulct tax heretofore and now fixed by law at the sum of twelve dollars and fifty cents (\$12.50) as an annual license fee for the retail sale of cigarettes, snuff, cigarette papers or tubes, is hereby reduced and fixed at the sum of five dollars (\$5.00); and

the stamp tax upon the retail sale of snuff is hereby fixed and established at the sum of two cents for each one and one-quarter ounce or major fraction thereof and the bond now required by law from retail dealers is hereby reduced and fixed at the sum of two hundred fifty dollars (\$250.00), for which a premium of not to exceed two dollars and fifty cents (\$2.50) shall be charged.

Approved March 12, 1935.

CHAPTER 270

S. B. No. 125—(Committee on Irrigation and Drainage)

EXEMPTION INUNDATED LANDS FROM TAXATION

An Act authorizing and directing the Board of County Commissioners of the several counties to remove from the tax rolls and declare as exempt from taxation all inundated lands upon which the owner thereof has granted or shall hereafter grant to the United States of America, its instrumentalities or agencies, a permanent easement for the purpose of constructing, maintaining and operating water and/or wildlife conservation projects, providing that such inundated lands shall remain exempt until such time as the water and/or wildlife conservation projects shall have been abandoned, providing that such power to remove from the tax rolls or declare as exempt shall not attach until such time as the construction of the water and/or wildlife conservation projects shall have been completed, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The Board of County Commissioners of the several counties are hereby authorized and directed to remove from the tax rolls and declare as exempt from taxation all inundated lands upon which the owner thereof has granted or shall hereafter grant a permanent easement to the United States of America, its instrumentalities or agencies, for the purpose of constructing, maintaining and operating water and/or wildlife conservation projects, the said inundated lands so removed from the tax rolls or declared exempt from taxation shall remain exempt until such time as the aforesaid water and/or wildlife conservation projects shall have been abandoned, provided, however, that nothing in this act shall be construed to give the Board of County Commissioners of the several counties the power or authority to remove from the tax rolls or declare as exempt from taxation any of the said inundated lands until such time as the construction of the water and/or wildlife conservation projects thereon shall have been completed.

§ 2. This act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 25, 1935.

CHAPTER 271

S. B. No. 294—(Committee on Taxes and Tax Laws)

INCOME TAX

An Act to amend and re-enact Section 2346a11 of the Supplement to the Compiled Laws of 1913, as amended and re-enacted by Section 2 of Chapter 253 of the 1933 Session Laws; Section 2346a20 of the Supplement to the Compiled Laws of 1913 as amended and re-enacted by Section 4 of Chapter 253 of the 1933 Session Laws; Section 2346a18 of the Supplement to the Compiled Laws of 1913 as amended and re-enacted by subsection 4 of Section 4 of Chapter 283 of the 1931 Session Laws, relating to the taxation of income of individuals, fiduciaries and corporations; repealing that portion of Section 2346a46 of the Supplement to the Compiled Laws of 1913 as was amended and re-enacted by Paragraph (b) of Subsection 4 of Section 6 of Chapter 283 of the 1931 Session Laws and repealing subsection 7 of Section 4 of Chapter 283 of the 1931 Session Laws, and repealing subsection 7 of Section 2346a30 of the 1925 Supplement to the Compiled Laws, and all other acts or parts of acts in conflict herewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] That Section 2346a11 of the Supplement to the Compiled Laws of 1913 as amended and re-enacted by Section 2 of Chapter 253 of the 1933 Session Laws, be and is hereby amended and re-enacted to read as follows:

§ 2346a11. GRADUATED RATES.] A tax is hereby imposed upon every resident of North Dakota, which tax shall be levied, collected and paid annually with respect to his entire net income as herein defined; computed at the following rates:

On all net incomes not in excess of \$1,000.00, a tax of 1%.

On all net incomes in excess of \$1,000.00, and not in excess of \$2,000.00, a tax of 2%.

On all net incomes in excess of \$2,000.00, and not in excess of \$3,000.00, a tax of 3%.

On all net incomes in excess of \$3,000.00, and not in excess of \$4,000.00, a tax of 5%.

On all net incomes in excess of \$4,000.00, and not in excess of \$5,000.00, a tax of 6%.

On all net incomes in excess of \$5,000.00, and not in excess of \$7,000.00, a tax of 7½%.

On all net incomes in excess of \$7,000.00, and not in excess of \$9,000.00, a tax of 10%.

On all net incomes in excess of \$9,000.00, and not in excess of \$15,000.00, a tax of 12½%.

On all net incomes in excess of \$15,000.00, a tax of 15%.

§ 2. AMENDMENT.] That Section 2346a18 of the Supplement to the Compiled Laws of 1913, as amended and re-enacted by Subsection 4 of Section 4 of Chapter 283, of the 1931 Session Laws be and the same is hereby amended and re-enacted to read as follows:

§ 2346a18 (4). No losses shall be deducted from the fixed income of the taxpayer derived from salaries, wages, or taxable dividends, but losses actually sustained within the year from purchases and sales and other transactions where the purchases and sales are both made within the year, or the transactions are wholly within the year and not compensated by insurance or otherwise, may be deducted, provided that no loss may be allowed in the sale of property purchased and held for pleasure or recreation and which was not acquired or used for profit, but this proviso shall not be construed to exclude losses due to theft or the destruction of property by fire, flood, or other casualty, or a loss sustained in any sale of the residence of the taxpayer. In the case of a taxpayer other than a resident of the state, losses shall be allowed only as to transactions in real property or in tangible personal property having an actual situs in this state, and losses in connection with any business, trade, profession or occupation carried on in this state. Provided, however, that the aggregate amount which may be deducted in connection with losses incurred in connection with the sale or exchange of capital assets shall not exceed the aggregate gains reported from the sale or exchange of capital assets in any year.

§ 3. AMENDMENT.] That Section 2346a20 of the Supplement to the Compiled Laws of 1913 as amended and re-enacted by Section 4 of Chapter 253 of the 1933 Session Laws be and the same is hereby amended and re-enacted to read as follows:

§ 2346a20. EXEMPTIONS.] (a) For the purpose of the tax on individuals, there shall be deducted from the tax due, the following exemptions:

(1) In the case of a single individual, a deduction of \$5.00.

(2) In the case of the head of a family or married individual living with husband or wife, a deduction of \$15.00. A husband and wife living together shall receive but one deduction of \$15.00 against their aggregate net tax; and in case they make separate returns, the deduction of \$15.00 from the tax due may be taken by either or divided between them.

(3) Two dollars for each individual (other than husband or wife) dependent and receiving his chief support from the taxpayer, if such dependent individual is under eighteen years of age or is incapable of self-support because mentally or physically defective or incapacitated, provided that deductions from tax may be claimed for children over the age of 18 years and under the age of 21 years that are dependent upon the taxpayer for support and are attending educational institutions.

(b) For the purpose of the tax on fiduciaries, there shall be deducted: (1) If taxable under Article III, Section 14 (a) (Section 2346a13, ante,) a deduction of \$10.00.

