

"An Act relative to and in aid of the construction, maintenance and operation by the United States of America of a ship canal with proper locks and appurtenances to connect the waters of Lakes Union and Washington in King county with Puget Sound and declaring an emergency."

SEC. 2. An emergency exists and this act shall take effect immediately. Emergency.

Passed the Senate February 28th, 1907.

Passed the House March 12th, 1907.

Approved by the Governor March 16th, 1907.

CHAPTER 217.

[S. B. 122.]

AMENDING ACT RELATING TO THE TAXATION OF INHERITANCES.

AN ACT relating to the taxation of inheritances and amending sections 1, 2, 4, 7, 9, 10, 12, 14, 17 and 18, and repealing section 5 of an act entitled "An act relating to the taxation of inheritances and providing for the disposition of the same" (approved March 6, 1901) and amending sections one (1) and two (2) of an act amending sections 13 and 15 thereof (approved March 9, 1905.)

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

SECTION 1. That section one (1) of said act be and the same is hereby amended to read as follows: Section 1. All property within the jurisdiction of this State, and any interest therein, whether belonging to the inhabitants of this State or not, and whether tangible or intangible, which shall pass by will or by the statutes of inheritance of this or any other State, or by deed, grant, sale or gift made in contemplation of the death of the grantor or donor, or by deed, grant, sale or gift made or intended to take effect in possession or in enjoyment after the death of the grantor or donor to any person in trust or otherwise, shall, for the use of the State, be subject to a tax as provided for in section two of this act, after the payment of all debts owing by the decedent at the time of his death, the local and State taxes due from the estate prior to his

Property
subject
to tax.

Payment
of debts,
attorneys'
fees, etc.

death, and a reasonable sum for funeral expenses, court costs, including cost of appraisement made for the purpose of assessing the inheritance tax, the statutory fees of executors, administrators or trustees, and no other sum, but said debts shall not be deducted unless the same are allowed or established within the time provided by law, unless otherwise ordered by the judge or court of the proper county, and all administrators, executors and trustees, and any such grantee under a conveyance, and any such donee under a gift, made during the grantor's or donor's life, shall be respectively liable for all such taxes to be paid by them, with lawful interest until the same shall have been paid. The inheritance tax shall be and remain a lien on such estate from the death of the decedent until paid.

Liability
of parties.

Lien on
estate.

Proportion
of levy—1
per cent.

3 per cent.

6 per cent.

4 1-2 per
cent.

9 per cent.

Excess—6
and 12 per
cent.

SEC. 2. That section two (2) of said act be and the same is hereby amended to read as follows: Sec. 2. The inheritance tax shall be and is to be levied on all estates subject to the operation of this act on all sums above the first \$10,000.00, where the same shall pass to or for the use of the father, mother, husband, wife, lineal descendant, adopted child, or the lineal descendant of an adopted child, one (1) per centum. On all sums not exceeding the first fifty thousand dollars, of three per centum, where such estate passes to collateral heirs to and including the third degree of relationship, and to six per cent. where such estates pass to collateral heirs beyond the third degree, or to strangers to the blood. On all sums above the first fifty thousand dollars and not exceeding the first one hundred thousand dollars, four and one-half per centum to collateral heirs, to and including the third degree, and nine per centum to collateral heirs, beyond the third degree, or to strangers to the blood. And on all sums in excess of the first one hundred thousand dollars, the tax shall be six per centum to collateral heirs to and including the third degree, and twelve per centum to collateral heirs beyond the third degree or to strangers to the blood: *Provided*, That on all sums passing to or for the benefit of collateral relatives or strangers of the blood,

who are aliens not residing in the United States, a tax of twenty-five per centum shall be levied and collected. Twenty-five per cent.

SEC. 3. That section four (4) of said act be and the same is hereby amended to read as follows: Sec. 4. In case of any property belonging to a foreign estate, which estate, in whole or in part, is liable to pay a collateral inheritance tax in this State, the said tax shall be assessed upon the market value of said property remaining after the payment of such debts and expenses as are chargeable to the property under the laws of this State. In the event that the executor, administrator or trustee of such foreign estate files with the clerk of the court having ancillary jurisdiction and with the State Board of Tax Commissioners duly certified statements exhibiting the true market value of the entire estate of the decedent owner, and the indebtedness for which the said estate has been adjudged liable, which statements shall be duly attested by the judge of the court having original jurisdiction, the beneficiaries of said estate shall then be entitled to have deducted such proportion of the said indebtedness of the decedent from the value of the property, as the value of the property within this State bears to the value of the entire estate. Foreign estate.

