

CHAPTER 5.

[ S. B. 10. ]

REVENUE AND TAXATION.

AN ACT relating to revenue and taxation, amending sections 4 and 6 of chapter 180, Laws of 1935, as amended, and declaring an emergency and providing that this act shall take effect August 1, 1950.

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

SECTION 1. Section 4, chapter 180, Laws of 1935, as last amended by section 1, chapter 228, Laws of 1949, is amended to read as follows: Amendment.

Section 4. From and after the first day of May, 1935, there is hereby levied and there shall be collected from every person a tax for the act or privilege of engaging in business activities. Such tax shall be measured by the application of rates against value of products, gross proceeds of sales, or gross income of the business, as the case may be, as follows: Business tax.  
Measured by gross business.  
Persons included.

(a) Upon every person engaging within this state in business as an extractor; as to such persons the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, extracted for sale or for commercial or industrial use, multiplied by the rate of one-quarter of one per cent; Extractors.  
Rate.

The measure of the tax is the value of the products, including by-products, so extracted, regardless of the place of sale or the fact that deliveries may be made to points outside the state; Measure of tax.

(b) Upon every person except persons taxable under paragraph (2) of subsection (d) below engaging within this state in business as a manufacturer; as to such persons the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, manufactured, multiplied by the rate of one-quarter of one per cent; Manufacturers.  
Rate.

Measure  
of tax.

The measure of the tax is the value of the products, including by-products, so manufactured regardless of the place of sale or the fact that deliveries may be made to points outside the state;

Retailers.

(c) Upon every person engaging within this state in the business of making sales at retail; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of sales of the business, multiplied by the rate of one-quarter of one per cent;

Rate.

Grain  
wholesalers.

(d) (1) Upon every person engaging within this state in the business of buying wheat, oats, corn and barley, but not including any manufactured or processed products thereof, and selling the same at wholesale; the tax herein imposed shall be equal to the gross proceeds derived from such sales multiplied by the rate of one one-hundredth of one per cent;

Rate.

Wheat  
flour manu-  
facturers.

(d) (2) Upon every person engaging within this state in the business of manufacturing wheat into flour; as to such persons the amount of tax with respect to such business shall be equal to the value of the flour manufactured, multiplied by the rate of one-eighth of one per cent;

Rate.

Wholesalers.

(e) Upon every person except persons taxable under subsection (d) (1) above engaging within this state in the business of making sales at wholesale; as to such persons the amount of tax with respect to such business shall be equal to the gross proceeds of sales of such business multiplied by the rate of one-quarter of one per cent;

Rate.

Printers and  
publishers.

(f) Upon every person engaging within this state in the business of: (1) printing, and of publishing newspapers, periodicals or magazines; (2) building, repairing or improving any publicly owned street, place, road, highway, bridge or trestle which is used, or to be used, primarily for foot or vehicular traffic; as to such persons, the amount of tax on such busi-

Road and  
bridge  
builders.

ness shall be equal to the gross income of the business multiplied by the rate of one-quarter of one per cent; **Rate.**

(g) Upon every person engaging within this state in any business activity other than or in addition to those enumerated in subsections (a), (b), (c), (d), (e) and (f) above; as to such persons the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of one-half of one per cent. This subsection includes, among others, and without limiting the scope hereof (whether or not title to materials used in the performance of such business passes to another by accession, confusion or other than by outright sale), persons engaged in the business of rendering any type of service which does not constitute a "sale at retail" or a "sale at wholesale" as defined herein. **Others.**

SEC. 2. Section 6, chapter 180, Laws of 1935, as last amended by section 2-A, chapter 228, Laws of 1949, is amended to read as follows: **Rate.**

Section 6. Every person engaged in activities which are within the purview of the provisions of two or more of paragraphs (a), (b), (c), (d), (e), (f), and (g) of section 4, shall be taxable under each paragraph applicable to the activities engaged in: **Service businesses.** *Provided, however,* That persons taxable under paragraphs (c) or (e) of said section shall not be taxable under paragraphs (a), (b), or (d) (2) of said section with respect to extracting or manufacturing of the products so sold. **Amendment.** **Persons taxable.** **Exemptions.**

SEC. 3. This act is necessary for the immediate support of the state government and its existing public institutions and shall take effect August 1, 1950. **Effective Aug. 1, 1950.**

Passed the Senate July 20, 1950.

Passed the House July 20, 1950.

Approved by the Governor July 24, 1950.