(2) If taxable under Article III, Section 14 (b) (Section

2346a13b, ante) same deduction as would be allowed the deceased if living.

(3) If taxable under Article III, Section 14 (c) (Section 2346a13c, ante), the same deduction to which the beneficiary would be entitled.

(c) The status on the last day of the income year shall determine the right to deductions provided for in this Section; provided a taxpayer shall be entitled to such deductions for husband, wife or dependent who has died during the income year.

§ 4. CREDIT ON TAX.] A credit shall be allowed against the account of tax computed to be due and payable by any taxpayer under this act, to the extent of the tax which has been assessed against and paid by a corporation under this act on income which is represented by dividends on stock in said corporation, received by the taxpayer and included in his gross income within the income year; provided that when only part of the income of any corporation shall have been assessed and income tax paid under this act, only a corresponding amount of tax shall be deducted; and provided further that such corporation has reported the name and address of each person owning stock and the amount of dividends paid each such person during the year.

§ 5. DATE OF EFFECT.] This act shall be effective on all income received during the year ending December 31, 1935, as provided in this act.

§ 6. REPEAL.] That portion of Section 2346a46 of the Supplement to the Compiled Laws of 1913 as was amended and re-enacted by Paragraph (b) of Subsection 4 of Section 6 of Chapter 283 of the 1931 Session Laws, and Subsection 7 of Section 4 of Chapter 283 of the 1931 Session Laws and Subsection 7 of Section 2346a30 of the 1925 Supplement to the Compiled Laws, and all other acts or parts of acts in conflict herewith, are hereby repealed.

§ 7. EMERGENCY.] This act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 12, 1935.

CHAPTER 272

H. B. No. 48—(Anderson and Marks of Burke and Divide)

PAYMENT AND CANCELLATION OF PERSONAL PROPERTY TAXES FOR THE YEAR 1933 AND PRIOR YEARS

An Act providing for the payment and cancellation of personal property taxes assessed and levied for the year 1933 and all prior years; fixing the amount to be paid and providing for cancellation of interest and penalties and partial cancellation of the original amount of such taxes.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That all unpaid personal property taxes together with interest, penalty and costs accruing to date of such payment shall be cancelled upon the payment of the following amounts, to-wit:

For the year 1930 and prior years upon the payment of 40 per cent of the original tax.

For the year 1931 upon the payment of 60 per cent of the original tax.

For the year 1932 upon the payment of 100 per cent of the original tax.

For the year 1933 upon the payment of 100 per cent of the original tax.

Payment of taxes upon the above schedule shall only be permitted if payment thereof is made prior to January 1st, 1936.

§ 2. EMERGENCY.] Whereas, a large amount of personal property sorely needed for the support of the owners and their families is in danger of being lost by reason of the owners being unable to pay delinquent personal property taxes, this act is hereby declared to be an emergency measure and the same shall be in force from and after its approval.

Approved March 11, 1935.

CHAPTER 273

H. B. No. 243—(Isaak, Jensen and Anderson of Divide)

DEDUCTION DELINQUENT PERSONAL PROPERTY TAXES FROM CLAIMS, ETC., PAYABLE BY COUNTY

An Act permitting deduction of delinquent personal property taxes from claims, demands, salaries, and wages due from county officers and others; prescribing duties of county auditor in connection therewith; giving such deduction priority over any sale, transfer or assignment of such claim, demand, salary and wage; repealing Section 4227 of the Compiled Laws of North Dakota 1913 and all acts or parts of acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. CLAIMS AND SALARIES DUE FROM COUNTIES OFFSET BY TAXES. DUTY OF COUNTY AUDITOR.] Whenever a claim against a

county is allowed and ordered paid by the board of county commissioners, it shall be the duty of the county auditor to ascertain from the records in his office or in the office of the county treasurer or of the sheriff if there are any personal property taxes delinquent by the person, corporation or partnership to whom said claim was originally due by the county, and if there are any, it shall be the duty of the county auditor to stamp or write in red ink across the face of the county warrant issued by him for said claim or demand the following words:

“Personal property taxes of delinquent \$.
(Name)

and interest and penalty will be deducted from warrant when paid,” and when the said warrant shall be called and presented for payment the amount of said taxes with interest and penalty shall be deducted unless the same have been previously paid, and the said warrant shall remain subject to such deduction in the hands of all holders thereof.

When the county issues a salary warrant to any county officer, employee or servant of the county, it shall likewise be the duty of the county auditor to ascertain from the records aforesaid if there are any personal property taxes delinquent by the person who earned the salary or wages for which said salary warrant is being issued, and, if there are any, to stamp or write in red ink across the face of said salary warrant the following words: “Personal property taxes of delinquent \$. and
(Name)

interest and penalty will be deducted from warrant when paid,” and if the personal property taxes so due exceed 15% of the face of the salary warrant so issued, then no larger amount than 15% of the face of the salary warrant shall be charged to each such salary warrant, and a similar endorsement shall be made on each subsequent warrant of the same person until the original amount of all personal property taxes delinquent owed by said person have been so noted upon one or more said salary warrants, and when any said salary warrant shall be called and presented for payment the amount of the taxes noted thereon shall be deducted unless the same have been previously paid, and any warrant so stamped shall remain subject to such deduction in the hands of all holders thereof. It shall further be the duty of the county auditor to cause to be entered in the county tax records of personal property taxes and opposite the name of the tax debtor a notation of each such endorsements with the amount and date of each thereof and with number of warrant on which endorsed.

§ 2. ASSIGNMENT OF CLAIM OR SALARY.] Any sale, transfer, or assignment of the claim, demand, salary or wage mentioned in this act and subject to endorsement for delinquent personal property taxes as hereinbefore provided shall be deemed to have been accepted by the purchaser, transferee or assignee thereof subject to the

delinquent personal property taxes of the original seller, transferer or assignor on the date of the issuance of the warrant evidencing said claim, demand, salary or wage, and the endorsement herein provided shall be made even though such warrant is issued to or has become the property of the purchaser, transferee or assignee on the date of such issuance.

§ 3. REPEAL.] Section 4227 of the Compiled Laws of North Dakota 1913 and all acts or parts of acts in conflict herewith are hereby repealed.

Approved March 5, 1935.

CHAPTER 274

H. B. No. 154—(Morgan and Williams)

DEDUCTION DELINQUENT PERSONAL PROPERTY TAXES FROM PUBLIC OFFICES, ETC., SALARIES

An Act requiring deduction of delinquent personal property taxes from salaries or other compensation of elective and appointive officers, agents and employees of the State of North Dakota, all bureaus, boards, commissions and departments, and all persons receiving public funds.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEDUCTIONS TO PAY DELINQUENT PERSONAL PROPERTY TAXES.] That from and after the passage and approval of this act it shall be the duty of all persons who are required to issue warrants for or pay any of the salaries or other compensation of the officers and employees herein named, to ascertain from the tax records of the county or counties wherein the services were performed and/or the county wherein the person making claim for such compensation resides, whether the person making claim for such payment is indebted to any school district, municipal corporation, county or state for personal property taxes delinquent, and, if such indebtedness is found to exist, to deduct fifteen per cent (15%) of the amount claimed for such salary or other compensation each month until such personal property taxes, with interest and penalty, are fully discharged.

