

Dip-bag net
license.

Smelt.

Section 51 B. There shall be paid for each dip-bag net license for the taking of eulachen, commonly called smelt, for commercial purposes in the Columbia river district, a fee of five dollars (\$5.00): *Provided, however,* That any one person may at any time take not to exceed twenty (20) pounds of eulachen, commonly called smelt, in any one day for the personal use of such person in areas where commercial fishing is permitted.

SEC. 3. This act is necessary for the support of the state government and its existing public institutions and shall take effect April 1, 1931.

Passed the House March 6, 1931.

Passed the Senate March 11, 1931.

Approved by the Governor March 21, 1931.

CHAPTER 134.

[H. B. 375.]

INHERITANCE TAXES.

AN ACT relating to taxation of inheritances and ascertaining, determining and collecting of such tax, and providing as to how the federal estate tax shall be deducted from estates, and providing for an inheritance tax on property transferred under powers of appointment, and providing for an exemption on property previously taxed, and providing for the absorption of the eighty per cent credit allowed under the federal state tax act, and providing for interest on money refunded in certain cases, and providing for the payment of the income on securities deposited in certain cases, and providing as to how the market value of real estate and the improvements thereon shall be determined, and providing a bond for payment of inheritance tax, and providing for certain exceptions and exemptions in certain cases, and amending Sections 11202 and 11213 of Remington's Compiled Statutes, and adding to Section 11201 of Remington's Compiled Statutes two new sections to be known as Sections 11201-B and 11201-C, and adding to Section 11202 of Remington's Compiled Statutes two new sections to be known as Sections 11202-A and 11202-B, and adding to Section 11210 of Remington's Compiled Statutes a new section to be known as Section 11210-A, and adding to Section 11211 of Remington's Compiled Stat-

utes a new section to be known as Section 11211-A, and adding to Section 11218 of Remington's Compiled Statutes a new section to be known as Section 11218-A, and amending Sections 1 and 2 of Chapter 202 of the Laws of 1929.

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

SECTION 1. That section 11201 of Remington's Compiled Statutes as amended by section 5 of chapter 205 of the Laws of 1929, be amended by adding thereto a new section to be known as section 11201-B to read as follows:

Amends § 5, ch. 205, Laws of 1929; adds § 11201-B to Rem. Comp. Stat.

Section 11201-B. In all estates the amount of the federal estate tax, as paid by the estate, shall be deducted as a claim or indebtedness against the estate.

Federal estate tax deducted.

SEC. 2. That section 11201 of Remington's Compiled Statutes as amended by section 5 of chapter 205 of the Laws of 1929, be amended by adding thereto a new section to be known as section 11201-C to read as follows:

Amends § 5, ch. 205, Laws of 1929; adds § 11201-C to Rem. Comp. Stat.

Section 11201-C. Whenever any person or corporation shall exercise a power of appointment derived from any disposition of property, made either before or after the passage of this act, such appointment when made shall be deemed a transfer taxable under the provisions of the inheritance tax laws of the State of Washington in the same manner as though the property to which such appointment relates belonged absolutely to the donee of such power and had been bequeathed or devised by such donee by will, except that where the donor was a resident and the donee, at the time the appointment takes effect, is a non-resident, the property to which the appointment relates shall be taxable as having been transferred in the estate of the donor.

Power of appointment exercised.

Deemed a transfer.

SEC. 3. That section 11202 of Remington's Compiled Statutes as amended by section 1 of chapter 205 of the Laws of 1929, be amended to read as follows:

Amends § 11202, Rem. Comp. Stat.; § 1, ch. 205, Laws of 1929.

Tax
imposed.

Section 11202. The inheritance tax shall be imposed on all estates subject to this and other inheritance tax acts of the State of Washington, at the following rates.

Rates.

