

a permanent classified civil service status; otherwise the employee is automatically separated from the service.

Approved April 17, 1961.

CHAPTER 417—H. F. No. 1358

An act relating to gift taxes; amending Minnesota Statutes 1957, Section 292.01, Subdivision 3.

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

Section 1. Minnesota Statutes 1957, Section 292.01, Subdivision 3, is amended to read:

Subd. 3. **Nature of transfer and property.** The tax shall apply whether the transfer is in trust or otherwise, whether the gift is direct or indirect, and whether the property is real, personal, or mixed, or tangible or intangible. *When property is transferred by gift in trust or otherwise, and the rights, interest, or estates of the transferee are dependent upon contingencies or conditions whereby they may be wholly or in part created, defeated, extended, or abridged, a tax shall be imposed upon the transfer at the highest rate which, on the happening of any of the contingencies or conditions, would be possible under the provisions of this chapter.*

Approved April 17, 1961.

CHAPTER 418—H. F. No. 1361

An act relating to obtaining the benefit of state death taxes allowed under the federal estate tax law amending Minnesota Statutes 1957, Section 291.34.

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

Section 1. Minnesota Statutes 1957, Section 291.34 is amended to read:

291.34 **Estate tax.** (A) There shall be assessed by the probate court, in addition to the inheritance tax as now provided by sections 291.01 to 291.33, an estate tax upon all estates which are subject to taxation under the present

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

federal revenue act of 1926. The tax is hereby imposed upon the transfer of the estate of every person who, at the time of his death, was a resident of this state. The amount of the tax shall be computed by the commissioner of taxation and his computation shall be sent to the probate court of the county of deceased's residence and shall be, by the probate court, assessed as an additional amount of inheritance tax, as fixed in accordance with the provisions of sections 291.34 to 291.40, by the probate court. In the event that the estate of the deceased is not probated, the tax shall be determined and computed by the commissioner of taxation. The amount of the tax so assessed shall be the amount by which ~~80 per cent of the estate tax, payable to the United States under the provisions of the federal revenue act of 1926~~ *the maximum credit which the federal government will allow* shall exceed the aggregate amount of all estate, inheritance, legacy, and succession taxes actually paid to the several states of the United States in respect to any property owned by such decedent, or subject to such taxes as a part of or in connection with his estate.

Approved April 17, 1961.

CHAPTER 419—H. F. No. 1364

An act relating to a tax on cigarettes, distributors thereof and the use thereof; amending Minnesota Statutes 1957, Section 297.04, Subdivision 9.

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

Section 1. Minnesota Statutes 1957, Section 297.04, Subdivision 9, is amended to read:

Subd. 9. **Revocation.** The commissioner may revoke, cancel, or suspend the license or licenses of any distributor or subjobber for violation of sections 297.01 to 297.13, or any other act applicable to the sale of cigarettes, or any rule or regulation promulgated by the commissioner, *and may also revoke any such license or licenses of any distributor or subjobber for the violation of sections 297.31 to 297.39, or any other act applicable to the sale of tobacco products, or any rule or regulation promulgated by the commissioner in furtherance of sections 297.31 to 297.39.* No license shall be revoked, canceled, or suspended except after

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