

payment of an annuity to an individual to the extent includible in such individual's Minnesota gross income, if at the time the payment is made a request that such annuity be subject to withholding under this section is in effect, shall be treated as if it were a payment of wages by an employer to an employee for a payroll period.

(2) A request that an annuity be subject to withholding under this section shall be made by the payee in writing to the person making the annuity payments, as prescribed by the commissioner. Such a request may, notwithstanding any provision of law to the contrary, be terminated by furnishing to the person making the payments a written statement of termination. Such a request for withholding or statement of termination shall take effect in the same manner such a request or statement would take effect under the laws of the United States except to the extent the commissioner shall by regulation, provide otherwise.

(b) The commissioner is authorized by regulations to provide for withholding

(1) from remuneration for services performed by an employee for his employer which (without regard to this subdivision) does not constitute wages, and

(2) from any other type of payment with respect to which the commissioner finds that withholding would be appropriate under the provisions of this section,

if the employer and the employee, or in the case of any other type of payment the person making and the person receiving the payment, agree to such withholding. Such agreement shall be made in such form and manner as the commissioner may by regulations provide. For purposes of this section remuneration or other payments with respect to which such agreement is made shall be treated as if they were wages paid by an employer to an employee to the extent that such remuneration is paid or other payments are made during the period for which the agreement is in effect.

Approved May 25, 1971.

CHAPTER 511—S.F.No.2413

An act relating to taxes on and measured by net income; increasing interest payable on fraudulent, excessive, or negligent

Changes or additions indicated by underline, deletions by strikeout.

claims; amending Minnesota Statutes 1969, Section 290.988, Subdivisions 2 and 3.

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

Section 1. Minnesota Statutes 1969, Section 290.988, Subdivision 2, is amended to read:

Subd. 2. **TAXATION; INCOME TAX; FRAUDULENT, EXCESSIVE OR NEGLIGENT CLAIMS; INTEREST.** In any case in which it is determined that a claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full, and, if the claim has been paid or a credit has been allowed against income taxes otherwise payable, the credit shall be cancelled and the amount paid may be recovered by assessment as income taxes are assessed. A penalty of 25 percent shall be imposed and such assessment shall bear interest from the due date of the return, until refunded or paid, at the rate of ~~four~~ six percent per annum. The claimant in such case, and any person who assisted in the preparation or filing of such excessive claim or supplied information upon which such excessive claim was prepared, with fraudulent intent, shall be guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 1969, Section 290.988, Subdivision 3, is amended to read:

Subd. 3. **EXCESSIVE OR NEGLIGENT CLAIM.** In any case in which it is determined that a claim is or was excessive, a ten percent penalty shall be imposed on such excess and if the claim has been paid, or credited against income taxes otherwise payable, the credit shall be reduced or cancelled, and the proper portion of any amount paid shall be similarly recovered by assessment as income taxes are assessed and such assessment shall bear interest at ~~four~~ six percent per annum from the date of payment until refunded or paid.

Approved May 25, 1971.

CHAPTER 512—S.F.No.2419

An act relating to taxes on and measured by net income and the sale or exchange of a residence; amending Minnesota Statutes 1969, Section 290.13, Subdivision 9.

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

Changes or additions indicated by underline, deletions by ~~strikeout~~.