

CHAPTER 137.

[S. B. 277.]

TAXATION—SALES AND USE TAX EXEMPTIONS.

AN ACT relating to taxation of cattle and milk cows; and amending section 2, chapter 9, Laws of 1951 first extraordinary session and RCW 82.08.030, and section 4, chapter 9, Laws of 1951 first extraordinary session and RCW 82.12.030.

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

Amendment.

SECTION 1. Section 2, chapter 9, Laws of 1951 first extraordinary session and RCW 82.08.030 are each amended to read as follows:

Retail sales tax exemptions:

The tax hereby levied shall not apply to the following sales:

Casual or isolated sales.

(1) Casual and isolated sales of property or service, unless made by a person who is engaged in a business activity taxable under chapters 82.04, 82.16, or 82.28: *Provided*, That the exemption provided by this paragraph shall not be construed as providing any exemption from the tax imposed by chapter 82.12;

Certain sales taxed under 82.16 RCW.

(2) Sales made by persons in the course of business activities with respect to which tax liability is specifically imposed under chapter 82.16, when the gross proceeds from such sales must be included in the measure of the tax imposed under said chapter;

Sale of newspapers.

(3) The distribution and newsstand sale of newspapers;

Sale where tax prohibited by constitution or federal law.

(4) Sales which the state is prohibited from taxing under the Constitution of this state or the Constitution or laws of the United States;

Sales of motor vehicle fuel.

(5) Sales of motor vehicle fuel used in aircraft by the manufacturer thereof for research, development, and testing purposes and sales of motor vehicle fuel taxable under chapter 82.36: *Provided*, That the use of any such fuel upon which a refund of the motor vehicle fuel tax has been obtained shall be subject to the tax imposed by chapter 82.12;

- (6) Sales (including transfers of title through decree of appropriation) heretofore or hereafter made of the entire operating property of a publicly or privately owned public utility, or of a complete operating integral section thereof, to the state or a political subdivision thereof for use in conducting any business defined in subdivisions (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), or (11) of RCW 82.16.010; Sale of public utility.
- (7) Auction sales made by or through auctioneers of tangible personal property (including household goods) which have been used in conducting a farm activity, when the seller thereof is a farmer and the sale is held or conducted upon a farm and not otherwise; Certain farm auction sales.
- (8) Sales to corporations which have been incorporated under any act of the congress of the United States and whose principal purposes are to furnish volunteer aid to members of armed forces of the United States and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities and to devise and carry on measures for preventing the same; Sales to certain relief organizations incorporated under act of congress.
- (9) Sales of purebred livestock for breeding purposes where the animals are registered in a nationally recognized breed association; sales of cattle and milk cows used on the farm. Sales of livestock.
- (10) Sales of tangible personal property (other than the type referred to in subdivision (11) hereof) for use by the purchaser in connection with the business of operating as a private or common carrier by air, rail, or water in interstate or foreign commerce: *Provided*, That any actual use of such property in this state shall, at the time of such actual use, be subject to the tax imposed by chapter 82.12; Sales of property for use by carrier in interstate or foreign commerce

(11) Sales of airplanes, locomotives, railroad cars, or water craft for use in conducting interstate or foreign commerce by transporting therein or therewith property and persons for hire or for use in conducting commercial deep sea fishing operations outside the territorial waters of the state; also sales of tangible personal property which becomes a component part of such airplanes, locomotives, railroad cars, or water craft, and of motor vehicles or trailers used by the holder of a carrier permit issued by the Interstate Commerce Commission authorizing transportation by motor vehicle across the boundaries of this state, in the course of constructing, repairing, cleaning, altering, or improving the same; also sales of or charges made for labor and services rendered in respect to such constructing, repairing, cleaning, altering, or improving;

(12) Sales of motor vehicles and trailers to be used for the purpose of transporting therein persons or property for hire in interstate or foreign commerce: *Provided*, That the purchaser must be the holder of a carrier permit issued by the Interstate Commerce Commission, and that the vehicles will first move upon the highways of this state from the point of delivery in this state to a point outside of this state under the authority of a one-transit permit issued by the director of licenses pursuant to the provisions of RCW 46.16.100;

Sales of motor vehicles and trailers to non-residents for use out of state.

(13) Sales of motor vehicles and trailers to non-residents of this state for use outside of this state, even though delivery be made within this state, but only when (a) the vehicles or trailers will be taken from the point of delivery in this state directly to a point outside this state under the authority of a one-transit permit issued by the director of licenses pursuant to the provisions of RCW 46.16.100, or (b) said motor vehicles and trailers will be registered and licensed immediately under the laws

of the state of the purchaser's residence, will not be used in this state more than three months, and will not be required to be registered and licensed under the laws of this state.

