

*required for taxable years affected in order to prevent duplication or omission of such deduction.*

(3) *The commissioner is authorized to prescribe regulations providing the time and manner to make an election to claim a loss under the provisions of this paragraph and for the filing of an amended return or claim for refund.*

Approved May 25, 1967.

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#### CHAPTER 900—H. F. No. 1117

*An act relating to taxes on and measured by net income and compensation received for injury or sickness; amending Minnesota Statutes 1965, Section 290.08, Subdivision 5.*

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

Section 1. Minnesota Statutes 1965, Section 290.08, Subdivision 5, is amended to read:

**Subd. 5. Income tax; compensation for death, sickness or injury; employer contributions to health plans.** (a) Amounts received as compensation for personal injuries or sickness by the injured or sick taxpayer, whether received under accident or health insurance contracts, workmen's compensation acts, any plan maintained by employers for such purpose, or by way of damages received in any suit or by agreement; ~~provided, that any such amounts received as wages or payments in lieu of wages for a period during which the employee is absent from work on account of personal injuries or sickness shall be excluded from gross income to the extent that such amounts do not exceed a weekly rate of \$100. In the case of a period during which the employee is absent from work on account of sickness, the preceding clause shall not apply to amounts attributable to the first seven calendar days in such period unless the employee is hospitalized on account of sickness for at least one day during such period. If such amounts are not paid on the basis of a weekly pay period, the commissioner shall by regulation prescribe the method of determining the weekly rate at which such amounts are paid.~~

(b) Amounts received as compensation for the death of any member of the taxpayer's family (except that the provisions of this paragraph shall not apply to any amounts to which subdivision 3 (b) applies), whether received under insurance contracts, workmen's compensation acts, or by way of damages received in a suit

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

or by agreement; and amounts received under an arrangement entered into by the taxpayer to provide a fund specifically intended to defray the funeral expenses of himself or any member of his family. The words "compensation" and "damages," as used in this subdivision, shall include reimbursement for medical, hospital, and funeral expenses in connection with such sickness, injury, or death.

(c) Contributions by an employer to accident or health plans for compensation (through insurance or otherwise) to his employee for personal injuries or sickness.

Sec. 2. *The provisions of this act shall be applicable to taxable years beginning after December 31, 1966.*

Approved May 25, 1967.

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#### CHAPTER 901—H. F. No. 1697

*An act relating to taxes on and measured by net income; amending Minnesota Statutes 1965, Section 290.08, Subdivision 1 and Section 290.09, Subdivision 1.*

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

Section 1. Minnesota Statutes 1965, Section 290.08, Subdivision 1, is amended to read:

**290.08 Income tax; exemptions and deductions from gross income.** Subdivision 1. **In general.** The following items shall not be included in gross income, provided that ~~the amount~~ of any item which was excluded in arriving at gross income under the provisions of section 290.01, subdivision 20, shall not be again excluded under this section.

Sec. 2. Minnesota Statutes 1965, Section 290.09, Subdivision 1, is amended to read:

**290.09 Deductions from gross income.** Subdivision 1. **Limitations.** The following deductions from gross income shall be allowed in computing net income, provided that ~~the amount~~ of any item which was deducted in arriving at gross income under the provisions of section 290.01, subdivision 20, shall not be again deducted under this section.

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