§ 2. WHO SUBJECT TO THE PROVISIONS OF THIS ACT.] This act shall apply to all elective and appointive officials and/or their deputies, all courts, bureaus, boards, commissions, departments, and committees, all agents, clerks, inspectors, employees and contractors and in fact each and every person, firm, corporation or co-partnership receiving, claiming or demanding any money from the State of North Dakota, or any of its various departments, bureaus, boards, or commissions whether especially named herein or not, it being intended hereby to insure the payment of personal property taxes

by all persons, firms, or corporations receiving any public funds from the State of North Dakota, or from any of its bureaus, boards, departments, or commissions and for which there is now no provision made for deducting such personal property taxes from the amount due to the persons, firms or corporations making claim upon public funds.

§ 3. VIOLATION. PENALTY.] Any person who shall pay any of the salaries or compensation herein referred to contrary to the provisions of this act shall be guilty of a misdemeanor.

Approved March 14, 1935.

CHAPTER 275

H. B. No. 265—(Anderson of Bowman)

CANCELLATION INTEREST AND PENALTY DELINQUENT REAL ESTATE TAXES: REDEMPTION REAL ESTATE SOLD OR FORFEITED TO AND STILL HELD BY COUNTY

An Act to cancel all interest and penalty, levied and assessed against delinquent real estate taxes and providing for redemption of real estate sold or forfeited to the county for the years 1933, and all prior years, and still held by the county, without paying interest or penalty, if said taxes are paid during the year 1935; repealing all acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That all real estate sold or forfeited to any of the counties in the State of North Dakota for taxes for the year 1933 and all prior years, including hail insurance tax but excepting special assessment taxes, and still held by the county at the time of the taking effect of this act may be redeemed in full upon payment of the original tax levied and assessed against said real estate without the payment of interest or penalty, if said redemption is made on or before December 31st, 1935, the aforesaid right of redemption shall apply to all real estate purchased or forfeited to any county in the State of North Dakota and still held by it at the time of the taking effect of this act, whether held upon tax certificate or tax deed.

§ 2. REPEAL.] All acts or parts of acts in conflict herewith are hereby repealed.

Approved March 13, 1935.

CHAPTER 276

S. B. No. 313—(Committee on Taxes and Tax Laws)

RETAIL SALES TAX

An Act to equalize taxation and replace in part the tax on property; to provide the public revenue to be used for such replacement by imposing a tax on the gross receipts from retail sales as defined herein; to provide for the collection of such tax, the distribution and use of the revenue derived therefrom, and the administration of said law; to provide for certain deductions and exemptions; to make an appropriation for the administration of this Act; to fix fines and penalties for the violation of the provisions of this Act; to repeal all laws or parts of laws in conflict herewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. DEFINITIONS.] The following words, terms and phrases, when used in this division, have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

(a) "Person" includes any individual, firm, co-partnership, joint adventure, association, corporation, municipal corporation, estate, trust, business trust, receiver, or any other group or combination acting as a unit, and the plural as well as the singular number.

(b) "Sale" means any transfer, exchange, or barter, conditional or otherwise, in any manner or by any means whatsoever, for a consideration.

(c) "Retail sale" or "Sale a retail" means the sale to a consumer or to any person for any purpose, other than for processing or for resale, of tangible personal property and the sale of gas, electricity, water, and communication service to retail consumers or users, and shall include the ordering, selecting or aiding a customer to select any goods, wares or merchandise from any price list, or catalogue, which such customer might order, or be ordered for such customer to be shipped directly to such customer.

(d) "Business" includes any activity engaged in by any person or caused to be engaged in by him with the object of gain, benefit, or advantage, either direct or indirect.

(e) "Retailer" includes every person engaged in the business of selling tangible goods, wares, or merchandise at retail, or the furnishing of gas, electricity, water and communication service, and tickets or admissions to places of amusement and athletic events as provided in this division.

(f) "Gross receipts" means the total amount of the sales of retailers, valued in money, whether received in money or otherwise, provided, however, that discounts for any purposes allowed and taken on sales shall not be included, nor shall the sale price of property returned by customers when the full sale price thereof is refunded

either in cash or by credit. Provided, further, that on all sales of retailers, valued in money, when such sales are made under conditional sales contract, or under other forms of sale wherein the payment of the principal sum thereunder be extended over a period longer than sixty (60) days from the date of sale thereof that only such portion of the sale amount thereof shall be accounted, for the purpose of imposition of tax imposed by this bill, as has actually been received in cash by the retailer during each quarterly period as defined herein.

(g) "Relief agency" means the state, any county, city and county, city or district thereof, or any agency engaged in actual relief work.

(h) "Commissioner" means the Tax Commissioner of the State of North Dakota.

§ 2. TAX IMPOSED.] There is hereby imposed, beginning the first day of May, 1935, and ending May 1, 1937, a tax of two per cent (2%) upon the gross receipts from all sales of tangible personal property, consisting of goods, wares, or merchandise, except as otherwise provided in this division, sold at retail in the State of North Dakota to consumers or users; a like rate of tax upon the gross receipts from the sales, furnishing or service of gas, electricity, water and communication service, including the gross receipts from such sales by any municipal corporation furnishing gas, electricity, water and communication service to the public in its proprietary capacity, except as otherwise provided in this division, when sold at retail in the State of North Dakota to consumers or users; and a like rate of tax upon the gross receipts from all sales of tickets or admissions to places of amusement and athletic events, except as otherwise provided in this division.

The tax herein levied shall be computed and collected as hereinafter provided.

§ 3. EXEMPTIONS.] There are hereby specifically exempted from the provisions of this division and from the computation of the amount of tax imposed by it, the following:

(a) The gross receipts from sales of tangible personal property which this state is prohibited from taxing under the Constitution or laws of the United States or under the Constitution of this state.

(b) The gross receipts from the sales, furnishing or service of transportation service.

(c) The gross receipts from sales of tangible personal property used for the performance of a contract on public works executed prior to the effective date of this division.

(d) The gross receipts from sales of tickets or admissions to state, county, district and local fairs, and the gross receipts from educational, religious, or charitable activities, where the entire amount of such receipts is expended for educational, religious or charitable purposes.

§ 4. Taxes paid on gross receipts represented by accounts found to be worthless and actually charged off, for income tax purposes may be credited upon subsequent payment of the tax herein provided; provided, that if such accounts are thereafter collected by the retailer, a tax shall be paid upon the amount so collected. The provisions of this act shall not apply to sales of gasoline, cigarettes, snuff, insurance premiums, or any other product, business or occupation upon which the State of North Dakota now or may hereafter impose a special tax, either in the form of a license tax, stamp tax or otherwise.

