

of the next succeeding January after his appointment, after the expiration of which times the respective successors in office shall be appointed to serve for a term of two years, and each shall continue to serve until his successor is duly elected. The first two representatives chosen in any city shall be chosen during the first week of June after this chapter becomes effective therein. Thereafter, such selection shall be made by the employees during the first week of December of each year. Vacancies occurring by death, resignation, or removal of such representative shall be filled by representatives chosen by the employees.

Approved May 17, 1967.

CHAPTER 554—S. F. No. 1276

An act relating to retirement allowances for employees of cities of the first class, amending Minnesota Statutes 1965, Section 422.11.

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

Section 1. Minnesota Statutes 1965, Section 422.11 is amended to read:

422.11 Cities of the first class; employees; retirement; credits, individual record. The city comptroller or other person having supervision of the payment of salaries to employees shall cause the deductions to be withheld from all specific appropriations for the particular salaries or compensation from which the deductions are made and from all allotments out of lump sum appropriations for payments of such salaries or compensation for each fiscal year; and a record of these sums shall be entered to the credit of the various employees from whose salaries deductions have been made. The amount of the deductions shall be deposited with the city treasury and credited to the retirement fund.

At the close of each fiscal year there shall be distributed to each contributing employee in proportion to the accumulated amount then to the credit of said employee as accumulated salary deductions the amount of the income from *interest investments* earned on the accumulated funds in possession of the board, after having deducted from the total of such income (1) the amounts otherwise required as interest for various allowances or purposes specified in this chapter and (2) an amount to be set aside to liquidate actual or to amortize prospective losses on investments. The net balance of the *interest investment* earnings to be so distributed shall be distributed at

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

the greatest multiple of one-tenth of one percent of the total of all such accumulated amounts from salary deductions: *up to and including a maximum of four percent*. Any excess then remaining from such ~~interest investment~~ earnings shall be credited to a reserve fund and be added to and distributed with the ~~interest investment~~ earnings of the next succeeding year. The amount that shall be set aside to liquidate past losses on investments or to create a reserve from which to liquidate future losses shall be such amount as the board may deem necessary for such purpose but not in excess of one mill on the dollar of the gross amount received as ~~interest income~~ on the cash and investments in the fund.

At the end of each calendar year and throughout the first 300 months of actual employment there shall be entered to the credit of each employee from whose salary or compensation deductions are made, a credit of \$60 per employee, the accumulated amount of which shall be charged to the municipality and payable by the municipality. It shall be the duty of the proper authorities to levy from time to time a sufficient sum in addition to all other sums to be levied by taxation to meet the liabilities against the municipality created thereby.

Approved May 17, 1967.

CHAPTER 555—S. F. No. 1881

An act relating to inheritance and transfer taxes; amending Minnesota Statutes 1965, Section 291.07.

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

Section 1. Minnesota Statutes 1965, Section 291.07, is amended to read:

291.07 Inheritance tax; deductions. *Subdivision 1.* In determining the tax imposed by Minnesota Statutes, Section 291.01, *where the estate has been submitted to the jurisdiction of the probate court*, the following deductions shall be allowed:

- (1) funeral expenses
- (2) probate administration expenses
- (3) expenses of last illness unpaid at death

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