

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 88, Section 3.

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

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

Section 1. Minnesota Statutes 1957, Section 291.07 as amended by Laws of Minnesota 1959 Extra Session, Chapter 83, Section 3, is hereby amended to read:

Deductions. **Subdivision 1.** Reasonable expenses of administration, funeral expenses, expenses of last sickness, claims against the decedent duly allowed as such, family maintenance to the extent provided by section 291.10 and allowances to the surviving spouse, Federal estate taxes and taxes which have accrued or are a lien on property in the estate at the date of death, shall be allowed as deductions, in the amount allowed by the probate court having jurisdiction, before computing the tax.

Subd. 2. If no probate proceedings are had, then, in the case of joint tenancy property, there shall be allowed as deductions to a widow expenses of last sickness and funeral in the amount remaining unpaid at the death of decedent, providing such expenses are paid by the widow and are not claimed as a deduction for income tax purposes.

In determining the tax imposed by Minnesota Statutes, Section 291.01, where an estate has been submitted to the jurisdiction of the probate court, the probate court in computing the tax shall allow as deductions:

1. *Funeral expenses*
2. *Administration expenses*
3. *Expenses of last illness*
4. *Claims against the decedent which have been properly filed and allowed as such by the probate court*
5. *Family maintenance to the extent provided by Minnesota Statutes, Section 291.10.*
6. *Allowances to the surviving spouse*
7. *The federal estate tax.*

In the event that the full value of the estate submitted to probate court as finally determined is less than the total amount of deductions allowed by the probate court the difference shall be deducted by the commissioner before making any tax computation under Minnesota Statutes, Chapter 291.

In determining the tax imposed by Minnesota Statutes, Section 291.01, where an estate has not been submitted to the probate court the commissioner shall allow as deductions:

Changes or additions indicated by italics, deletions by strikeout.

1. *Funeral expenses*
2. *Expenses of last illness*
3. *The federal estate tax.*

Where an estate has not been submitted to the probate court funeral expenses and expenses of last illness shall be allowed only as against amounts received by the surviving spouse or amounts received by persons actually having disbursed moneys for payments of funeral expenses and expenses of last illness.

No deduction shall be allowed unless the person claiming the deduction when requested by the probate court or the commissioner, furnishes the court or the commissioner with information sufficient to enable the court or commissioner to determine the validity or correctness thereof.

Approved April 14, 1961.

CHAPTER 351—H. F. No. 1754

[Coded in Part]

An act relating to civil service; providing for civil service laborers; amending Minnesota Statutes 1957, Section 43.09, Subdivision 3, and adding a new subdivision.

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

Section 1. Minnesota Statutes 1957, Section 43.09, Subdivision 3, is amended to read:

Subd. 3. **Labor service.** All positions involving unskilled labor shall constitute a labor service. The civil service board shall designate the class or classes of positions which shall comprise the labor service and create rules for that service designed to expedite and make more economical the personnel processes in such service. Such rules shall provide, among other things, for: (1) certification of the entire list of eligibles, which list may be supplemented by eligibles certified by any appointing authority, to appointing authorities from which selection and appointment to positions in the labor service may be made without limitation; (2) lay-off and reemployment of employees within the discretion of the appointing authority without recourse and without regard to factors considered in similar transactions in classified po-

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