

## CHAPTER 277.

[ H. B. 333. ]

## REVENUE AND TAXATION.

AN ACT relating to revenue and taxation; providing for the levy and collection of taxes on estates; and amending section 2, chapter 55, Laws of 1901, as last amended by section 2, chapter 202, Laws of 1939 (section 11202, Remington's Revised Statutes, Supplement).

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

Amendments.

SECTION 1. Section 2, chapter 55, Laws of 1901, as last amended by section 1, chapter 202, Laws of 1939 (section 11202, Remington's Revised Statutes, Supplement), is amended to read as follows:

Inheritance tax.

Section 2. An inheritance tax shall be imposed on all estates subject to this act and other inheritance tax acts of the State of Washington as follows: (1) With respect to persons dying prior to January 1, 1943, at the rates fixed by law on December 31, 1942, and (2) with respect to persons dying on or after January 1, 1943, at the following rates:

Class A.

Class A. Any devise, bequest, legacy, gift or beneficial interest to any property or income therefrom which shall pass to any grandfather, grandmother, father, mother, husband, wife, child or stepchild, adopted child or lineal descendant of any adopted child, son-in-law, daughter-in-law, or lineal descendant of the deceased is hereby denominated as class A. On any amount passing to Class A up to and including \$25,000, 1%; on any amount in excess of \$25,000 up to and including \$50,000, 2%; on any amount in excess of \$50,000 up to and including \$75,000, 3%; on any amount in excess of \$75,000 up to and including \$100,000, 4%; on any amount in excess of \$100,000 up to and including \$200,000, 7%; on any amount in excess of \$200,000 up to and including \$500,000, 9%; on any amount in excess of \$500,000, 10%: *Provided*, That except as otherwise provided

Rate of tax.

by statute there shall be allowed as an exemption to class A the following amounts: (A-1) \$5,000 of any amount passing to class A, which exemption shall include all allowances in lieu of homestead and all family allowances in excess of \$1,000 as allowed by section 104, chapter 180, Laws of 1935; and in addition thereto (A-2) \$5,000 for the surviving spouse and \$5,000 for each living child born prior to the death of the decedent, stepchild, or adopted child; and in addition thereto (A-3) \$5,000 for the living descendants of any deceased child, stepchild, or adopted child per stirpes and not per capita. The exemptions fixed by (A-2) and (A-3) shall be allowed regardless of the amounts passing to the persons named therein. If no person in class A as defined in (A-2) and (A-3) survives the decedent then there shall be allowed as an additional exemption to class A the sum of \$5,000. All of the amounts specified in A-1, A-2 and A-3 shall be allowed as exemptions to Class A as a whole and not to the persons mentioned therein. In computing tax liability under Class A the aggregate amount of the exemption shall be deducted from that portion of the total amount of the estate passing to beneficiaries which is taxable at the lowest rates specified herein;

Class B. On any devise, bequest, legacy, gift, or beneficial interest to any property or income therefrom which shall pass to any sister or brother is denominated class B. On any amount passing to class B up to and including \$5,000, 3%; on any amount in excess of \$5,000 up to and including \$10,000, 4%; on any amount in excess of \$10,000 up to and including \$30,000, 7%; on any amount in excess of \$30,000 up to and including \$50,000, 10%; on any amount in excess of \$50,000 up to and including \$100,000, 15%; on any amount in excess of \$100,000, 20%: *Provided*, That except as otherwise provided by statute there shall be exempt \$1,000 of any amount passing to class

Exemptions.

Class B.

Rate of tax.

Exemption.

B, which exemption shall be taken from the first five thousand dollars (\$5,000);

Class C.

Class C. Any inheritance, devise, bequest, legacy, gift or beneficial interest to any property or income therefrom which shall pass to any person or body politic or corporate other than mentioned in class A and class B herein, is hereby denominated class C. On any amount passing to class C up to and including \$10,000, 10%; on any amount in excess of \$10,000 up to and including \$25,000, 15%; on any amount in excess of \$25,000 up to and including \$50,000, 20%; on any amount in excess of \$50,000, 25%.

Trust  
property  
passing  
included.

Any devise, bequest, legacy, gift or beneficial interest to any property or income therefrom passing in trust shall be classified and taxed in accordance with the relationship of the *cestui que* trust.

Taxes and  
exemptions  
apportioned.

The taxes imposed and the exemption with respect to each class of beneficiaries shall be apportioned between the beneficiaries in such class in proportion to the amount receivable by such beneficiary.

Passed the House March 2, 1943.

Passed the Senate March 9, 1943.

Approved by the Governor March 22, 1943.