SEC. 2. Section 4, chapter 9, Laws of 1951 first Amendment.
 extraordinary session and RCW 82.12.030 are each amended to read as follows:

The provisions of this chapter shall not apply: Use tax ex-
 emptions:

(1) In respect to the use of any article of tangible Property of
 personal property brought into the state by a non- nonresidents.
 resident thereof for his use or enjoyment while
 temporarily within the state unless such property
 is used in conducting a nontransitory business activ-
 ity within the state; or in respect to the use by a
 nonresident of this state of a motor vehicle which
 is registered or licensed under the laws of the state
 of his residence and is not used in this state more
 than three months, and which is not required to be
 registered or licensed under the laws of this state;
 or in respect to the use of household goods, personal
 effects and private automobiles by a bona fide resi-
 dent of this state, if such articles were acquired by
 such person in another state while a bona fide resi-
 dent thereof and primarily for use outside this state
 and if such use was actual and substantial, but if an
 article was acquired less than three months prior
 to the time he entered this state, it will be presumed
 that the article was acquired for use in this state
 and that its use outside this state was not actual and
 substantial;

(2) In respect to the use of any article of tangible Property
 personal property purchased at retail or acquired already taxed.
 by lease or by gift if the sale thereof to, or the use
 thereof by, the present user or his lessor or donor
 has already been subjected to tax under chapter
 82.08 or 82.12 and such tax has been paid by the
 present user or by his lessor or donor;

Property tax-
able under
82.16 RCW.

(3) In respect to the use of any article of tangible personal property the sale of which is specifically taxable under chapter 82.16;

Property pri-
marily used in
interstate or
foreign
commerce.

(4) In respect to the use of any airplane, locomotive, railroad car, or water craft used primarily in conducting interstate or foreign commerce by transporting therein or therewith property and persons for hire or used primarily in commercial deep sea fishing operations outside the territorial waters of the state, and in respect to use of tangible personal property which becomes a component part of any such airplane, locomotive, railroad car, or water craft, and in respect to the use by the holder of a carrier permit issued by the Interstate Commerce Commission of any motor vehicle used primarily for transporting therein persons or property for hire across the boundaries of this state if the first use of which within this state is actual use in conducting interstate or foreign commerce; and in respect to the use of any motor vehicle or trailer while being operated under the authority of a one-transit permit issued by the director of licenses pursuant to RCW 46.16.100 and moving upon the highways from the point of delivery in this state to a point outside of this state; and in respect to the use of tangible personal property which becomes a component part of any motor vehicle or trailer used by the holder of a carrier permit issued by the Interstate Commerce Commission authorizing transportation by motor vehicle across the boundaries of this state;

Use where tax
is prohibited
by constitution
or federal law.

(5) In respect to the use of any article of tangible personal property which the state is prohibited from taxing under the Constitution of the state or under the Constitution or laws of the United States;

Use of motor
vehicle fuel.

(6) In respect to the use of motor vehicle fuel used in aircraft by the manufacturer thereof for research, development, and testing purposes and motor vehicle fuel taxable under chapter 82.36: *Provided*, That the

use of such fuel upon which a refund of the motor vehicle fuel tax is obtained shall not be exempt and the director of licenses shall deduct from the amount of such tax to be refunded the amount of tax due under this chapter and remit the same each month to the tax commission;

(7) In respect to the use of any article of tangible personal property included within the transfer of the title to the entire operating property of a publicly or privately owned public utility, or of a complete operating integral section thereof, by the state or a political subdivision thereof in conducting any business defined in subdivisions (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), or (11) of RCW 82.16.010; Public utilities.

(8) In respect to the use of tangible personal property (including household goods) which have been used in conducting a farm activity, if such property was purchased from a farmer at an auction sale held or conducted by an auctioneer upon a farm and not otherwise; Farm auctions.

(9) In respect to the use of tangible personal property by corporations which have been incorporated under any act of the congress of the United States and whose principal purposes are to furnish volunteer aid to members of the armed forces of the United States and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities and to devise and carry on measures for preventing the same; Use by certain relief organizations incorporated under act of congress.

(10) In respect to the use of purebred livestock for breeding purposes where said animals are registered in a nationally recognized breed association; and in respect to the use of cattle and milk cows used on the farm; Use of livestock.

Use of fuel by extractors or manufacturers.

(11) In respect to the use of fuel by the extractor or manufacturer thereof when used directly in the operation of the particular extractive operation or manufacturing plant which produced or manufactured the same;

Use of high school driver training vehicles.

(12) In respect to the use of motor vehicles, equipped with dual controls, which are loaned to school districts and used by such districts exclusively in connection with their high school driver training program.

Passed the Senate March 9, 1955.

Passed the House March 7, 1955.

Approved by the Governor March 14, 1955.

CHAPTER 138.

[S. B. 424.]

HOTELS AND TRAILER CAMPS—GUEST RECORDS.

AN ACT relating to business regulations; and amending section 2, chapter 190, Laws of 1915 and RCW 19.48.020.

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

Amendment.

SECTION 1. Section 2, chapter 190, Laws of 1915 and RCW 19.48.020 are each amended to read as follows:

Record of arrival and departure of guests.

Every hotel and trailer camp shall keep a record of the arrival and departure of its guests in such a manner that the record will be a permanent one for at least one year from the date of departure.

Passed the Senate March 4, 1955.

Passed the House March 8, 1955.

Approved by the Governor March 14, 1955.