

(14) Section 27, chapter 106, Laws of 1963, section 23, chapter 227, Laws of 1982, section 6, chapter 173, Laws of 1985 and RCW 46.85.270;

(15) Section 28, chapter 106, Laws of 1963, section 8, chapter 222, Laws of 1981, section 7, chapter 173, Laws of 1985 and RCW 46.85.280;

(16) Section 29, chapter 106, Laws of 1963, section 116, chapter 32, Laws of 1967, section 9, chapter 222, Laws of 1981, section 8, chapter 173, Laws of 1985 and RCW 46.85.290;

(17) Section 2, chapter 221, Laws of 1981 and RCW 46.85.300;

(18) Section 3, chapter 221, Laws of 1981 and RCW 46.85.310;

(19) Section 4, chapter 221, Laws of 1981 and RCW 46.85.320;

(20) Section 5, chapter 221, Laws of 1981 and RCW 46.85.330;

(21) Section 6, chapter 221, Laws of 1981 and RCW 46.85.340;

(22) Section 7, chapter 221, Laws of 1981 and RCW 46.85.350;

(23) Section 8, chapter 221, Laws of 1981 and RCW 46.85.360;

(24) Section 9, chapter 221, Laws of 1981 and RCW 46.85.370;

(25) Section 10, chapter 221, Laws of 1981 and RCW 46.85.380; and

(26) Section 11, chapter 221, Laws of 1981 and RCW 46.85.390.

NEW SECTION. Sec. 59. Section 1 of this act shall take effect on January 1, 1990. Sections 9, 10, and 15 through 58 of this act shall take effect on January 1, 1988.

Passed the Senate April 18, 1987.

Passed the House April 9, 1987.

Approved by the Governor May 1, 1987.

Filed in Office of Secretary of State May 1, 1987.

CHAPTER 245

[Substitute House Bill No. 198]

RETAIL SALES TAX FUNDS HELD IN TRUST—TAX LIABILITY

AN ACT Relating to the collection of retail sales taxes held in trust; adding a new section to chapter 82.32 RCW; and declaring an emergency.

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

NEW SECTION. Sec. 1. A new section is added to chapter 82.32 RCW to read as follows:

(1) Upon termination, dissolution, or abandonment of a corporate business, any officer or other person having control or supervision of retail sales tax funds collected and held in trust under RCW 82.08.050, or who is charged with the responsibility for the filing of returns or the payment of retail sales tax funds collected and held in trust under RCW 82.08.050, shall be personally liable for any unpaid taxes and interest and penalties on those taxes, if such officer or other person wilfully fails to pay or to cause to be paid any taxes due from the corporation pursuant to chapter 82.08 RCW. For the purposes of this section, any retail sales taxes that have been

paid but not collected shall be deductible from the retail sales taxes collected but not paid.

For purposes of this subsection "wilfully fails to pay or to cause to be paid" means that the failure was the result of an intentional, conscious, and voluntary course of action.

(2) The officer or other person shall be liable only for taxes collected which became due during the period he or she had the control, supervision, responsibility, or duty to act for the corporation described in subsection (1) of this section, plus interest and penalties on those taxes.

(3) Persons liable under subsection (1) of this section are exempt from liability in situations where nonpayment of the retail sales tax funds held in trust is due to reasons beyond their control as determined by the department by rule.

(4) Any person having been issued a notice of assessment under this section is entitled to the appeal procedures under RCW 82.32.160, 82.32.170, 82.32.180, 82.32.190, and 82.32.200.

(5) This section applies only in situations where the department has determined that there is no reasonable means of collecting the retail sales tax funds held in trust directly from the corporation.

(6) This section does not relieve the corporation of other tax liabilities or otherwise impair other tax collection remedies afforded by law.

(7) Collection authority and procedures prescribed in this chapter apply to collections under this section.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House April 15, 1987.

Passed the Senate April 7, 1987.

Approved by the Governor May 1, 1987.

Filed in Office of Secretary of State May 1, 1987.

CHAPTER 246

[Senate Bill No. 5444]

FEDERAL RESERVE SYSTEM CHALLENGED—REFERENDUM BILL 41

AN ACT Relating to the federal reserve system; creating new sections; and providing for submission of this act to a vote of the people.

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

NEW SECTION. Sec. 1. (1) A sound money system is absolutely vital to a free people. Symptoms of an unsound money system abound: Budget deficits, recurring recession cycles, farm foreclosures, business bankruptcies, bank, savings and loan, and insurance company failures, trade deficits, and