

sion of time for the assessment of the tax under the provisions of Section 290.49, Subdivision 8, the period within which a claim for refund may be filed, or a refund may be made or allowed, shall be the period within which the taxpayer has consented to an extension for the assessment of the tax. This subdivision shall not apply to any claim filed or refund made or allowed before the execution of the consent. The amount of the refund shall not be in excess of the proposed redetermination of additional tax as provided in Section 290.49, Subdivision 8.

Sec. 15. Minnesota Statutes 1945, Section 290.45, is amended to add a new Subdivision 3, as follows:

Subd. 3. A tax imposed by this chapter, or any installment thereof, may be paid, at the election of the taxpayer, prior to the date prescribed for its payment.

Sec. 16. The provisions of Laws 1949, Chapter 734, are applicable to all taxable years beginning after December 31, 1948, except as follows:

The amendments by Laws 1949, Chapter 734, Section 7, shall be applicable to all taxable years beginning after December 31, 1943.

The amendments by Laws 1949, Chapter 734, Section 10, shall be applicable to all taxable years beginning after December 31, 1946.

The amendments by Laws 1949, Chapter 734, Section 15, shall be applicable to all taxable years beginning after December 31, 1944.

The amendments by Laws 1949, Chapter 734, Sections 6, Clause (5), 13 and 14, shall take effect upon passage.

Approved April 25, 1949.

CHAPTER 735—H. F. No. 1268

An act relating to inheritance and transfer taxes; amending Minnesota Statutes 1945, Sections 291.01, Subdivision 5, and 291.05.

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

Section 1. Minnesota Statutes 1945, Section 291.01, Subdivision 5, is amended to read :

291.01. Tax imposed. Subd. 5. Life insurance policies.

(1). The proceeds of all life or accident insurance policies taken out by decedent and payable on account of his death, receivable by named beneficiaries, shall be subject to the tax herein imposed, as follows :

(a) The proceeds of all such policies hereafter issued payable to named beneficiaries.

(b) The proceeds of all such policies now in force payable to named beneficiaries in which the insured has the right to change the beneficiary or under which he has cash surrender right.

(2) Such proceeds shall be deemed a transfer within the meaning of that term as used in this chapter and a part of decedent's estate, and shall be taxable to the person or persons entitled thereto.

(3) Every corporation, partnership, association, individual, order or society authorized to transact life, accident, fraternal, mutual benefit, or death benefit insurance business which shall pay to any person, association, or corporation any insurance or death benefit or shall transfer any unpaid balance of, or any interest in, any annuity contract or deposit, upon the death of a resident of this state, shall give notice of such payment or transfer to the commissioner of taxation within ten days from the date thereof. Such notice shall be given on the forms prescribed by the commissioner of taxation, and such notice shall set forth such information as the commissioner of taxation shall prescribe.

(4) The commissioner of taxation shall determine the tax, if any, under Subdivision 5.

Sec. 2. Minnesota Statutes 1945, Section 291.05, is amended to read :

291.05. Exemptions. The following exemptions from the tax are hereby allowed :

(1) any devise, bequest, gift, or transfer to or for the use of the United States of America or any state or any political subdivision thereof for public purposes exclusively, and any devise, bequest, gift or transfer to or for the use of any corporation, fund, foundation, trust, or association operated within this state for religious, charitable, scientific, literary, education or public cemetery purposes exclusively, including the encouragement of art and the prevention of cruelty to children or animals, no part of which devise, bequest, gift or transfer inures to the profit of any private stockholder or individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt. Any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust or association operated for religious, charitable, scientific, literary, education, or public cemetery purposes exclusively, including the encouragement of art, and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or any individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt, if, at the date of the decedent's death, the laws of the state under the laws of which the transferee was organized or existing, either (1) did not impose a death tax of any character, in respect of property transferred to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of this state, or (2) contained a reciprocal provision under which transfers to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of another state were exempted from death taxes of every character if such other state allowed a similar exemption to a similar corporation, fund, foundation, trust, or association, organized under the laws of such state.

The homestead of a decedent, and the proceeds thereof if sold during administration, transferred to the spouse or to any minor or dependent child of the decedent, or to any minor or dependent legally adopted child of the decedent, shall be exempt to the extent of \$30,000 of the appraised value thereof.

The proceeds of all life or accident insurance policies taxable under the provisions of 291.01, Subdivision 5, shall be exempt in the following amounts:

(a) *Such proceeds of the clear value of \$35,000 transferred to a spouse of the decedent.*

(b) *Such proceeds of the clear value of \$10,000 transferred to each minor or dependent child of the decedent.*

(c) *Such proceeds of the clear value of \$10,000 transferred to each minor or dependent legally adopted child of the decedent.*

(d) *Such proceeds of the clear value of \$5,000 to each dependent parent of the decedent.*

(e) *Such proceeds of the clear value of \$10,000 transferred to each adult child or lineal issue of the decedent.*

(f) *Such proceeds of the clear value of \$1,000 transferred to any beneficiary other than spouse, minor or dependent child, minor or dependent legally adopted child, adult child, lineal issue and dependent father and mother.*

The receipt of any such insurance proceeds upon which no tax is imposed under the provisions of this paragraph shall not affect the right of any beneficiary to any exemption otherwise provided in this chapter.

Approved April 25, 1949.

CHAPTER 736—H. F. No. 1379

[Not Coded]

An act creating a commission to study the laws and court organization of Minnesota relating to juvenile courts, and to domestic relations including divorce, separate maintenance, annulment of marriage, adoption, desertion and non-support, and appropriating money therefor.

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

Section 1. Creation. A Commission is hereby created for the purpose of studying the laws of Minnesota, together with the court organization and procedure thereunder, relating to juvenile courts, and to domestic relations including divorce, separate maintenance, annulment of marriage, adoption, desertion and non-support.