

services required to be performed by this act shall remain the same, and be collected in the same manner as heretofore provided by law, as compensation for like services.

Sec. 89. This act shall take effect and be in force from and after its passage.

Approved March 12, 1902.

CHAPTER 3.

H. F. No. 57.

An act providing for taxation of and fixing the rate of taxation on inheritances, devises, bequests, legacies and gifts, and providing for the manner of payment as well as the manner of enforcing payment thereof.

Inheritance
taxation.

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

SECTION 1. Subject to Tax.—A tax shall be and is hereby imposed upon all inheritances, devises, bequests, legacies and gifts of every kind and description, the value whereof exceeds ten thousand dollars, and upon such excess only.

Subject to
tax.

SEC. 2. Rates of Tax.—When such inheritance, devise, bequest, legacy or gift is for the use or benefit of a father, mother, husband, wife, child, brother, sister, grandchild, nephew or niece, wife or widow of a son, or the husband of a daughter or any child legally adopted, of the decedent or donor, or to any person to whom such decedent or donor for not less than ten years prior to the taking effect of such inheritance, devise, bequest, legacy or gift, stood in the mutually acknowledged relation of parent, or to any lineal descendant of such decedent or donor born in lawful wedlock, then such tax shall be at the rate of one-half of 1 per centum, and in all other cases at the rate of 10 per centum upon the full and true value of such inheritance, devise, bequest, legacy or gift, to be computed upon the valuation thereof in excess of \$10,000.

Rates of tax.

SEC. 3. Tax—When Due.—All taxes imposed by this act shall take effect at and upon the death of the decedent or donor and shall be due and payable at the expiration of one year from such death except as otherwise provided in this act; *provided, however*, that taxes upon any devise, bequest, legacy or gift limited, conditioned, dependent or determinable upon the happening of any contingency or future event by reason of which the full and true value

Tax—When
due.

thereof cannot be ascertained at or before the time when the taxes become due and payable as aforesaid, shall accrue and become due and payable when the person or corporation beneficially entitled thereto shall come into actual possession or enjoyment thereof.

Payment.
When made.
Duty of ad-
ministrator.

SEC. 4. Payment—When Made—Duty of Administrator.—Any administrator, executor or trustee having in charge or in trust any property for distribution embraced in or belonging to any inheritance, devise, bequest, legacy or gift, subject to the tax thereon as imposed by this act, shall deduct the tax therefrom and within thirty days thereafter he shall pay over the same to the county treasurer as herein provided.

If such property be not in money, he shall collect the tax on such inheritance, devise, bequest, legacy or gift upon the appraised value thereof from the person entitled thereto.

He shall not deliver or be compelled to deliver any property embraced in any inheritance, devise, bequest, legacy or gift subject to tax under this act to any person until he shall have collected the tax thereon.

To whom
paid.
Duplicate
receipts.
Duty of state
auditor.

SEC. 5. To Whom Paid—Duplicate Receipts—Duty of State Auditor.—The tax imposed by this act upon inheritances, devises, bequests or legacies shall be paid to the treasurer of the county in which the probate court having jurisdiction, as herein provided, is located; and the tax so imposed upon gifts shall be payable to the state treasurer, and the treasurer to whom the tax is paid shall give the executor, administrator, trustee or person paying such tax, duplicate receipts therefor, one of which shall be immediately transmitted to the state auditor, whose duty it shall be to charge the treasurer so receiving the tax with the amount thereof; and where such tax is paid to the county treasurer he shall seal said receipt with the seal of his office and countersign the same and return it to the executor, administrator or trustee, whereupon it shall be a proper voucher in the settlement of his accounts. No executor, administrator, or trustee shall be entitled to a final accounting of an estate in the settlement of which a tax may become due under the provisions of this act, unless he shall produce a receipt, so sealed and countersigned by the state auditor or a certified copy of the same.

All taxes paid into the county treasury under the provisions of this act shall immediately be paid into the

state treasury upon the warrant of the state auditor and shall belong to and be a part of the revenue fund of the state.

SEC. 6. Tax a Lien.—Every tax imposed by this act shall be a lien upon the property embraced in any inheritance, devise, bequest, legacy or gift until paid, and the person to whom such property is transferred and the administrators, executors and trustees of every estate embracing such property shall be personally liable for such tax until its payment, to the extent of the value of such property.

