

CHAPTER 197.

[H. B. 477.]

INHERITANCE AND GIFT TAX EXEMPTIONS.

AN ACT relating to revenue and taxation; providing for certain exemptions from taxes on estates, gifts, transfers in contemplation or to take effect upon death, legacies, inheritances, bequests, devises and successions applicable to property, whether held jointly or severally; providing for the application of the act to pending cases; amending section 11 of chapter 202 of the Laws of 1939 (section 11218 Remington's Revised Statutes; section 7029n-25 of Pierce's Code) and section 12 of chapter 202 of the Laws of 1939 (section 11218-1 Remington's Revised Statutes; section 7029n-26 of Pierce's Code).

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

SECTION 1. That section 11 of chapter 202 of the Laws of 1939 (section 11218 Remington's Revised Statutes; section 7029n-25 of Pierce's Code) be and the same is hereby amended to read as follows:

Amendments.

Section 11. All gifts, bequests, devises and transfers of property situated within or under the jurisdiction of the State of Washington shall be exempt from the payment of any inheritance tax, when the same are for one of the following charitable purposes, namely, the relief of the aged, indigent and poor people, maintenance of sick or maimed, the support or education of orphans or indigent children, and all gifts, bequests, devises and transfers of property made to the State of Washington, or to any county, incorporated city or town or school district therein, or to any public park or playground within the State of Washington, whether municipal or otherwise, and all gifts, bequests, devises, and transfers made to any municipal corporation within the State of Washington for eleemosynary, charitable, educational or philanthropic purposes, and all gifts, bequests, devises and transfers made to schools and colleges in the

Exemption of tax for charitable gifts and bequests.

Gifts or property to State or subdivision.

Proviso.

Reciprocity
to other
states.

state supported in whole or in part by gifts, endowments or charity, the entire income of which said school or college, after paying the expenses thereof, is devoted to the purposes of such institution and which is open to all persons upon equal terms, and any property in this state which has been given, devised, bequeathed or transferred for such purposes, and upon which a state inheritance tax is claimed or is owing is hereby declared to be exempt from the payment for such tax: *Provided*, That all such gifts, bequests, devises and transfers be limited for use within the State of Washington: *Provided further*, That all such gifts, bequests, devises and transfers of property for such purposes which pass out of the State of Washington to a corporation, society, institution or association organized or existing under the laws of a territory or state of the United States (other than Washington) shall be exempt if at the date of decedent's death the said state or territory under the laws of which such corporation, society, institution or association was organized or existing did not impose a legacy of succession tax or a death tax of any character in respect of property transferred for such purposes to a corporation, society, institution or association organized or existing under the laws of this state, or if at the date of decedent's death the laws of the state or territory under which such corporation, society, institution or association organized or existing contained a reciprocal provision under which a transfer for such purpose to a corporation, society, institution or association organized or existing under the laws of another state or territory were exempted from legacy or succession taxes or death taxes of every character if such other state or territory allowed a similar exemption for such purpose to such a corporation, society, institution or association organized or existing under the laws of another state

or territory: *Provided further*, That if any person, corporation, association, institution or other beneficiary to whom any such gifts, bequests, devises and transfers of property for such purposes are made, shall not accept or receive the same or shall relinquish all right or claim thereto, and the donor, testator or transferor or other person who shall then become entitled thereto shall give, convey or transfer such property to or for any of the aforesaid purposes, within one year after the refusal of said person, corporation, association, institution, or other beneficiary to accept said bequest, then such property shall likewise be exempt from payment for such tax.

Transfer upon refusal to other charitable purpose exempts tax.

SEC. 2. That section 12 of chapter 202 of the Laws of 1939 (section 11218-1 Remington's Revised Statutes, section 7029n-26 of Pierce's Code) be and the same is hereby amended to read as follows:

Amendments.

Section 12. All gifts, bequests, devises and transfers made to or for the use of (a) any religious or non-sectarian organization or association, organized and conducted primarily and chiefly for religious purposes and not for profit, where such religious or non-sectarian organization or association is supported in whole or in part by gifts, endowments or charity, and where the entire income of such religious or non-sectarian organization or association, after paying the expenses thereof, is devoted wholly to the use of such organization or association, or for the educational, benevolent, protective or social departments growing out of, or related to, the religious work of such organization or association, (b) any corporation or association organized and existing under the laws of the State of Washington primarily and chiefly for educational, artistic or scientific purposes and for the maintenance and exhibition of scientific, artistic or historical collections for the benefit of the general

Gifts for religious purposes.

public and not for profit, shall be exempt from the payment of an inheritance tax: *Provided*, That all such gifts, bequests, devises and transfers be limited for use within the State of Washington: *Provided further*, That all such gifts, bequests, devises and transfers of property to such religious or non-sectarian organization or association which pass out of the State of Washington to such religious or non-sectarian organization or association organized or existing or hereafter organized under the laws of a territory or state of the United States (other than Washington) shall be exempt if at the date of decedent's death the said state or territory under the laws of which such religious or non-sectarian organization or association was organized or existing did not impose a legacy or succession tax or a death tax of any character in respect of property transferred to such a religious or non-sectarian organization or association organized or existing under the laws of this state, or if at the date of decedent's death the laws of the state or territory under which such religious or non-sectarian organization or association was organized or existing contained a reciprocal provision under which a transfer to such a religious or non-sectarian organization or association organized or existing under the laws of another state or territory were exempted from legacy or succession taxes or death taxes of every character if such other state or territory allowed a similar exemption to such a religious or non-sectarian organization or association organized or existing under the laws of another state or territory: *Provided further*, That if any person, corporation, association, institution or other beneficiary to whom any such gifts, bequests, devises and transfers of property for such purposes are made shall not accept or receive the same or shall relinquish all right or claim thereto, and the donor, testator or transferor or other

Limited to
State use.

Proviso.

Reciprocity
by other
states.

Non-
acceptance
and other
transfer.

person who shall then become entitled thereto shall give, convey or transfer such property to or for any of the aforesaid purposes, within one year after the refusal of said person, corporation, association, institution, or other beneficiary to accept said bequest, then such property shall likewise be exempt from payment for such tax.

SEC. 3. The provisions of this act shall apply to all inheritance tax cases pending at the time this act takes effect. To apply to pending actions.

Passed the House March 12, 1941.

Passed the Senate March 12, 1941.

Approved by the Governor March 24, 1941.

CHAPTER 198.

[H. B. 482.]

REGULATING TRANSPORTATION OF PERSONS BY MOTOR VEHICLES OVER THE PUBLIC HIGHWAYS.

AN ACT relating to motor vehicle transportation of persons for compensation over the public highways of the State of Washington; providing for the licensing and regulation of motor carrier transportation agents, requiring owners of motor vehicles who transport persons under arrangement made by motor carrier transportation agents to carry insurance and for hire vehicle licenses, defining offenses, and penalties therefor.

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

SECTION 1. (a) The term "motor carrier transportation agent," when used in this act means any individual, firm, copartnership, corporation, company, association, or joint-stock association, and includes any trustee, assignee, or personal representative thereof acting as an intermediary between the public and a motor carrier as herein defined in arranging for transportation, or who sells, offers for

Definitions.
Motor carrier
transportation
agent.