SEC. 4. That section seven (7) of said act be and the same is hereby amended to read as follows: Sec. 7. When any person shall devise any real property to or for the use of the father, mother, husband, wife, lineal descendant, adopted child, or lineal descendent of such child, during life or for a term of years, and the remainder to a collateral heir or to a stranger to the blood, the court, upon the determination of such estate for life or years, shall upon its own motion or upon the application of the State Board of Tax Commissioners, cause such estate to be appraised at its then actual market value from which shall be deducted the value of any improvements thereon or betterments thereto, made by the remainder man during the time of the prior estate, to be ascertained and determined by the appraiser and the tax on the remainder shall be paid by such remainder man within six months from the approval of the court of the report of the ap- Beneficiaries may deduct proportion of debt.

Estates for life or years.

Remainders.

Appraisement.

Sale of
property
to pay tax.

praisers. If such tax is not paid within said time, the court may then order said real estate, or so much thereof as may be necessary to pay said tax, to be sold.

Compensa-
tion of
executors—
excess
liable.

SEC. 5. That section nine (9) of said act be and the same is hereby amended to read as follows: Sec. 9. Whenever a decedent appoints one or more executors or trustees and in lieu of their allowance or commission, makes a bequest or devise of property to them which would otherwise be liable to said tax, or appoints them his residuary legatees, and said bequests, devises, or residuary legacies exceed what would be a reasonable compensation for their services, such excess shall be liable to such tax, and the court having jurisdiction of their accounts, upon its own motion, or on the application of the State Board of Tax Commissioners, shall fix such compensation.

Legacies—
devisee to
deduct tax.

SEC. 6. That section ten (10) of said act be and the same is hereby amended so as to read as follows: Sec. 10. Whenever any legacies subject to said tax are charged upon or payable out of any real estate, the heir or devisee, before paying the legacies, shall deduct said tax therefrom and pay it to the executor, administrator, trustee or State Treasurer, and the same shall remain a charge and be a lien upon said real estate until it is paid; and payment thereof shall be enforced by the executor, administrator, trustee or State Board of Tax Commissioners, in the same manner as the payment of the legacy itself could be enforced.

Lien until
paid.

Taxes
payable
to State
Treasurer.

SEC. 7. That section twelve (12) of said act be and the same is hereby amended so as to read as follows: Sec. 12. All taxes imposed by this act shall be payable to the State Treasurer, who shall issue his receipt therefor in duplicate, one of which shall be filed with the State Board of Tax Commissioners, and those taxes which are made payable by executors, administrators or trustees, shall be paid within fifteen months from the death of the testator or intestate, or within fifteen months from assuming the trust by such trustee, unless a longer period is fixed by the court. All taxes not paid within the time prescribed in this section shall draw interest at the legal rate until paid.

Interest.

SEC. 8. That section fourteen (14) of said act be and the same is hereby amended so as to read as follows: Sec. 14. If a foreign executor, administrator or trustee shall assign any corporate stock, or obligations in this State standing in the name of a decedent, or in trust for a decedent, liable to such tax, the tax shall be paid to the State Treasurer on or before the transfer thereof, otherwise, the corporation permitting its stock to be so transferred on its books shall be liable to pay such tax. No safe deposit company, bank or other institution, person or persons, holding any securities, property or assets of any non-resident decedent, shall deliver or transfer the same to any non-resident executor, administrator or representative of such decedent, until after a notice in writing of the time and place of such transfer shall have been duly given the State Board of Tax Commissioners at least ten (10) days prior thereto, and the tax imposed by this act paid thereon, and every such safe deposit company, bank or other institution, person or persons, shall be liable for the payment of such tax.

Assign-
ment of
assets.

SEC. 9. That section seventeen (17) of said act be and the same is hereby amended so as to read as follows: Section 17. Whenever an estate charged, or sought to be charged with the inheritance tax, is of such a nature, or is so disposed, that the liability of the estate is doubtful, or the value thereof can not, with reasonable certainty, be ascertained under the provisions of law, the State Board of Tax Commissioners may compromise with the beneficiaries or representatives of such estates, and compound the tax thereon; but said settlement must be approved by the superior court having jurisdiction of the estate, and after such approval, the payment of the amount of the taxes so agreed upon shall discharge the lien against the property of the estate.

Compromise
with bene-
ficiaries.

SEC. 10. That section eighteen (18) of said act be and the same is hereby amended so as to read as follows: Section 18. Administrators, executors and trustees of the estates subject to the inheritance tax shall, when demanded by the State Board of Tax Commissioners, send such Board

Copies of
reports.

certified copies of such parts of their reports as may be demanded by it or any member thereof, and upon refusal of said parties to comply with such demand, it is the duty of the clerk of the court to furnish such copies, and the expense of making the same shall be charged against the estate as are other costs in probate. And it shall be the duty of the State Board of Tax Commissioners to exercise general supervision of the collection of the inheritance taxes provided in this act, and in the discharge of such duty the State Board of Tax Commissioners, or any member thereof, may institute and prosecute such suits or proceedings in the courts of the State as may be necessary and proper, appearing therein for such purpose; and it shall be the duty of the several county attorneys to render assistance therein when called upon by such Board so to do. The said Board shall keep a record in which shall be entered a memoranda of all the proceedings had in each case, and shall also keep an itemized account showing the amount of such taxes collected, in detail, charging the State Treasurer therewith.