§ 5. CREDIT TO RELIEF AGENCY.]

1. A relief agency may apply to the Commissioner for refund of the amount of tax imposed hereunder and paid upon sales to it of any goods, wares, or merchandise used for free distribution to the poor and needy.

2. Such refunds may be obtained only in the following amounts and the manner and only under the following conditions:

(a) On forms furnished by the Commissioner, and during the time herein provided for the filing of quarterly tax returns by retailers, the relief agency shall report to the Commissioner the total amount or amounts, valued in money, expended directly or indirectly for goods, wares, or merchandise used for free distribution to the poor and needy.

(b) On these forms the relief agency shall separately list the persons making the sales to it or to its order, together with the dates of the sales, and the total amount so expended by the relief agency.

(c) The relief agency must prove to the satisfaction of the Commissioner that the person making the sales has included the amount thereof in the computation of the gross receipts of such person and that such person has paid the tax levied by this division, based upon such computation of gross receipts.

3. If the Commissioner is satisfied that the foregoing conditions and requirements have been complied with, he shall refund the amount claimed by the relief agency.

§ 6. Retailers shall, as far as practicable, add the tax imposed under this act, or the average equivalent thereof, to the sales price or charge and when added such tax shall constitute a part of such price or charge, shall be a debt from consumer or user to retailer until paid, and shall be recoverable at law in the same manner as other debts.

Agreements between competing retailers, or the adoption of appropriate rules and regulations by organizations or associations of retailers to provide uniform methods for adding such tax or the average equivalent thereof, and which do not involve price fixing agreements otherwise unlawful, and which shall first have the ap-

proval of the Commissioner, are expressly authorized and shall be held not to be in violation of any anti-trust laws of this state.

§ 7. UNLAWFUL ACTS.] It shall be unlawful for any retailer to advertise or hold out or state to the public or to any consumer, directly or indirectly, that the tax or any part thereof imposed by this division will be assumed or absorbed by the retailer or that it will not be considered as an element in the price to the consumer, or if added, that it or any part thereof will be refunded.

§ 8. RECORDS REQUIRED.] It shall be the duty of every retailer required to make a report and pay any tax under this division, to preserve such records of the gross proceeds of sales as the Commissioner may require and it shall be the duty of every retailer to preserve for a period of two years all invoices and other records of goods, wares, or merchandise purchased for resale; and all such books, invoices and other records shall be open to examination at any time by the Commissioner or any one of his duly authorized agents.

§ 9. RETURN OF GROSS RECEIPTS.]

1. The retailer shall, on or before the 20th day of the month following the close of the first quarterly period as defined in the following section, and on or before the 20th day of the month following each subsequent quarterly period of three months, make out a return for the preceding quarterly period in such form and manner as may be prescribed by the Commissioner, showing the gross receipts of the retailer, the amount of the tax for the period covered by such return, and such further information as the Commissioner may require to enable him correctly to compute and collect the tax herein levied; provided, however, that the Commissioner may, upon request by any retailer and a proper showing of the necessity therefor, grant unto such retailer an extension of time of not to exceed thirty (30) days for making such return. If such extension is granted to any such retailer, the time in which he is required to make payment as provided for in Section ten (10) of this act shall be extended for the same period.

2. The Commissioner, if he deems it necessary or advisable in order to insure the payment of the tax imposed by this division, may require returns and payment of the tax to be made for other than quarterly periods, the provisions of Section ten (10) or elsewhere to the contrary notwithstanding.

3. Returns shall be signed by the retailer or his duly authorized agent, and must be verified by oath.

§ 10. PAYMENT OF TAX—BOND.]

1. The tax levied hereunder shall be due and payable in quarterly installments on or before the 20th day of the month next succeeding each quarterly period, the first of such period being the period

commencing with May 1, 1935, and ending on the 30th day of June, 1935.

2. Every retailer, at the time of making the return required hereunder, shall compute and pay to the Commissioner the tax due for the preceding period.

3. The Commissioner may, when in his judgment it is necessary and advisable to do so in order to secure the collection of the tax levied under this division, require any person subject to such tax to file with him a bond, issued by a surety company authorized to transact business in this state and approved by the insurance commissioner as to solvency and responsibility, in such amount as the Commissioner may fix, to secure the payment of any tax and/or penalties due or which may become due from such person. In lieu of such bond, securities approved by the Commissioner, in such amount as he may prescribe, may be deposited with him, which securities shall be kept in the custody of the Commissioner and may be sold by him at public or private sale, without notice to the depositor thereof, if it becomes necessary so to do in order to recover any tax and/or penalties due. Upon any such sale, the surplus, if any above the amounts due under this division shall be returned to the person who deposited the securities.

§ II. PERMITS—APPLICATIONS FOR.]

1. Thirty days after the effective date of this act, it shall be unlawful for any person to engage in or transact business as a retailer within this state, unless a permit or permits shall have been issued to him as hereinafter prescribed. Every person desiring to engage in or conduct business as a retailer within this state shall file with the Commissioner an application for a permit or permits. Every application for such a permit shall be made upon a form prescribed by the Commissioner and shall set forth the name under which the applicant transacts or intends to transact business, the location of his place or places of business, and such other information as the Commissioner may require. The application shall be signed by the owner if a natural person; in the case of an association or partnership, by a member or partner thereof; in the case of a corporation, by an executive officer thereof or some person specifically authorized by the corporation to sign the application, to which shall be attached the written evidence of his authority.

2. At the time of making such application, the applicant shall pay to the Commissioner a permit fee of fifty cents (50¢) for each permit, and the applicant must have a permit for each place of business.

3. Upon the payment of the permit fee or fees herein required, the Commissioner shall grant and issue to each applicant a permit for each place of business within the state. A permit is not assignable and shall be valid only for the person in whose name it is issued and for the transaction of business at the place designated therein.

It shall at all times be conspicuously displayed at the place for which issued.

4. Permits issued under the provisions of this division shall be valid and effective without further payment of fees until revoked by the Commissioner.

5. Whenever the holder of a permit fails to comply with any of the provisions of this division or any rules or regulation of the Commissioner prescribed and adopted under this division, the Commissioner upon hearing after giving ten days' notice of the time and place of the hearing to show cause why his permit should not be revoked, may revoke the permit. The Commissioner shall also have the power to restore licenses after such revocation.

6. The Commissioner shall charge a fee of one dollar for the issuance of a permit to a retailer whose permit has been previously revoked.

§ 12. FAILURE TO FILE RETURN—INCORRECT RETURN.] If a return required by this division is not filed, or if a return when filed is incorrect or insufficient and the maker fails to file a corrected or sufficient return within twenty days after the same is required by notice from the Commissioner, such Commissioner shall determine the amount of tax due from such information as he may be able to obtain and, if necessary, may estimate the tax on the basis of external indices, such as number of employees of the person concerned, rentals paid by him, his stock on hand, and/ or other factors. The Commissioner shall give notice of such determination to the person liable for the tax. Such determination shall finally and irrevocably fix the tax unless the person against whom it is assessed shall, within thirty days after the giving of notice of such determination, apply to the Commissioner for a hearing or unless the Commissioner of his own motion shall reduce the same. At such hearing evidence may be offered to support such determination or to prove that it is incorrect. After such hearing the Commissioner shall give notice of his decision to the person liable for the tax.