Tax a lien.

SEC. 7. Interest.—If such tax is not paid within one year from the accruing thereof interest shall be charged and collected thereon at the rate of 7 per centum per annum from the time the tax is due, unless by reason of claims upon the estate, necessary litigation or other unavoidable cause of delay, such tax cannot be determined as herein provided; in such case interest at the rate of 6 per centum per annum shall be charged upon such tax from the accrual thereof until the cause of such delay is removed, after which 7 per centum shall be charged.

Interest.

SEC. 8. Power to Sell.—Every executor, administrator or trustee shall have full power to sell so much of the property embraced in any inheritance, devise, bequest or legacy as will enable him to pay the tax imposed by this act, in the same manner as he might be entitled by law to do for the payment of the debts of a testator or intestate.

Power to sell.

SEC. 9. Duty of Heir or Devisee When Legacy Payable Out of Property—Legacy for Limited Period—Duty of Administrator.—If any bequest or legacy shall be charged upon or payable out of any property the heir or devisee shall deduct such tax therefrom and pay such tax to the administrator, executor or trustee, and the tax shall remain a lien or charge on such property until paid; and the payment thereof shall be enforced by the executor, administrator or trustee in the same manner that payment of the bequest or legacy might be enforced; or by the county attorney under section 20 of this act. If any bequest or legacy shall be given in money to any person for a limited period the administrator, executor or trustee shall retain the tax upon the whole amount; but if it be not in money, he shall make application to the court having jurisdiction of an accounting by him to make an apportionment, if the case requires, of the sum to be paid into his

When legacy payable out of property. Legacy for limited period. Duty of administrator.

hands by such legatee or beneficiary, and for such further order relative thereto, as the case may require.

Erroneous
payments.
Refundment.

SEC. 10. Erroneous Payments—Refundment.—When any tax imposed by this act shall have been erroneously paid, wholly or in part, the person paying the same shall be entitled to a refundment of the amount so erroneously paid, and the auditor of state shall, upon satisfactory proofs presented to him of the facts relating thereto, draw his warrant upon the state treasurer for the amount thereof in favor of the person entitled thereto; provided, however, that all applications for such refunding of erroneous taxes shall be made within three years from the payment thereof.

Tax when
foreign execu-
tor assigns
stock, etc.

SEC. 11. Tax When Foreign Executor Assigns Stock, Etc.—If a foreign executor, administrator or trustee shall assign or transfer any stock or obligations in this state standing in the name of the decedent, or in trust for a decedent, liable to any such tax the tax shall be paid to the treasurer of the proper county on the transfer thereof, and no such assignment or transfer shall be valid until such tax is paid.

Depositories
to give notice
before deliv-
ering secu-
rities.

SEC. 12. Depositories of Securities Not to Deliver Same Until Notice Given to County Treasurer—Penalty.—No safe deposit company, bank or other institution, person or persons holding securities or assets of a decedent shall deliver or transfer the same to the executors, administrators or legal representatives of said decedent, or upon their order or request, unless notice of the time and place of such intended transfer be served upon the county treasurer at least five days prior to the said transfer, and it shall be lawful for the said county treasurer, personally or by representative, to examine said securities at the time of such delivery or transfer. If upon such examination the county treasurer or his said representative shall for any cause deem it advisable that such securities or assets should not be immediately delivered or transferred he may forthwith notify in writing such company, bank, institution or person to defer delivery or transfer thereof for a period not to exceed ten days from the date of such notice, and thereupon it shall be the duty of the party notified to defer such delivery or transfer until the time stated in such notice or until the revocation thereof within such ten days. Failure to serve the notice first above mentioned, or allow such examination, or to defer the delivery of such securities or assets for the time stated

in the second of said notices shall render said safe deposit company, trust company, bank or other institution, person or persons, liable to the payment of the tax due upon the said security or assets, pursuant to the provisions of this act.

SEC. 13. Duty of Probate Courts—Notice to Treasurer.— Upon the presentation of any petition to any probate court of this state for letters testamentary or of administration or for ancillary letters testamentary or of administration the probate court shall cause a copy of the citation or order for the hearing of such petition to be served upon the county treasurer of his county not less than ten days prior to such hearing. The court shall thereupon, and as soon as practicable, after the granting of any such letters, proceed to ascertain and determine the value of every inheritance, devise, bequest or legacy embraced in or payable out of the estate in which such letters are granted and the tax due thereon.

