

CHAPTER 180—H. F. No. 997

[Not Coded]

An act relating to the city of Ely; authorizing the governing body thereof to transfer funds from its water and light fund to its general fund contrary to its charter provisions; and providing for the use of such funds.

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

Section 1. Ely, city of; transfer of funds. The city of Ely, having accumulated more than \$200,000 in its water and light fund, may, by a majority vote of its governing body, transfer from its water and light fund a sum equal to but not more than two fifths of such accumulated funds, and not to exceed \$100,000, to its general fund, anything in its charter to the contrary notwithstanding; such transferred funds to be used exclusively to match federal funds allocated under the public works acceleration act of congress. No such funds shall be transferred or used for any other purpose, nor shall such funds be transferred unless the work projects for which they are intended are approved and only to the extent they are approved, by the federal administrator of said act, nor shall any such funds be transferred if such city has other unallocated funds available that may be used as matching funds. Any unused portion of such transferred funds remaining in the general fund after the completion of the projects for which they were transferred, shall be returned to such city's water and light fund and remain therein subject to the provisions of its charter.

Sec. 2. This act shall take effect and be in full force and effect for a period of two years from and after its passage and approval.

Sec. 3. This act shall become effective only after its approval by a majority of the governing body of the city of Ely and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved April 5, 1963.

CHAPTER 181—H. F. No. 1081

[Not Coded]

An act appropriating money to the department of taxation for the fiscal year ending June 30, 1963.

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

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

Section 1. **Taxation, department of; appropriation.** There is appropriated to the department of taxation from the income tax school fund in the state treasury the sum of \$150,000 for salaries, supplies, and expenses in administering the withholding tax provisions of the income tax law for the fiscal year ending June 30, 1963.

Section 2. This act is in effect upon final enactment.

Approved April 5, 1963.

CHAPTER 182—S. F. No. 350

An act relating to inheritance and transfer taxes; amending Minnesota Statutes 1961, Section 291.01, Subdivision 5.

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

Section 1. Minnesota Statutes 1961, Section 291.01, Subdivision 5, is amended to read:

Subd. 5. **Inheritance tax; life insurance policies.** (1) The proceeds of all life or accident insurance policies taken out by decedent and payable on account of his death, receivable by named beneficiaries; shall be subject to the tax herein imposed; as follows: *whether now in force or hereafter issued, payable on account of the decedent's death shall be subject to the tax herein imposed, as follows:*

(a) ~~The proceeds of all such policies hereafter issued payable to named beneficiaries:~~ *(a) To the extent of the amount receivable by the executor of the decedent as insurance under policies on the life of the decedent.*

(b) ~~The proceeds of all such policies now in force payable to named beneficiaries in which the insured has the right to change the beneficiary or under which he has cash surrender right:~~ *(b) To the extent of the amount receivable by all other beneficiaries as insurance under policies on the life of the decedent with respect to which the decedent possessed at his death any of the incidents of ownership, exercisable either alone or in conjunction with any other person. For purposes of the preceding sentence, the term "incident of ownership" includes a reversionary interest (whether arising by the express terms of the policy or other instrument or by operation of law) only if the value of such reversionary interest exceeded five*

Changes or additions indicated by italics, deletions by strikeout.