§ 13. APPEALS.]

1. An appeal may be taken by the taxpayer to the District Court of the county in which he resides, or in which his principal place of business is located, within sixty days after he shall have received notice from the Commissioner of his determination as provided for in the preceding section.

2. The appeal shall be taken by a written notice to the Commissioner and served as an original notice. When said notice is so served it shall, with the return thereon, be filed in the office of the clerk of said District Court, and docketed as other cases, with the taxpayer as plaintiff and the Commissioner as defendant. The plaintiff shall file with such clerk a bond for the use of the defendant, with sureties approved by such clerk, in penalty at least double the

amount of tax appealed from, and in no case shall the bond be less than fifty dollars (\$50.00), conditioned that the plaintiff shall perform the orders of the court.

3. The court shall hear the appeal in equity and determine anew all questions submitted to it on appeal from the determination of the Commissioner. The court shall render its decree thereon and a certified copy of said decree shall be filed by the clerk of said court with the Commissioner who shall then correct the assessment in accordance with said decree. An appeal may be taken by the taxpayer or the Commissioner to the Supreme Court of this state in the same manner that appeals are taken in suits in equity, irrespective of the amount involved.

§ 14. SERVICE OF NOTICES.]

1. Any notice, except notice of appeal, authorized or required under the provisions of this division may be given by mailing the same to the person for whom it is intended by registered mail, addressed to such person at the address given in the last return filed by him pursuant to the provisions of this division, or if no return has been filed, then such address as may be obtainable. The mailing of such notice shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which is determined according to the provisions of this division by the giving of notice shall commence to run from the date of registration and posting of such notice.

2. The provisions of the North Dakota Code relative to the limitation of time for the enforcement of a civil remedy shall not apply to any proceeding or action taken to levy, appraise, assess, determine or enforce the collection of any tax or penalty provided by this division.

§ 15. PENALTIES—OFFENSES.]

1. Any person failing to file a return or corrected return or to pay any tax within the time required by this division, shall be subject to a penalty of five per cent (5%) of the amount of tax due, plus one per cent (1%) of such tax for each month of delay or fraction thereof, excepting the first month after such return was required to be filed or such tax became due; but the Commissioner, if satisfied that the delay was excusable, may remit all or any part of such penalty. Such penalty shall be paid to the Commissioner and disposed of in the same manner as other receipts under this division. Unpaid penalties may be enforced in the same manner as the tax imposed by this division.

2. Any person who shall sell tangible personal property, tickets or admissions to places of amusement and athletic events, or gas, water, electricity and communication service at retail in this state after his license shall have been revoked, or without procuring a license within sixty (60) days after the effective date of this act,

as provided in Section 11 of this act, or who shall violate the provisions of Section 7 of this act, and the officers of any corporation who shall so act, shall be guilty of a misdemeanor, punishment for which shall be a fine of not more than one thousand dollars or imprisonment for not more than one year, or both such fine and imprisonment, in the discretion of the court.

3. Any person required to make, render, sign, or verify any return or supplementary return, who makes any false or fraudulent return with intent to defeat or evade the assessment required by law to be made, shall be guilty of a felony and shall, for each such offense, be fined not less than five hundred dollars and not more than five thousand dollars, or be imprisoned not exceeding one year, or be subject to both a fine and imprisonment, in the discretion of the court.

4. The certificate of the Commissioner to the effect that a tax has not been paid, that a return has not been filed, or that information has not been supplied pursuant to the provisions of this division, shall be prima facie evidence thereof.

§ 16. The Tax Commissioner of the State of North Dakota is hereby charged with the administration of this act and the taxes imposed thereby. Such Commissioner shall have the power and authority to prescribe all rules and regulations not inconsistent with the provisions of this act, necessary and advisable for its detailed administration and to effectuate its purposes, including the right to provide for the issuance and sale by the state of coupons covering the amount of tax or taxes to be paid under this act, if such method is deemed advisable by said Commissioner.

§ 17. All fees, taxes, interest and penalties imposed and/ or collected under this act must be paid to the Commissioner in the form of remittances payable to the Treasurer of the State of North Dakota, and said Commissioner shall transmit each payment daily to the State Treasurer to be deposited in the State Treasury to the credit of a fund to be known as the Special Tax Fund, which fund is hereby created and established.

§ 18. GENERAL POWERS.]

1. The Commissioner, for the purpose of ascertaining the correctness of any return or for the purpose of making an estimate of the taxable income and/or receipts of any taxpayer, shall have power: to examine or cause to be examined by any agent or representative designated by him, books, papers, records or memoranda; to require by subpoena the attendance and testimony of witnesses; to issue and sign subpoenas; to administer oaths, to examine witnesses and receive evidence; to compel witnesses to produce for examination books, papers, records and documents relating to any matter which he shall have the authority to investigate or determine.

2. Where the Commissioner finds the taxpayer has made a

fraudulent return, the costs of said hearing shall be taxed to the taxpayer. In all other cases the costs shall be paid by the state.

3. The fees and mileage to be paid witnesses and taxed as costs shall be the same as prescribed by law in proceedings in the District Court of this state in civil cases. All costs shall be taxed in the manner provided by law in proceedings in civil cases. Where the costs are taxed to the taxpayer they shall be added to the taxes assessed against said taxpayer and shall be collected in the same manner. Costs taxed to the state shall be certified by the Commissioner to the State Treasurer, who shall issue warrant for the amount of said costs, to be paid out of the proceeds of the taxes collected under this act.

4. In case of disobedience to a subpoena the Commissioner may invoke the aid of any court of competent jurisdiction in requiring the attendance and testimony of witnesses and production of records, books, papers, and documents, and such court may issue an order requiring the person to appear before the Commissioner and give evidence or produce records, books, papers and documents, as the case may be, and any failure to obey such order of court may be punished by the court as a contempt thereof.

5. Testimony on hearings before the Commissioner may be taken by a deposition as in civil cases, and any person may be compelled to appear and depose in the same manner as witnesses may be compelled to appear and testify as hereinbefore provided.

§ 19.

1. The Commissioner, with the approval of the Governor, may appoint such agents, auditors, clerks and employees as he may deem necessary and fix their salaries and compensation and prescribe their duties and powers and said Commissioner shall have the right to remove such agents, auditors, clerks and employees so appointed by him.

2. All such agents and employees shall be allowed such reasonable and other necessary traveling expenses as may be incurred in the performance of their duties not to exceed, however, such amounts as are now or may hereafter be fixed by law.