Duty of probate courts. Notice to treasurer.

The county treasurer shall have the same rights to apply for letters of administration as are conferred upon creditors by law.

SEC. 14. Appointment of Appraisers.—The probate court may in any matter mentioned in the preceding section, either upon its own motion or upon the application of any interested party, including county treasurers, and as often as and when occasion requires, appoint one or more persons as appraisers to appraise the true and full value of the property embraced in any inheritance, devise, bequest or legacy subject to the payment of any tax imposed by this act.

Appointment of appraisers

SEC. 15. Immediate Appraisal—When.—Every inheritance, devise, bequest, legacy or gift upon which a tax is imposed under this act shall be appraised at its full and true value immediately upon the death of decedent, or as soon thereafter as may be practicable.

Immediate appraisal. When.

Provided, however, that when such devise, bequest, legacy or gift shall be of such a nature that its full and true value cannot be ascertained at such time, it shall be appraised in like manner at the time when such value first becomes ascertainable.

SEC. 16. Appraisers to Give Notice—Witnesses.— The appraiser appointed under the provisions of this act shall forthwith give notice by mail to all persons known to have a claim or interest in the inheritance, devise, bequest, legacy or gift to be appraised, including the county treas-

Appraisers to give notice. Witnesses.

urer and such persons as the probate court may by order direct of the time and place when they will make such appraisal.

They shall at such time and place appraise the same at its full and true value as herein prescribed, and for that purpose the said appraisers are authorized to issue subpoenas and to compel the attendance of witnesses before them, and to take evidence of such witnesses under oath concerning such property and the value thereof, and they shall make report thereof, and of such value in writing, to the said probate court, together with the testimony of the witnesses examined, and such other facts in relation thereto and to the said matter as said probate court may order or require. Every appraiser shall be entitled to compensation at the rate of \$3 per day for each day actually and necessarily employed in such appraisal, and his actual and necessary traveling expenses, and such witnesses and the officer or person serving any such subpoena shall be entitled to the same fees as those allowed witnesses or sheriffs for similar service in courts of record. The compensation and fees claimed by any person for services performed under this act shall be approved by the judge of probate, who shall certify the amount thereof, as so approved to the auditor of state who shall examine the same, and if found correct he shall draw his warrant upon the state treasury for the amount thereof in favor of the person entitled thereto.

Compensation for services.

Report of appraisers to be filed. When.

SEC. 17. Report of Appraisers to Be Filed—When.—The report of the appraisers shall be filed with the probate court, and from such report and other proof relating to any such estate before the probate court the court shall forthwith, as of course, determine the true and full value of all such estates and the amount of tax to which the same are liable; or the probate court may so determine the full and true value of all such estates and the amount of tax to which the same are liable without appointing appraisers.

Probate court to give notice. When.

SEC. 18. Probate Court to Give Notice—When.—The probate court shall immediately give notice upon the determination of the value of any inheritance, devise, bequest, legacy or gift which is taxable under this act and of the tax to which it is liable, to all parties known to be interested therein, including the state auditor and county treasurer.

SEC. 19. Reappraisal—When—Within thirty days after the assessment and determination by the probate court of any tax imposed by this act the state auditor, county treasurer or any person interested therein may file with the said court objections thereto, in writing, and praying for a reassessment and redetermination of such tax. Upon any objection being so filed the probate court shall appoint a time for the hearing thereof and cause notice of such hearing to be given the state auditor, county treasurer and all parties interested at least ten days before the hearing thereof. At the time appointed in such notice the court shall proceed to hear such objections and any evidence which may be offered in support thereof or opposition thereto; and if, after such hearing, said court shall be of the opinion that a reassessment or redetermination of such tax should be made it shall, by order, set aside the assessment and determination theretofore made and order a reassessment in the same manner as if no assessment had been made.

Reappraisal.
When.