Tax Commission to supervise collection of taxes.

Record of Board.

Repeal.

SEC. 11. That section five (5) of said act shall be and the same is hereby repealed.

SEC. 12. That section one (1) of an act amending sections thirteen (13) and fifteen (15) of an act entitled, "An Act relating to the taxation of inheritances and providing for disposition of same," approved March 9, 1905, is hereby amended to read as follows: Section 1. Section thirteen of said act is hereby amended so as to read as follows: Section 13. The superior court, having jurisdiction, shall appoint three suitable, disinterested persons to appraise the estate and effects of deceased persons for inheritance tax purposes, and unless otherwise provided by order of the court, the appraisers appointed under the probate law to appraise the estate and effects of deceased persons, shall be and constitute the appraisers under the provisions of this act. It shall be the duty of all such appraisers to forthwith give notice to the State Board of Tax Commissioners, of the time and place at which they will appraise such property, which time shall not be less than

Appraisers—
appointment.

Duty of appraisers.

twenty days from the date of such notice. The notice shall be served in the same manner as is prescribed for the commencement of civil actions, unless a different one is ordered by the court or judge, and the notice, with the proof of the service thereof, shall be returned to the court with the appraisal. The State Board of Tax Commissioners or any person interested in the estate appraised, may file exceptions to the appraisal, which shall be heard and determined by the court having jurisdiction in probate of the estate involved. If, upon the hearing, the court finds the amount at which the property is appraised is its market value and the appraisal was fairly and in good faith made, it shall approve such appraisal; but if it finds that the appraisal was made at a greater or less sum than the market value of the property, or that the same was not fairly or in good faith made, it shall set aside the appraisal and determine such value. The State Board of Tax Commissioners, or any one interested in the property appraised, may appeal to the Supreme Court from the order of the superior court in the premises.

Notice of appraisal.

Exceptions.

Approval of appraisal.

Appeal.

SEC. 13. That section two (2) of an act amending sections thirteen (13) and fifteen (15) of an act entitled, "An Act relating to the taxation of inheritances and providing for disposition of same," approved March 9, 1905; is hereby amended to read as follows: Section 2. Section fifteen of said act is hereby amended so as to read as follows: Sec. 15. Upon the filing of any petition for letters of administration or for the probate of any will, it shall be the duty of the petitioner to furnish the clerk of the court with a list of the heirs, legatees or devisees of the estate, and the relationship which each bears to the decedent, together with a statement of the location, nature and probable value of the entire estate, and an estimate of the amount or value of each distributive share. The clerk of the court shall immediately forward a true copy of such list to the State Board of Tax Commissioners, also notifying said Board of the date of such filing, together with the name, and, if known, the place of residence of the deceased, the name, and, if known, the place of residence of the petitioner, and, if known, the name and place of

List of heirs.

Copy of list to be forwarded to Tax Commission.

residence of the attorney for petitioner, such list and notice to be in such form as the State Board of Tax Commissioners may prescribe.

Passed the Senate February 15th, 1907.

Passed the House March 6th, 1907.

Approved by the Governor March 16th, 1907.

CHAPTER 218.

[S. B. 293.]

EQUIPMENT OF FLAT CARS WITH STAKES, STANDARDS, ETC.

AN ACT requiring railroad companies and other common carriers to equip flat cars with stakes, standards, supports, strips, railings, chains, and other appliances necessary to the safe carriage of goods, commodities and products, that the weight of such appliances shall be made part and parcel of weight of car, and providing reimbursement to shipper or loader, when the shipper or loader furnishes the necessary requisite stakes, standards, supports, strips, railings and other appliances.

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

Equipment
of cars.

SECTION 1. The stakes, standards, supports, stays, railings and other equipments, appliances and contrivances necessary to effectually and suitably equip and supply every and all flat cars, and cars belonging to any and every railroad company, or person engaged in the business of carrying for hire in this State shall constitute and be held considered part and parcel of said cars, and the weight of same shall be added to the weight of the cars, and shall be deducted from the weight of the cargo, commodity, or product shipped on any and all such flat car or cars so that the freight charges shall be charged by the carrier only on the cargo, commodity or product carried.

Weight to
be deducted.

Shipper
may fur-
nish—when.

SEC. 2. Whenever any railroad company or any person engaged in the business of carrying for hire in this State shall set in or furnish any person or persons any flat car or cars that is, or are not, provided with stakes, standards, supports, stays, railings and other equipments, appliances and contrivances necessary to effectually and suitably