3. The Commissioner may require such of the officers, agents, and employees as it may designate to give bond for the faithful performance of the duties in such sum and with such sureties as it may determine and the state shall pay, out of the proceeds of the taxes collected under the provisions of this act, the premiums on such bonds.

4. The Commissioner may utilize the office of treasurer of the various counties in order to administer this act and effectuate its purposes, and may appoint the treasurers of the various counties its agents to collect any or all of the taxes imposed by this act, provided, however, that no additional compensation shall be paid to said treasurer by reason thereof.

§ 20. INFORMATION DEEMED CONFIDENTIAL.]

1. It shall be unlawful for the Commissioner, or any person having an administrative duty under this act, to divulge or to make known in any manner whatever, the business affairs, operations, or information obtained by an investigation of records and equipment of any person or corporation visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; provided, however, that the Commissioner may authorize examination of such returns by other state officers, or, if a reciprocal arrangement exists, by tax officers of another state, or the Federal Government.

2. Any person violating the provisions of Subsection 1 of this section shall be guilty of a misdemeanor and punishable by a fine not to exceed one thousand dollars (\$1,000.00).

§ 21. CORRECTION OF ERRORS.] If it shall appear that, as a result of mistake, an amount of tax, penalty, or interest has been paid which was not due under the provisions of this act, then such amount shall be credited against any tax due, or to become due, under this act from the person who made the erroneous payment, or such amount shall be refunded to such person by the Commissioner.

§ 22. Wherever by any provision of this act a refund is authorized, the Commissioner shall certify the amount of the refund, the reason therefor and the name of the payee to the State Treasurer, who shall thereupon draw his warrant on the Special Tax Fund in the amount specified payable to the named payee.

§ 23. If any section, subsection, clause, sentence, or phrase of this act is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portions of this act. The Legislature hereby declares that it would have passed this act and each section, subsection, clause, sentence, or phrase hereof, irrespective of whether any one or more of the sections, subsections, clauses, sentences, or phrases be declared unconstitutional.

§ 24. All laws or parts of laws in conflict with this act are hereby repealed.

§ 25. ALLOCATION OF REVENUES.] All monies collected and received under this act shall be credited by the State Treasurer into a special fund to be known as "The Retail Sales Tax Fund." Out of this fund the State Treasurer shall first pay the expenses of administering this act and the payment of refunds allowed under this act. The net amount of monies remaining in said "Retail Sales Tax Fund" shall be allocated and distributed as follows:

(a) The State Board of Equalization is authorized, directed, empowered and required, at any regular or special meeting, from time to time, to transfer into "The State Public Welfare Fund," created and established by House Bill 338, pending in this legislative session, the sum of \$500,000.00 per annum to be expended for the relief of destitute or necessitous persons, in co-ordination with and supplementary to the funds made available for expenditure for like purposes in North Dakota from funds appropriated by Congress and allocated by the Federal Emergency Relief Administrator and/or other Federal agencies. Such monies may be expended either in the form of direct or work relief. The said State Board of Equalization is further authorized, directed and empowered to transfer into The State Public Welfare Fund the further sum of \$100,000.00 per annum, or so much thereof as in the opinion of the said State Board of Equalization may be necessary, to be expended for mothers' aid or pension and/or old age or blind pension or assistance in co-ordination with Federal funds as above set forth.

(b) The State Board of Equalization is hereby further directed, empowered and required, at any regular or special meeting, from time to time, to transfer from said "Retail Sales Tax Fund" to the State Equalization Fund, created by House Bill 255, pending in this legislative session, the sum of \$700,000 for the year 1935 and the sum of \$1,950,000 for the year 1936.

(c) Said State Board of Equalization is further authorized, directed and empowered, at any regular or special meeting, from time to time, to transfer into the General Fund of the State such portions of said "Retail Sales Tax Fund" as, in the opinion of said Board, are not required for carrying out the provisions of Subdivisions (a) and (b) of this Section, to be used by said State Board of Equalization in replacement and reduction of such of the levies for general state purposes as said Board may deem just and proper.

§ 26. There is hereby appropriated out of any monies in the State Treasury not otherwise appropriated, the sum of twenty-five thousand (\$25,000.00) dollars, for the purpose of putting this act into operation and carrying out the provisions thereof until such time as sufficient funds are collected under this act.

§ 27. EMERGENCY.] Whereas the financial situation of this state is such as to demand and require the immediate collection of additional revenue for the purposes stated in this act and otherwise, now, therefore, an emergency is hereby declared and this act shall be in full force and effect from and after its passage and approval.

Approved March 11, 1935.

CHAPTER 277

H. B. No. 76—(Olson of Adams and Childs)

SUSPENSION TAX DEEDS

An Act to amend and re-enact Chapter 264 of the Session Laws of 1933, being an act to suspend the operation of Section 2202 of the Compiled Laws of the State of North Dakota for the year 1913, as amended by Chapter 199 of the Session Laws of 1925, (Section 2202 of the 1925 Supplement to the Compiled Laws of 1913) and as amended by Chapter 266 of the Session Laws of 1927, relating to tax deeds to be issued to the County upon the expiration of the period of redemption, upon due notice; tax deeds to the county and sale of property so acquired until December 31st, 1935, further extend the time of suspension to December 31st, 1937; and suspending the operation of all acts or parts of acts in conflict herewith and declare an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Chapter 264 of the Session Laws of 1933 be amended and re-enacted to read as follows:

§ 1. That the operation of Section 2202 of the Compiled Laws of North Dakota for the year 1913, as amended by Chapter 199 of the Session Laws of 1925 (Section 2202 of the 1925 Supplement to the Compiled Laws of 1913) and as amended by Chapter 266 of the Session Laws of 1927, relating to tax deeds to be issued to the county upon the expiration of the period of redemption, upon due notice; tax deeds to the county and sale of real property so acquired, and the whole of the provisions of said laws as so amended, be, and the same are hereby suspended until the thirty-first day of December, A. D. 1937, and the various duly elected, qualified, and acting county auditors of the State of North Dakota, with their several deputies be, and they are hereby prohibited from proceeding in any manner or taking any action whatsoever under the provisions of said act as amended until December 31, 1937.

§ 2. SAVING CLAUSE.] Providing, however, that this act shall not prohibit appraisals or sales of any of the property heretofore acquired under the provisions of the foregoing acts to which the county has acquired title at or before the time of taking effect hereof. Provided that property acquired at or before the taking effect thereof, the same may be appraised, advertised and sold at the option of the county commissioners.

§ 3. EMERGENCY.] An emergency is hereby declared to exist and this act shall be in full force and effect from and after its passage and approval.

Approved March 13, 1935.