If passing to or for the use of a father, mother, husband, wife, lineal descendant, stepchild, or lineal descendant of a stepchild, adopted child or lineal descendant of an adopted child of the decedent, or to a son-in-law or a daughter-in-law of the decedent, being in such relation, the tax shall be one per centum of any value not exceeding fifty thousand dollars; two per centum of any value in excess of fifty thousand dollars and not exceeding one hundred thousand dollars; three per centum of any value in excess of one hundred thousand dollars and not exceeding one hundred fifty thousand dollars; four per centum of any value in excess of one hundred fifty thousand dollars and not exceeding two hundred thousand dollars; five per centum of any value in excess of two hundred thousand dollars: *Provided, however,* That in the above cases, ten thousand dollars of the net value of any estate so passing shall be exempt from such tax when passing to the surviving spouse of the decedent, or to the father or mother of the decedent and five thousand dollars shall be exempt to each lineal descendant, each stepchild, each lineal descendant of a stepchild, each adopted child and each lineal descendant of an adopted child and each son-in-law or daughter-in-law of the decedent, such son-in-law or daughter-in-law being in such relation at the time of the death of said decedent, and each brother and sister of said decedent: *Provided, however,* There shall be exempt not less than \$10,000.00 from payment of inheritance tax in each estate, passing to lineal descendants, or adopted children or their lineal descendants or stepchildren or their lineal descendants, or sons-in-law or daughters-in-law, being in such relation.

\$10,000
exempted.

\$5,000
exempted.

If passing to or for the use of a sister, brother, uncle, aunt, nephew or niece, the tax shall be three per centum of any value not exceeding fifty thousand dollars; six per centum of any value in excess of fifty thousand dollars and not exceeding one hundred thousand dollars; eight per centum of any value in excess of one hundred thousand dollars and not exceeding one hundred fifty thousand dollars; ten per centum of any value in excess of one hundred fifty thousand dollars and not exceeding two hundred thousand dollars; twelve per centum of any value in excess of two hundred thousand dollars.

Lineal descendants.

If passing to or for the use of collateral heirs beyond the third degree of relationship or to strangers to the blood, the tax shall be ten per centum of any value not exceeding fifty thousand dollars; twelve per centum of any value in excess of fifty thousand dollars and not exceeding one hundred thousand dollars; fifteen per centum of any value in excess of one hundred thousand dollars and not exceeding one hundred fifty thousand dollars; twenty per centum of any value in excess of one hundred fifty thousand dollars and not exceeding two hundred thousand dollars; twenty-five per centum of any value in excess of two hundred thousand dollars.

Collateral heirs.

SEC. 4. That section 11202 of Remington's Compiled Statutes as amended by section 1 of chapter 205 of the Laws of 1929, be amended by adding thereto a new section to be known as section 11202-A to read as follows:

Amends § 1, ch. 205, Laws of 1929; adds § 11202-A to Rem. Comp. Stat.

Section 11202-A. All property transferred by a decedent to a father, mother, husband, wife, lineal descendant, stepchild or lineal descendant of a stepchild, adopted child or lineal descendant of such adopted child, son-in-law or daughter-in-law, being in such relation, or lineal descendant of such son-in-law or daughter-in-law, providing the same was

Transferred to lineal descendants.

Within
five years.

transferred to such decedent not more than five years prior to his death by another decedent of the class hereinabove described and a tax paid thereon to the State of Washington, shall be exempt: *Provided*, That the value of said property shall be taken as of the date of death of the first decedent: *Provided further, however*, That this exemption only applies to transfers upon which an inheritance tax was paid in the estate of the first decedent, and where the property so transferred and taxed has increased in value, the increase in value shall be taxed.

Exempt.

Property
identified.

Property exempted under this section must be identified as having been received from the first decedent or as having been acquired in exchange therefor, and the value of such property so exempted shall not be in excess of the value determined for the estate of the first decedent.

Amends § 1,
ch. 205, Laws
of 1929; adds
§ 11202-B to
Rem. Comp.
Stat.

SEC. 5. That section 11202 of Remington's Compiled Statutes, as amended by section 1 of chapter 205 of the Laws of 1929, be amended by adding thereto a new section to be known as section 11202-B to read as follows:

Federal
estate
tax credit,
effect of.

