

may, in its discretion, grant the application, subject to the approval of the commissioner and the executive council. Upon such approval, the commissioner shall prepare a new auxiliary forest contract for each part transferred, with like provisions and for the remainder of the same term as the prior contract in force for the entire forest at the time of the transfer, and shall also prepare a modification of such prior contract, eliminating therefrom the part or parts of the land transferred but otherwise leaving the remaining land subject to all the provisions of such contract. The new contract or contracts and modification of the prior contract shall be executed and otherwise dealt with in like manner as provided for an original auxiliary forest contract, but no such instrument shall take effect until all of them, covering together all parts of the forest existing before the transfer, have been executed, filed, and recorded or registered, as the case may require. Upon the taking effect of all such instruments, the owner of the forest prior to the transfer shall be divested of all rights and relieved from all liabilities under the contract then in force with respect to the parts transferred except such as may have existed or accrued at the time of the taking effect of such instruments, and thereafter the several tracts into which the forest has been divided and the respective owners thereof shall be subject to the new contract or contracts or the modified prior contract relating thereto, as the case may be, as provided for an original auxiliary forest contract. The provisions of this subdivision shall not supersede or affect the application of any other provision of law to any auxiliary forest which is divided by transfer of title unless the procedure herein authorized is fully consummated.

Approved April 14, 1961.

CHAPTER 348—H. F. No. 1359

An act relating to gift taxes; amending Minnesota Statutes 1957, Section 292.03.

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

Section 1. Minnesota Statutes 1957, Section 292.03, is hereby amended to read:

292.03 **Valuation of gift.** *Subdivision 1.* The full

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

and true value of property at the date of its transfer by gift shall be its value for the purpose of computing the tax imposed by this chapter. Where property is transferred with donative intent for less than an adequate and full consideration in money or money's worth, then the amount by which its full and true value at the date of its transfer exceeds the value of the consideration shall be deemed a gift, and such excess shall be deemed the value of such gift for the purpose of computing the tax by this chapter.

Subd. 2. The value of every future or limited estate, income, interest, or annuity dependent upon any life or lives in being, shall be determined by the provisions of section 291.11, subdivision 2.

Approved April 14, 1961.

CHAPTER 349—H. F. No. 1360

An act relating to gift taxes; amending Minnesota Statutes 1957, Section 292.11, Subdivision 2.

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

Section 1. Minnesota Statutes 1957, Section 292.11, Subdivision 2, is amended to read:

Subd. 2. **Failure to pay.** If any person shall fail to pay any tax due under this chapter at the time required thereby for such payment, *or within 30 days after final determination of an appeal to the board of tax appeals from any order of the commissioner of taxation determining tax under this chapter*, there shall be imposed upon him a specific penalty of five percent of the tax as finally assessed.

Approved April 14, 1961.

CHAPTER 350—H. F. No. 1363

An act relating to taxation and amending Minnesota Statutes 1957, Section 291.07 as amended by Laws of Minnesota 1959 Extra Session, Chapter 83, Section 3.

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

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