SEC. 20. Tax Due and Unpaid—Duty of Treasurer—Citation.—If the treasurer of any county shall have reason to believe that any tax is due and unpaid under this act after the refusal or neglect of the persons liable therefor to pay the same he shall notify the county attorney of his county, in writing, of such failure or neglect, and such county attorney, if he have probable cause to believe that such tax is due and unpaid, shall apply to the probate court for a citation, citing the persons liable to pay such tax to appear before the court on the day specified, not more than three months from the date of such citation, and show cause why the tax should not be paid. The judge of the probate court, upon such application, and whenever it shall appear to him that any such tax accruing under this act has not been paid as required by law shall issue such citation, and the service of such citation and the time, manner and proof thereof and the hearing and determination thereon shall conform as near as may be to the provisions of the probate code of this state, and whenever it shall appear that any such tax is due and payable and the payment thereof cannot be enforced under the provisions of this act in said probate court, the person or corporation from whom the same is due is hereby made liable to the state for the amount of such tax, and it shall be the duty of the county attorney of the proper county to sue for in the name of the state and en-

Tax due and
unpaid. Duty
of treasurer.

force the collection of such tax, and all taxes so collected shall be forthwith paid into the county treasury. It shall be the duty of said county attorney to appear for and represent the county treasurer on the hearing of such citation.

SEC. 21. State Auditor to Furnish Books and Forms of Reports—Entries by Court.—The auditor of state shall furnish to each probate court a book which shall be a public record, and in which shall be entered by the judge of said court the name of every decedent upon whose estate an application has been made for the issue of letters of administration, or letters testamentary or ancillary letters, the date and place of death of such decedent, the estimated value of the property of such decedent, names and places of residence and relationship to decedent of the heirs at law of such decedent; the names and places of residence of the legatees, devisees and other beneficiaries in any will of any such decedent, the amount of each legacy and the estimated value of any property devised therein and to whom devised.

These entries shall be made from the data contained in the papers filed on such application or in any proceeding relating to the estate of the decedent.

The judge of probate shall also enter in such book the amount of the property of any such decedent as shown by the inventory thereof when made and filed in his office and the returns made by any appraisers appointed by him under this act, and the value of all inheritances, devisees, bequests, legacies and gifts inherited from such decedent, or given by such decedent in his will or otherwise as fixed by the probate court; and the tax assessed thereon and the amounts of any receipts for payment thereof filed with him.

The state auditor shall also furnish to each probate court forms for the reports to be made by such judge of probate, which shall correspond with the entries to be made in such book.

SEC. 22. Reports by Judge of Probate and Register of Deeds.—Each judge of probate shall, on the first day of January, April, July and October of each year, make a report in duplicate upon the forms furnished by the state auditor containing all the data and matters required to be entered in such book, one of which shall be immediately delivered to the county treasurer and the other transmitted to the auditor of state.

State auditor
to furnish
books and
forms or re-
ports.
Entries by
court.

Reports by
judge of pro-
bate and reg-
ister of deeds

The register of deeds of each county shall, at the same time, make reports in duplicate to the auditor of state containing a statement of any conveyance filed or recorded in his office of any property which appears to have been made or intended to take effect in possession or enjoyment after the death of the grantor, or vendor, with the name and place of residence of the vendor or vendee, and the description of the property transferred, as shown by such instrument, one of which duplicates shall be immediately delivered to the county treasurer and the other transmitted to the auditor of state.

SEC. 23. All acts and parts of acts of this state relating to the taxation of inheritances, devises, bequests, legacies and gifts, so far as the same are inconsistent with the provisions of this act are hereby repealed.

SEC. 24. This act shall take effect and be in force from and after its passage.

Approved March 12, 1902.

CHAPTER 4.

S. F. No. 88.

An act to amend section one thousand five hundred and sixteen (1516) of the General Statutes of 1894, relating to taxation and designated "place of listing personal property."

Relating to
taxation.

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

SECTION 1. That section one thousand five hundred and sixteen (1516) of the General Statutes of one thousand eight hundred and ninety-four (1894) relating to taxation, such section be [ing] entitled "place of listing personal property" be and the same is hereby amended so as to read as follows:

Section 1516. Place of Listing Personal Property.

Personal property, except such as is required in this act to be listed and assessed otherwise, shall be listed and assessed in the county, town or district where the owner or agent resides. The capital stock and franchises of corporations and persons, except as may be otherwise provided, shall be listed and taxed in the county, town or district where the principal office or place of business of such corporation or person is located in this state; if there be no principal office or place of business in this state, then at the place in this state where any such corporation or

Place of list-
ing personal
property.