Section 11202-B. Where the tax imposed by the inheritance tax laws of the State of Washington is of a lesser amount than the maximum credit of eighty per cent of the federal estate tax allowed by the federal estate tax act, then the tax provided for by the said inheritance tax laws of the State of Washington shall be increased so that the amount of tax due the State of Washington shall be the maximum amount of the credit allowed under said federal estate tax act: *Provided*, That the said additional tax shall be paid out of the same funds as any ordinary charge against the estate.

No tax
imposed.

Where no tax is imposed by the inheritance tax laws of the State of Washington because of the exemptions thereunder and a tax is due the United

States under the federal estate tax act, then a tax shall be due the State of Washington equal to maximum amount of the credit allowed under said federal estate act.

Should the amount of tax imposed by the inheritance tax laws of the State of Washington increased by this act, be afterwards found to be more than the maximum credit allowed under the federal estate tax act, then any excess over and above the said maximum credit shall be refunded as provided by law.

Excess over maximum credit.

The executor or administrator of every decedent whose estate may be subject to the federal estate tax or to the inheritance tax laws of the State of Washington, shall file in the office of the supervisor of the inheritance tax and escheat division within twelve months after the death of such decedent, one copy of the federal estate tax return and inventory provided for in the federal estate tax act, and in like manner, one copy of all supplemental or amended returns and inventories filed with the federal government.

Federal estate tax inventory.

Said executor or administrator shall also file in the office of the supervisor of the inheritance tax and escheat division a copy of the corrected inventory and appraisal of the estate and the total amount of federal estate tax thereon, as finally determined by the federal government.

Corrected inventory.

SEC. 6. That section 11210 of Remington's Compiled Statutes be amended by adding thereto a new section to be known as section 11210-A to read as follows:

Adds § 11210-A to Rem. Comp. Stat.

Section 11210-A. Where refunds are allowed in inheritance tax and escheat cases by relief bills of the legislature, the amount of money received and held by the state treasurer, by way of inheritance tax or escheat, shall draw interest at the rate of two per centum per annum from the time of the receipt by the state treasurer of said money until the refund

Refunds in relief bills, interest allowed.

Deposits in lieu of cash.

thereof pursuant to the relief bills of the legislature: *Provided*, That in all inheritance tax cases where securities are deposited with the state treasurer in lieu of a cash payment and thereafter returned to the person or persons so depositing said securities with the state treasurer, the interest and income from said securities received by the state treasurer shall be paid over to said person or persons so depositing said securities.

Amends § 3, ch. 205, Laws of 1929; adds § 11211-A to Rem. Comp. Stat.

SEC. 7. That section 11211 of Remington's Compiled Statutes as amended by section 3, chapter 205 of the Laws of 1929, be amended by adding thereto a new section to be known as section 11211-A, to read as follows:

Market value of real estate, assessed value.

Section 11211-A. The market value of all real estate and the improvements thereon, of the estate of a deceased person, for the purpose of computing the inheritance tax, shall be the value of such real estate and improvements, as fixed and determined by the county assessor, board of county equalization, state tax commission, or state board of equalization and the valuation fixed by the appraisers shall be based upon the ratio of the assessed valuation to the actual value of the property, as fixed by the state board of equalization as provided by law.

Inventory to show.

The executor, administrator or trustee, in preparing the inventory in all probate cases shall insert, at the right of each real estate tract, the assessed valuation of such tract as hereinbefore determined and also the assessed valuation of the improvements thereon.

Amends § 11218, Rem. Comp. Stat.

SEC. 8. That section 11218 of Remington's Compiled Statutes be amended to read as follows:

Exemptions.

Section 11218. 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 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.

Charitable purposes.

SEC. 9. That section 11218 of Remington's Compiled Statutes be amended by adding thereto a section to be known as section 11218-A.

Adds §11218-A to Rem. Comp. Stat.

Section 11218-A. All gifts, bequests, devises and transfers made to or for the use of 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 re-

Religious purposes, exempt.

ligious 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, 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.

Amends §1,
ch. 202, Laws
of 1929.

