
CHAPTER 440—S.F.No.971

An act relating to probate; registrars; specifying certain powers of registrars; amending Minnesota Statutes 1976, Sections 291.07; 524.1-307 and 524.3-108.

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

Section 1. Minnesota Statutes 1976, Section 291.07, is amended to read:

291.07 PROBATE PROCEEDINGS; REGISTRARS; DEDUCTIONS.

Subdivision 1. In determining the tax imposed by section 291.01, where the estate has been submitted to the jurisdiction of the court, a personal representative has been appointed for the estate, or where a decree of descent for the estate has been entered under section 525.31 or where there have been summary proceedings for the estate if under section 525.51, the following deductions shall be allowed if approved by the court in a formal proceeding:

- (1) funeral expenses
- (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

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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,

(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,

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(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. 2a. The deductions set forth in subdivision 1 shall be allowed ~~where the estate has been submitted to the jurisdiction of the court and the deductions taken in estates that~~ have not been approved by the court in a formal proceeding. The deductions taken shall be submitted to the commissioner prior to the closing of the estate. The deductions shall be allowed unless the commissioner objects to any deduction claimed. The objection shall be made in the manner provided by section 291.09, subdivision 1.

Subd. 3. (a) The Minnesota and federal income tax allowed as deductions 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. Minnesota Statutes 1976, Section 524.1-307, is amended to read:

524.1-307 **REGISTRAR; POWERS.** The acts and orders which chapter 524 specifies as performable by the registrar shall be performed by a judge of the court or by a person, including the clerk, designated by the court by a written order filed and recorded in the office of the court.

In addition to acts specified in this chapter to be performed by the registrar, the registrar may take acknowledgements, administer oaths, fix and approve bonds, provide information on the various methods of transferring property of decedents under the laws of this state, issue letters in informal proceedings and perform such other acts as the court may by written order authorize as necessary or incidental to the conduct of informal proceedings. Letters, orders and documents issued by the registrar may be certified,

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authenticated or exemplified by the registrar or in the same manner as those issued by the court. All files shall be maintained by the clerk of court. The probate registrar shall not render advice calling for the exercise of such professional judgment as constitutes the practice of law.

Sec. 3. Minnesota Statutes 1976, Section 524.3-108, is amended to read:

524.3-108 PROBATE, TESTACY AND APPOINTMENT PROCEEDINGS; ULTIMATE TIME LIMIT. No informal probate or appointment proceeding or formal testacy or appointment proceeding, other than a proceeding to probate a will previously probated at the testator's domicile and appointment proceedings relating to an estate in which there has been a prior appointment, may be commenced more than three years after the decedent's death, except (1) if a previous proceeding was dismissed because of doubt about the fact of the decedent's death, appropriate probate, appointment or testacy proceedings may be maintained at any time thereafter upon a finding that the decedent's death occurred prior to the initiation of the previous proceeding and the applicant or petitioner has not delayed unduly in initiating the subsequent proceeding; (2) appropriate probate, appointment or testacy proceedings may be maintained in relation to the estate of an absentee, or disappeared or missing person, at any time within three years after the death of the absentee or disappeared or missing person is established; and (3) a proceeding to contest an informally probated will and to secure appointment of the person with legal priority for appointment in the event the contest is successful, may be commenced within the later of twelve months from the informal probate or three years from the decedent's death. These limitations do not apply to proceedings to construe probated wills, determine heirs of an intestate, or proceedings to determine descent. In cases under (1) or (2) above, the date on which a testacy or appointment proceeding is properly commenced shall be deemed to be the date of the decedent's death for purposes of other limitations provisions of this chapter which relate to the date of death. Nothing herein contained prohibits the formal appointment of a special administrator at any time for the purposes of reducing assets to possession, administering the same under direction of the court, or making distribution of any residue to the heirs or distributees determined to be entitled thereto pursuant to a descent proceeding under section 525.31 or an exempt summary proceeding under section 525.51, even though the three year period above referred to has expired.

Sec. 4. This act is effective the day following final enactment as to all informal proceedings commenced after January 1, 1976.

Approved June 2, 1977.

CHAPTER 441—S.F.No.977

[Coded in Part]

An act relating to marriage; clarifying eligibility for marriage contract; requiring certain information on application for marriage license and marriage certificate; requiring clerk of court to furnish certified copies of marriage certificate; amending Minnesota Statutes

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