

PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA
EXECUTIVE OFFICE
Saint Paul 1

May 17, 1963

*The Honorable Lloyd L. Duabury
Speaker of the House
State Capitol
St. Paul 1, Minnesota*

Dear Sir:

I am returning herewith H. F. No. 1933, a bill for an act relating to taxation of certain iron bearing material, without my approval.

This bill would exempt from real property taxation any plant built for briquetting any iron ore other than taconite or semi-taconite. It would substitute a much lower, almost nominal, tax based on briquet production.

It is impossible to determine the extent of the tax concession this bill would grant at the expense of other property taxpayers. The bill is vague and uncertain. It contains no restriction as to the grade or structure of the ore to be briquetted except for the exclusion of taconite and semi-taconite.

It is possible that a tax-exempt briquetting facility could be added to any existing natural ore processing plant, whether the tax exemption is necessary or not. The bill is so vague that it may even exempt existing screening, drying, and crushing facilities incorporated into a briquetting process.

In fact, one Minnesota company is now constructing a pilot plant to test the feasibility of the briquetting process. Until a determination is made as to the cost of producing briquets, it is impossible to judge whether a tax concession is necessary or even proper.

Sincerely yours,

KARL F. ROLVAAG, Governor

Mr. Fena moved that H. F. No. 1933, together with the veto message from the Governor, be laid on the table. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Mr. Cummings from the Committee on Engrossment and Enrollment, to which were referred S. F. No. 1479 and H. F. No. 1190, reported that the committee examined and compared the same and found them to be identical, except in Section 1, Subdivision 4, S. F. No. 1479 clause (c) ends "Duluth, and;" while H. F. No.