SEC. 10. That section 1, chapter 202, Laws of 1929, be amended to read as follows:

Personal
property.

Section 1. The tax imposed by chapter VIII of title LXXVIII of Remington's Compiled Statutes, and chapter VIII of title LXXVIII of Remington's Compiled Statutes, 1927 Supplement, in respect of personal property (except tangible personal property having an actual situs in this state) shall not be payable (1) if the transferor is a resident of a state or territory of the United States which at the time of the transfer did not impose a transfer tax or death tax of any character in respect of personal property of residents of this state (except tangible personal property having an actual situs in such state or territory) or (2) if the laws of the state or territory of residence of the transferor at the time of the transfer contained a reciprocal provision under which non-residents were exempted from transfer taxes or death taxes of every character in respect of personal property (except tangible personal property having an actual situs therein) provided the state or territory of residence of such non-residents allowed a similar exemption to residents of the state or territory of residence of such transferor. (3) In no case shall the provisions of this section apply to the intangible personal property within or under the jurisdiction of the State of Washington of non-resident decedents of a state

Reciprocal
provisions.

Intangible
personal
property.

or territory of the United States which does not impose an inheritance tax or a legacy or succession tax or a death tax of any character. (4) This section shall apply only to estates of decedents dying subsequent to June 13, 1929. For the purpose of this section the District of Columbia, Porto Rico and the Philippine Islands shall be considered territories of the United States.

Territory defined.

SEC. 11. That section 2, chapter 202, Laws of 1929, be amended to read as follows:

Amends § 2, ch. 202, Laws of 1929.

Section 2. When the inheritance tax and escheat division is determining inheritance tax, in the manner provided by law, on the succession to property from a decedent citizen resident of this state, if it is made to appear that an inheritance or succession tax has been assessed and paid in any other state, territory, district or possession of the United States, or foreign country on the succession to any part of such property of such estate located in or under the jurisdiction of this state, the court shall allow the successor by whom such inheritance tax has been paid, a credit of the amount so paid by him or in his behalf in such other state, territory, district or possession of the United States, or foreign country on that particular property, this credit to be applied on the tax assessed under the laws of this state, upon that particular property: *Provided, however,* That the amount of such credit so allowed shall in no case exceed the amount assessed or paid in this state on the succession of such successor in the said particular property so subject to inheritance tax elsewhere: *Provided, however,* That this section shall apply only to estates of decedents dying subsequent to June 13, 1929.

Decedent resident, tax paid outside state, credit.

Particular property.

Applies subsequent to June 13, 1929.

SEC. 12. The foregoing provisions in this act shall apply to all cases pending in the inheritance tax and escheat division at the time this act takes effect, except as hereinbefore provided.

Pending cases, applicable to.

Unconstitu-
tional in
part, not to
affect re-
mainder.

SEC. 13. That in case any part or portion of this act shall be held unconstitutional, such holding shall not affect the validity of this act as a whole nor any other part or portion of this act not adjudged unconstitutional, or any other act to which the same relates.

Passed the House March 11, 1931.

Passed the Senate March 10, 1931.

Approved by the Governor March 21, 1931.

CHAPTER 135.

[H. B. 302.]

HIGHWAY REAPPROPRIATIONS.

AN ACT reappropriating certain sums from the motor vehicle fund for the purpose of construction, improvement, and/or maintenance of state highways, and declaring that this act shall take effect immediately.

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

Reappropriation \$5,991,-
698.85.

SECTION 1. That the sum of five million nine hundred ninety-one thousand six hundred ninety-eight dollars and eighty-five cents (\$5,991,698.85) from the motor vehicle fund, or so much thereof as may be necessary, be and the same is hereby reappropriated for completing and maintaining work already under contract, or in progress, and for new work on certain state roads hereinafter mentioned, the same being the unexpended balances of certain existing appropriations [appropriations] as shown by the state auditor's books on December 31, 1930, the said balances being reappropriated as follows:

Limited.

Provided, That no expenditure under authority of this act shall in any event exceed the amount of the unexpended balances shown by the state auditor's books for the respective items, and