CHAPTER 278

H. B. No. 156.—(Aljets and Myers)

TAX LEVY INTEREST, ETC., N. D. REAL ESTATE BONDS

An Act levying a tax of one-half of one mill upon each dollar of assessed valuation of all taxable property within the state for the years 1935 and 1936 for the purpose of paying the interest and creating a sinking fund for the payment of the principal of the North Dakota Real Estate Bonds now outstanding.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There shall be levied upon each dollar of assessed valuation of all taxable property within the state for the years 1935 and 1936, to be paid during said years, one-half of one mill and all such revenues that may be collected thereby, shall be paid into the State Treasury and kept there in a special fund to be known as the North Dakota Real Estate Bond Fund, which shall be used for the following and no other purposes: To pay the interest on North Dakota Real Estate Bonds outstanding and the balance if any, to make up the deficiency in the sinking fund provided for by law for North Dakota Real Estate Bonds. Provided that whenever there is sufficient money in said fund or otherwise to fully pay said sums as hereinbefore provided then the said levy shall cease and any monies remaining therein shall be turned over to the General Fund.

Approved March 13, 1935.

CHAPTER 279

S. B. No. 82—(Ettestad)

ASSIGNMENT TAX SALE CERTIFICATES

An Act to amend and re-enact Section 2203, Supplement to the Compiled Laws of 1913, providing for the assignment of tax sale certificates held by the county, amount to be paid for an assignment thereof, and prescribing the form of such assignment.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 2203, Supplement to the Compiled Laws of the year 1913, is hereby amended and re-enacted to read as follows:

§ 2203. PROPERTY BID IN FOR THE COUNTY; ASSIGNMENT FORM.] At any time after any piece or parcel of land shall have been bid in for the county, and before such piece or parcel of land shall become forfeited to the county, and while such tract or parcel of land shall remain unredeemed, the county auditor may assign and convey the same and all the rights of the county in such piece or parcel of land acquired at such sale, to any person, (except the county auditor,

county treasurer, their deputies, and clerks) who shall pay the amount for which the same shall have been bid in together with interest thereon from the date of the tax sale at the rate of one-half of one per cent per month, and the amount of all subsequent delinquent taxes and penalties together with interest thereon at the rate of one-half of one per cent per month from December first of the respective years in which such taxes become delinquent, and shall execute to him an assignment which may be in substantially the following form:

I,....., auditor of the county of....., State of North Dakota, do hereby certify that at the sale of real estate for the delinquent taxes thereon for the county of..... and state aforesaid, which sale was held at the..... in said county of.....on the.....day of....., A. D. 19... , for the taxes of the year..... the following described piece or parcel of land situated in said county of....., State of North Dakota, to-wit: (insert description) was offered for sale to the best bidder; and no one bidding upon such offer the same was then bid in for the county for the sum of.....and the same still remaining unredeemed and on this day.....having paid into the treasury of said county the amount for which the same was bid in with interest thereon together with subsequent taxes, penalties and interest, amounting in all to.....dollars; therefore, in consideration thereof, and pursuant to law, I do hereby assign and convey all the right, title and interest of said county to said piece or parcel of land acquired therein at said sale to the said.....his heirs and assigns, subject to redemption as provided by law.

And I further certify that unless redemption is made of said real estate in the manner provided by law, the said..... or assigns, will be entitled to a deed therefor on and after the expiration of the time for redemption, as provided by law, and upon the surrender of this certificate.

In witness whereof I have hereunto set my hand and seal this.....day of....., 19....

County Auditor of.....
County, North Dakota.

Approved February 19, 1935.

CHAPTER 280

S. B. No. 262—(Matthaei)

EXTENSION TIME FOR REDEMPTION FROM TAX SALES

An Act temporarily extending the time in which redemption may be made from tax sales and extending the time in which holders of tax sales certificates may present the same for obtaining tax deeds, and extending the time in which tax deeds may be obtained, and declaring an emergency and repealing all acts or parts of acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

WHEREAS, the severe financial and economic depression existing for several years past has resulted in extremely low prices for the products of the farm and the factories, a great amount of unemployment, and almost complete lack of credit for farmers, business men and property owners, and a general and extreme stagnation of business, agriculture and industry, and

WHEREAS, many owners of real property by reason of said conditions are unable, and it is believed will for some time be unable, to meet all payments as they come due for taxes on their properties and are therefore threatened with loss of such properties through tax deeds, and

WHEREAS, many such properties have been and are being bid in at tax sales for prices much below what is believed to be their real value, and

WHEREAS, tax deeds are being issued or will be issued for many of such properties, for amounts much below the actual value of said properties, and

WHEREAS, it is believed, and the Legislature of North Dakota hereby declares its belief, that the conditions existing as hereinbefore set forth has created an emergency of such nature that justifies and validates legislation for the extension of the time of redemption from tax sales, and

WHEREAS, the State of North Dakota possesses the right, under its police powers, to declare a state of emergency exists, and

WHEREAS, the inherent and fundamental purpose of our government is to safeguard the public and to promote the general welfare of the people, and

WHEREAS, under existing conditions the numerous sales for taxes would prevent fair, open and competitive bidding at the time of sale, in the manner now contemplated by law, and

WHEREAS, it is believed, and the Legislature of North Dakota hereby declares its belief, and the conditions existing as hereinbefore set forth have created an emergency of such a nature that justifies and validates changes in legislation, providing for the tem-

porary manner, method, terms and conditions upon which tax deeds may be issued.

§ 1. EMERGENCY DECLARED TO EXIST.] In view of the situation hereinbefore set forth, the Legislature of the State of North Dakota hereby declares that a public economic emergency does exist in the State of North Dakota and that in order to prevent the utter ruin and destruction of the people of this state and the collapse of civil government and in order to maintain the integrity of the family, the home and the public health, welfare and morals of the people of this state, the period in which the holder of a tax certificate of sale can ask for and obtain a tax deed, either by county, state or private person or corporation, holder of tax sale certificate, and the time in which the owner of the property may redeem from such tax sales be and the same is hereby extended to the first day of July, A. D. 1937; and the provisions of this act shall be in full force and effect coincident with the expiration of the provisions of Chapter 258 of the Session of 1933. Provided, however, that this act shall not be operative, except in favor and on behalf of any owner of such land, who shall have, within 90 days, after the service of the notice of expiration of redemption, filed with the county auditor in the county in which the land is situated, a notice that he desires to take advantage of this act, and the county auditor, in addition to the notice of expiration of period of redemption usually required by law, and as part thereof shall notify such owner of his rights under this act.

§ 2. EXTENSION OF TIME IN WHICH TO APPLY FOR TAX DEEDS.] The time in which the holder of a tax certificate of sale may present the same to the county auditor, with request for tax deed is hereby extended to a period of 10 years from and after the date of such certificate, and such holder of such tax certificate of sale shall be entitled to collect interest thereon at the same rate of interest as provided in the tax sale certificate during the time of this extension.

§ 3. DECLARATION OF POWER.] The Legislature does hereby declare that this act is passed under the police power of the state, for the reasons and purposes as herein stated and requests that the courts construe all of its provisions liberally, with a view of carrying out the purposes herein stated.

§ 4. EMERGENCY.] An emergency is hereby declared to exist and this act shall take effect from and after its passage and approval.

Approved March 12, 1935.

