

the period beginning February 1, 1965 and ending November 30, 1966 shall remain in effect until November 30, 1966.

Approved March 17, 1965.

CHAPTER 104—S. F. No. 683

An act relating to the public employees retirement association; amending Minnesota Statutes 1961, Section 353.01, Subdivision 15.

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

Section 1. Minnesota Statutes 1961, Section 353.01, Subdivision 15, is amended to read:

Subd. 15. **Public employees retirement; dependent child.** "Dependent child" means any natural or adopted child of a deceased member under the age of 18, unmarried and actually dependent for more than one half of his support upon such member at the time of death and for not less than ninety days prior thereto. It also includes any child of the member conceived during his lifetime and born after his death in any case where a member died after July 1, 1957. *It also means any dependent child who is the subject of joint adoption proceedings filed by a member and his wife, and who within two years after death of the member, by judgment and decree duly entered, is adjudged to be the adopted child of the deceased member's surviving wife; subject, however, to the qualifying conditions of age and dependency aforesaid and the dependency of the child hereunder shall date from the decree of adoption.*

Approved March 17, 1965.

CHAPTER 105—S. F. No. 810

An act relating to inheritance estate and transfer taxes amending Minnesota Statutes 1961, Section 291.05 as amended.

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

Section 1. Minnesota Statutes 1961, Section 291.05, as amended by Laws 1963, Chapter 110, is amended to read:

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

291.05 Inheritance tax; exemptions. The following exemptions from the tax are hereby allowed:

(1) Any devise, bequest, gift, or transfer to or for the use of the United States of America or any state or any political subdivision thereof for public purposes exclusively, and any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust, or association operated within this state for religious, charitable, scientific, literary, education or public cemetery purposes exclusively, including the encouragement of art and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt. Any devise, bequest, gift, or transfer, not to exceed \$1,000 made to a clergyman, the proceeds of which are to be used for religious purposes or rites designated by the testator, shall be exempt. Any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust, or association operated for religious, charitable, scientific, literary, education, or public cemetery purposes exclusively, including the encouragement of art, and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or any individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt, if, at the date of the decedent's death, the laws of the state under the laws of which the transferee was organized or existing, either (1) did not impose a death tax of any character, in respect of property transferred to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of this state, or (2) contained a reciprocal provision under which transfers to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of another state were exempted from death taxes of every character if such other state allowed a similar exemption to a similar corporation, fund, foundation, trust, or association, organized under the laws of such state.

(2) The homestead of a decedent, and the proceeds thereof if sold during administration, transferred to the spouse or to any minor or dependent child of the decedent, or to any minor or dependent legally adopted child of the decedent, shall be exempt to the extent of \$30,000 of the appraised value thereof.

Proceeds of any insurance policy issued by the United States and generally known as war risk insurance, United States government life insurance or national service life insurance payable upon

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the death of any person dying on or after June 24, 1950, shall be exempt.

Proceeds of payments from the United States railroad retirement fund; or from the United States as social security benefit, shall be exempt.

(3) (i) Property or any beneficial interest therein of the clear value of \$30,000 transferred to the widow, shall be exempt.

(ii) *Provided, where the amount of family maintenance allowed by the probate court is less than the maximum deductible under the provisions of Minnesota Statutes, Section 291.10, or if no such maintenance is allowed, there shall be allowed to the widow an additional exemption equal in amount to the difference between the maximum deduction as provided by Minnesota Statutes, Section 291.10 and the amount of such family maintenance allowed by the probate court. Further provided, where no probate proceedings are had there shall be allowed to the widow an additional exemption equal to the maximum deduction allowed for family maintenance under the provisions of Minnesota Statutes, Section 291.10.*

(4) (i) Property or any beneficial interest therein of the clear value of \$15,000 transferred to each minor or dependent child of the decedent, or any minor or dependent legally adopted child of the decedent, shall be exempt.

(ii) *Provided, where the decedent left no widow entitled to the exemption allowed by Clause (3) of this section the exemption allowed by subparagraph (ii) of Clause (3) shall be allowed to beneficiaries entitled to exemption under the provisions of this Clause (4). In no event shall the aggregate amount of exemption so allowed be in excess of the additional amount that would have been allowed under subparagraph (ii) of Clause (3) had such paragraph been applicable.*

(5) Property or any beneficial interest therein of the clear value of \$6,000 transferred to the husband, any adult child or other lineal descendant of the decedent, any adult legally adopted child, or any child to whom the decedent, for not less than ten years prior to his death, stood in the mutually acknowledged relation of a parent; provided, such relationship began at or before the child's fifteenth birthday, and was continuous for ten years thereafter, or any lineal issue of such adopted or mutually acknowledged child, or any lineal ancestor of the decedent, shall be exempt.

(6) Property or any beneficial interest therein of the clear value of \$1,500 transferred to any brother or sister or a descendant

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of a brother or sister of the decedent, a wife or widow of a son, or the husband of a daughter of the decedent, shall be exempt.

(7) Property or any beneficial interest therein of the clear value of \$500 transferred to any person in any other degree of collateral consanguinity than is hereinbefore stated, or shall be a stranger in blood to the decedent, or shall be a body politic or corporate not exempt under this chapter, shall be exempt.

Sec. 2. *The provisions of this act shall become effective and apply in all cases where death occurs on or after July 1, 1965.*

Approved March 17, 1965.

CHAPTER 106—H. F. No. 172

An act relating to scholarships for student nurses; amending Minnesota Statutes 1961, Section 148.286, Subdivisions 1 and 2.

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

Section 1. Minnesota Statutes 1961, Section 148.286, Subdivision 1, is amended to read:

148.286 Student nurses; nursing scholarships. Subdivision 1. **Entitlement, use, amount.** The Minnesota board of nursing may award scholarships to students attending a school of nursing in this state accredited in accordance with the laws pertaining to registered nurses and licensed practical nurses. Such scholarships shall be awarded to those students who are residents of this state and who are in need of economic assistance in securing such nursing education, and shall be awarded on the basis of need and ability. These scholarships shall be used solely to defray tuition and other fees and expenses incidental to such nursing education, and shall be awarded only to students enrolled in a school of nursing which provides students an educational experience in a rural or a state hospital for the mentally ill. No student shall receive a scholarship of more than \$1,000. Two-thirds of the scholarship shall be available to the student in the first year of her course, and the remainder thereof shall be divided equally between the remaining years of the course, provided, however, that the practical nurse scholarship shall not exceed \$300 and shall be available to the student in the first year of her course.

Sec. 2. Minnesota Statutes 1961, Section 148.286, Subdivision 2, is amended to read:

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