
CHAPTER 214—H.F.No.2338

[Not Coded]

An act relating to the city of Fergus Falls; firemen's service pensions; amending Laws 1971, Chapter 2, Section 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 1971, Chapter 2, Section 1, is amended to read:

Section 1. **FERGUS FALLS, CITY OF; FIREMEN'S RELIEF ASSOCIATION.** Notwithstanding any provision to the contrary of Minnesota Statutes, Section 69.06, the fire department relief association of the city of Fergus Falls ~~shall~~ may pay to a retired fireman after 20 years service and age 50, a lump sum benefit of ~~\$400-\$600~~ per year of service plus \$400 for each year in excess of 20 years up to a maximum benefit of ~~\$12,000-\$18,000~~ .

Sec. 2. This act is effective upon approval by the governing body of the city of Fergus Falls, and upon compliance with Minnesota Statutes, Section 645.021.

Approved April 8, 1976.

CHAPTER 215—H.F.No.2442

An act relating to Minnesota Statutes; restoring certain erroneously omitted language; amending Laws 1975, Chapter 347, Section 3.

REVISOR'S BILL

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 1975, Chapter 347, Section 3, is amended to read:

Sec. 3. Minnesota Statutes 1974, Section 291.07, is amended to read:

291.07 TAXATION; INHERITANCES, DEVISES AND BEQUESTS; DEDUCTIONS. Subdivision 1. In determining the tax imposed by section 291.01, where the estate has been submitted to the jurisdiction of the court, the following deductions shall be allowed if approved by the court in a formal proceeding:

(1) funeral expenses

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(2) probate administration expenses, including but not limited to expenses incurred during administration in converting real and personal property held by the estate into cash

(3) expenses of last illness unpaid at death

(4) valid claims against the decedent which have been properly paid

(5) family maintenance to the extent provided by section 291.10

(6) value of personal property to the extent of the amount allowed under the provisions of section 525.15

(7) federal estate taxes determined as follows:

(a) the value of the net estate taxable in Minnesota reduced by the deduction allowable for transfer for public, charitable and religious use as prescribed by Internal Revenue Code, Section 2055 and by the marital deduction as prescribed by Internal Revenue Code, Section 2056, shall be the numerator of a fraction;

(b) the denominator of the fraction shall be the value of the net estate everywhere reduced by the same class of deductions allowable in subparagraph (a) above;

(c) the ratio of the fraction so derived shall be multiplied by the federal estate tax due and payable to the United States Treasury.

(d) for purposes of this clause, the net estate is defined as the gross value of the estate on the applicable valuation date reduced by any unpaid mortgages on, or any indebtedness in respect of, property where the decedent's interest therein, undiminished by such mortgage or indebtedness, is included in the value of the gross estate.

(8) other taxes which have accrued and are a lien on property in the estate at the time of death

(9) reasonable fees for legal or fiduciary services incident to non-probate assets

(10) Minnesota and federal income taxes on "income in respect of a decedent," as computed under subdivision 3.

Subd. 2. In determining the tax imposed by section 291.01, where an estate has not been submitted to the jurisdiction of the court, the following deductions shall be allowed:

(1) funeral expenses,

(2) expenses of last illness unpaid at death,

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(3) federal estate taxes determined as follows:

(a) the value of the net estate taxable in Minnesota reduced by the deduction allowable for transfer for public, charitable and religious use as prescribed by Internal Revenue Code, Section 2055 and by the marital deduction as prescribed by Internal Revenue Code, Section 2056, shall be the numerator of a fraction;

(b) the denominator of the fraction shall be the value of the net estate everywhere reduced by the same class of deductions allowable in subparagraph (a) above;

(c) the ratio of the fraction so derived shall be multiplied by the federal estate tax due and payable to the United States Treasury;

(d) for purposes of this clause, the net estate is defined as the gross value of the estate on the applicable valuation date reduced by any unpaid mortgages on, or any indebtedness in respect of, property where the decedent's interest therein, undiminished by such mortgage or indebtedness, is included in the value of the gross estate;

(e) apportionment of the federal estate tax to the individual transferees shall be subject to the provisions of section 524.3-916.

(4) value of personal property to the extent of the amount allowed under the provisions of section 525.15. A formal order of the probate court is not necessary before these deductions may be taken in the computation of the tax,

(5) other taxes which have accrued and are a lien on property in the estate at the time of death,

(6) reasonable fees for legal or fiduciary services incident to non-probate assets,

(7) Minnesota and federal income taxes on "income in respect of a decedent," as computed under subdivision 3.

Where an estate has not been submitted to the probate court, deductions under (1), (2), (3) and (6) heretofore shall be allowed only to the persons actually having disbursed moneys for payments, and shall not exceed the net amount of such disbursements after giving credit for death benefits, medical and hospitalization insurance payments.

No deduction shall be allowed unless the person claiming the deduction when requested by the probate court or the commissioner, furnishes the court or the commissioner with information sufficient to enable the court or commissioner to determine the validity or correctness thereof.

Subd. 3. (a) The Minnesota and federal income tax allowed as de-

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ductions under subdivision 1, clause (10) and subdivision 2, clause (7) shall be computed as follows:

The table of rates required to be used by single taxpayers who itemize their allowable deductions shall be applied to the "income in respect of a decedent" as though such "income in respect of a decedent" constituted the entire income of the decedent taxable after giving effect to all allowable deductions. The amount of Minnesota or federal income tax as so computed shall not be diminished by any credits allowable by Minnesota or federal income tax laws.

(b) The deductions allowed herein shall be the only deductions allowed under this chapter for "income in respect of a decedent," without regard to the actual liability for income taxes that may be due and payable subsequently with respect to such "income in respect of a decedent."

Sec. 2. Section 1 is effective retroactively to January 1, 1976.

Approved April 8, 1976.

CHAPTER 216—H.F.No.2520

[Not Coded]

An act relating to education; requiring school districts to provide instructional materials for certain nonpublic school children.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **EDUCATION; NONPUBLIC SCHOOLS; INSTRUCTIONAL MATERIALS; LATE REQUESTS.** For the 1975-1976 school year only, all school districts shall provide from the funds made available for that purpose by the commissioner of education for pupils in attendance at nonpublic schools in the district instructional materials authorized by Minnesota Statutes, Sections 123.931 to 123.937 for which requests were made that were in all respects in conformance with the rules and regulations of the state board of education promulgated pursuant to sections 123.931 to 123.937 except that the requests were made later than the time specified but no later than the effective date of this act.

Sec. 2. This act shall be effective the day following final enactment.

Approved April 8, 1976.

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