CHAPTER 281

S. B. No. 66—(Committee on Taxes and Tax Laws)

TAX SURVEY COMMISSION

An Act to provide for the creation of a North Dakota Tax Survey Commission, defining its powers and duties, and making an appropriation therefore, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. CREATING COMMISSION, TERM, APPOINTMENT, VACANCIES.] There is hereby established a North Dakota Tax Survey Commission to consist of seven (7) members to be appointed by the Governor, all of whom shall be electors of the State of North Dakota. One of said members shall be a member of the Senate, one member of the House, and the remaining five (5) members shall be appointed so as to give representation to agriculture, labor, industry, education and profession. The term of office of the members of such commission shall expire on December 31, 1936. Any vacancy occurring on the commission from any cause shall be filled by the Governor.

§ 2. ORGANIZATION, EMPLOYEES, ET CETERA.] Within sixty days after the taking effect of this act, the commission shall meet at the State Capitol upon the call of the Governor, and shall organize by electing one of its members as chairman and adopting rules to govern its procedure. The State Tax Commissioner shall act as secretary for the commission, without compensation, but shall be paid his actual and necessary traveling and other expenses while actually engaged in work assigned to him by the commission. The commission may employ and pay such other employees and tax experts as it may deem necessary for the proper performance of its duties.

§ 3. COMPENSATION, EXPENSES.] Each member of said commission shall be entitled to his actual and necessary traveling and other expenses, and in addition, compensation of six dollars (\$6.00) per day while actually engaged in the work assigned to him by the commission, including attendance at commission meetings.

§ 4. POWERS, DUTIES, BUDGET AND APPROPRIATION.] It shall be the duty of the commission to make a comprehensive survey of the tax structure and situation in the State of North Dakota, including that of municipalities and other political subdivisions, and to formulate plans and prepare legislative measures for a complete revision of the taxation system of the State of North Dakota with the end in view of securing a more equitable distribution of the tax burden and a simpler and more efficient administration of the tax laws.

The Commission is hereby authorized and empowered to appoint from its membership, or otherwise, subcommittees for the purpose of making a special survey of any particular subject and of gathering data and information regarding the taxing laws and systems of other states and foreign countries, and may assign such part of its research studies and investigations, as it may decide, to departments, commissions or bureaus of the state government, or to any state institution, special committees or qualified individual whether residing within or without the state; provided, however, that all findings, conclusions and recommendations must be approved by said commission before they may become a part of the commission's final report.

§ 5. The commission, as soon as practicable, and not later than the first day of November, 1936, shall prepare and file with the Governor a complete report of its study, findings, conclusions and proposed legislation covering the subject of taxation and tax revision for the State of North Dakota, and shall cause to be printed one thousand (1,000) copies thereof, and the Governor shall send to each member of the Legislature, including members-elect, a copy thereof.

To facilitate the work of the commission, it shall have free access to all public records, files and official reports relating to the matter under investigation and it may hold public hearings at such places within the state as it may deem necessary for the proper performance of its duties and it may require any public official or employee of any state department, municipality, or political subdivision to appear before it and furnish to the commission any information, data, or other matter within his possession or knowledge pertaining to the subject matter under investigation by the commission.

§ 6. APPROPRIATION.] There is hereby appropriated from the General Fund of the State Treasury not otherwise appropriated the sum of fifteen thousand dollars (\$15,000.) or so much thereof as may be necessary for the purpose of carrying out the provisions of this act. Expenditures from such fund shall be made upon vouchers signed by the chairman and countersigned by the secretary after authorization by the commission, and shall be approved by the State Board of Audit.

§ 7. EMERGENCY.] An emergency is hereby declared to exist and this act shall be in full force and effect from and after its passage and approval.

Approved February 16, 1935.

CHAPTER 282**H. B. No. 250—(State Affairs Committee)****LEGALIZING POOR RELIEF WARRANTS**

An Act validating certain county warrants for poor relief issued under and by virtue of Section 4, Chapter 98 of Session Laws of North Dakota for 1933, repealing all acts in conflict therewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Where the board of county commissioners of any county shall have heretofore incurred any obligation or obligations on the part of the county in providing poor relief under and by virtue of Section 4, Chapter 98 of Session Laws of North Dakota for 1933, by reason of an emergency created by unusual and unanticipated demands for the relief of the poor, and county warrants have been issued in payment of such obligations, such warrants are hereby declared legal and valid for all purposes.

§ 2. REPEAL.] All acts and parts of acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] This act is hereby declared to be an emergency and shall be in force and effect from and after its passage and approval.

Approved March 5, 1935.

CHAPTER 283**H. B. No. 161—(McIlraith)****WARRANTS FOR CURRENT EXPENSES TAXING DISTRICT**

An Act to amend and re-enact Section 2079b13, Supplement to the 1913 Compiled Laws, as amended by Chapter 247 of the Session Laws of 1933, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 2079b13, Supplement to the 1913 Compiled Laws, as amended by Chapter 247 of the Session Laws of 1933, is hereby amended and re-enacted to read as follows:

§ 2079b13. WARRANTS FOR CURRENT EXPENSES.] In case any taxing district is unable to sell its certificates of indebtedness, it may issue warrants in payment of current expense, in excess of cash on hand, but not in excess of taxes levied but uncollected, and not otherwise encumbered, and the funds derived from the collection thereof shall constitute a special fund and the exclusive source of revenue for the payment of such warrants. If warrants be issued in excess of taxes levied, such warrants shall possess no validity

as against the taxing district but the officials knowingly and willfully issuing the same shall be personally liable for the payment thereof. Provided, however, that the governing board of any political sub-division may, in the event that there has not been sufficient funds in the treasury of such subdivision, to pay the salaries and wages of the officials and employees, including publication fees for official printing by the county official newspaper of such sub-divisions in full for a period of six months, by resolution authorize the issuance of warrants to such officials, employees and the county official newspaper for salary, wages and official publication fees, whereby one-half of such salaries, wages and official publication fees shall be paid in cash by the treasurer of such political sub-division to such officials, employees and the county official newspaper, and a warrant issued for the balance thereof, which shall be registered and paid as other warrants are registered and paid; provided further, that this act shall be construed to relieve the treasurer of such political sub-divisions of liability to other warrant holders because of the payment of salaries, wages and official publication fees as provided in this act.

§ 2. REPEAL.] All acts or parts of acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] This act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 5, 1935.

WEEDS

CHAPTER 284

H. B. No. 139—(Biberdorf)

CUTTING NOXIOUS WEEDS

An Act to amend and re-enact Section 2003a1 and 2003a2 of the 1925 Supplement to the 1913 Compiled Laws relating to the cutting of noxious weeds on highways.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] That Sections 2003a1 and 2003a2 of the 1925 Supplement to the 1913 Compiled Laws of the State of North Dakota be amended and re-enacted to read as follows:

§ 2003a1. DUTY TO DESTROY.] It shall be the duty of the road overseer in all organized or unorganized townships, and the street