

case shall the penalty exceed the amount of the license fee. *A person who does not renew his license within one year following its December 31 expiration date, except those persons who do not renew such license while engaged in active military service, shall be required to prove his competency and qualification pursuant to Minnesota Statutes, Section 32.073, before a license is issued. The commissioner may require any other person who renews his license to prove his competency and qualification in the same manner.* All license fees and penalties received by the commissioner shall be paid into the state treasury.

Approved March 22, 1963.

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CHAPTER 103—H. F. No. 354

[Not Coded]

*An act relating to the city of Two Harbors; authorizing the levy of taxes for cemetery purposes.*

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

Section 1. **Two Harbors, city of; cemetery tax levy.** The city of Two Harbors may levy an annual tax of not to exceed five mills on the dollar of all taxable property for the care and maintenance of a public cemetery.

Sec. 2. Section 1 shall be effective upon its approval by a majority of the members of the governing body of the city of Two Harbors and upon compliance with Minnesota Statutes 1961, Section 645.021.

Approved March 22, 1963.

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CHAPTER 104—H. F. No. 508

[Not Coded]

*An act fixing the salaries of the mayor and trustees in the village of Crosby.*

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

Section 1. **Crosby, village of; officers' salaries.** Notwithstanding any other provision of law, the salary of the mayor in the village of Crosby is fixed at \$35 per month and the salary of each trustee in the village of Crosby is fixed at \$25 per month.

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

Sec. 2. This act shall become effective only after its approval by a majority of the council in the village of Crosby and upon compliance with the provisions of Minnesota Statutes 1961, Section 645.021.

Approved March 22, 1963.

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CHAPTER 105—H. F. No. 553

*An act relating to inheritances and transfer taxes and exemption for employee retirement plans and amending Minnesota Statutes 1961, Section 291.065.*

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

Section 1. Minnesota Statutes 1961, Section 291.065, is amended to read:

**291.065 Employee retirement plans, exemption.** The value of an annuity or other payment receivable by any beneficiary (other than the executor) after December 31, 1956, shall be exempt from inheritance tax if received under (1) an employees' trust (or under a contract purchased by an employees' trust) forming part of a pension, stock bonus, or profit-sharing plan, which at the time of the decedent's separation from employment (whether by death or otherwise), or at the time of termination of the plan if earlier, met the requirement of section 401(a) of the internal revenue code of 1954, as adapted to the provisions of this chapter under regulations issued by the commissioner of taxation; ~~or~~ (2) a retirement annuity contract purchased by an employer (and not by an employees' trust) pursuant to a plan, which at the time of the decedent's separation from employment (by death or otherwise), or at the time of termination of the plan if earlier, met the requirements of paragraph (3) of section 401(a) of such code, as adapted to the provisions of this chapter under regulations issued by the commissioner of taxation; *or (3) a retirement annuity contract purchased by an employer which is an organization referred to in section 503 (b) (1) (2) or (3) of such code and which is exempt from tax under section 501 (a) of such code, as adapted to the provisions of this chapter under regulations issued by the commissioner of taxation.* If such amounts payable after the death of the decedent under a plan described in clause (1) ~~or~~ (2) *or* (3) are attributable to any extent to payments or contributions made by the decedent, no exemption shall be allowed for that part of the value of such amounts in the proportion that the total payments or contributions made by the decedent bears to the total payments or contributions made. For

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