

## CHAPTER 78.

[H. B. 152.]

## ASSESSMENT OF RAILROADS.

AN ACT to provide for the assessment of the operating property of railroads.

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

Tax com-  
mission to  
assess.

SECTION 1. That the State Board of Tax Commissioners shall make an annual assessment of the operating property of all railroad companies within this state, for the purpose of levying and collecting taxes as hereinafter provided.

Definitions.

SEC. 2. For the purposes of this act, the following provisions and definitions are made.

1. The term "board" in this act, without other designation means the State Board of Tax Commissioners.

2. Any person, association, company or corporation, owning or operating a railroad in this state, or owning or operating any station, depot, terminal or bridge for railroad purposes, as owner or lessee or otherwise, shall be deemed a railroad company within the meaning of this act.

3. The term "property of the railroad company" as used in this act, shall include all franchises, right-of-way, road bed, tracks, terminals, rolling stock equipment and all other real and personal property of such company, used or employed in the operation of the railroad, or in conducting its business, and shall include all title and interest in such property, as owner, lessee or otherwise. Real estate not adjoining its tracks, stations or terminals, and real estate not used in operating the railroad, is excepted, and shall be assessed in the same manner as like property of individuals.

4. The railway company operating a railroad in this state shall be the representative of every title and interest in the property of the railroad company, as owner, lessee or otherwise, and notice to the operating company shall be notice to all interests in the railroad property, for the purpose of taxation. The assessment of the property of

the railroad company in the name of the owner, lessee or operating company, shall be deemed and held an assessment of all the title and interest in such property of every kind and nature.

5. The term "general property of the state" shall be deemed to include all the real and personal property appearing upon the assessment rolls and tax rolls throughout the entire state, upon which the state, county and local taxes are levied and collected.

6. The word "railroad" or words "railroad company," wherever they occur in this act, shall be considered, for all purposes of assessment and taxation, as including every kind of street railway, suburban railroad, or interurban railroad, person, firm, association, company or corporation, whether its line of railroad be maintained either at the surface, or above or below the surface of the earth, or by whatever power its vehicles are transported.

SEC. 3. The board shall have access to all books, papers, documents, statements and accounts on file or of record in any of the departments of the state. It shall have like access to all books, papers, documents, statements and accounts on file or of record in counties, towns, cities, villages and assessment districts, and the officers thereof shall, in form prescribed by said board, make returns to it of all the information called for. Said board shall have the power, by a summons signed by a member of said board, and served in a like manner as a subpoena issued from courts of record, to compel witnesses to appear and give evidence, and to produce books and papers. Any member of the board or the secretary thereof, is authorized to administer oaths to witnesses. The attendance of any witness may be compelled by attachment issued out of any superior court upon application to said court by any member of said board, upon a proper showing that such witness has been duly served with a summons, and has refused to appear before the said board. In case of the refusal of a witness to produce books, papers, documents or accounts, or to give evidence on matters material to the hearing, said board or any member thereof, may institute proceedings in the proper superior court, to compel

Fowers of  
Tax Com-  
mission.

Attendance  
of wit-  
nesses.

such witness to testify, or to produce such books or papers, and to punish him for the refusal. All summons and process issued by such board shall be served by the sheriff of the proper county, and such service certified by him to said board, without any compensation therefor. Persons appearing before said board in obedience to a summons, shall, in the discretion of the board, receive the same compensation as witnesses in the superior court, to be audited by the State Auditor, on the certificate of said board. The records, books, accounts and papers of any person, association or corporation owning or operating railroad property to be assessed, shall be subject to visitation, investigation and examination by said board.

Depositions.

SEC. 4. The board, in any matter material to the valuation, assessment or taxation of the property of railroad companies, may cause the deposition of witnesses residing without the state or absent therefrom, to be taken upon notice to the railroad company interested, in like manner as the deposition of witnesses are taken in civil actions in the superior court.

Report of  
company—  
contents.

SEC. 5. Every railroad company, operating in this state shall, between the first day of January and the first day of April in each year, under the oath of the president or other chief officer, and the secretary, treasurer, auditor or superintendent, of such company, make and file with the board, in such form as the board may prescribe, reports containing the following facts:

(1) The name of the company.

(2) The nature of the company, whether a person, association, company or corporation, and under the laws of what state or country organized, the date of original organization, date of re-organization, consolidation, or merger, with specific reference to laws authorizing the same.

(3) The location of its principal office.

(4) The place where its books, papers and accounts are kept.

(5) The name and postoffice address of the president, secretary, treasurer, auditor, superintendent, general manager, counsel, directors and all other general officers.

(6) The name and postoffice address of the chief officer or managing agent of the railroad company in the State of Washington, and of all other general officers residing in this state.

(7) The total number of shares of capital stock.

(8) The par value of the shares of capital stock, for the whole system, showing: (1) Amount authorized; (2) amount issued; (3) amount outstanding; (4) the dividends paid thereon.

(9) The market value of the shares of capital stock for the whole system, on the dates and for the periods the board may request or specify.

(10) If such capital stock has no market value, the actual value on the dates and for the periods designated by the said board.

(11) The funded debt of the railroad company for the whole system, and a detailed statement of all series of bonds, debentures and other securities, forming part of the funded debt, at par value, with date of issue, date of maturity, rate of interest, and interest paid.

(12) The market value of each series of funded debt for the whole system, on the dates and for the periods designated by said board; and if the whole, or a part, of such funded debt has no market value, then the actual value for such periods and such dates as the board may specify.

(13) Such a general description of the real property of the railroad company, owned or operated in the State of Washington, as would be sufficient in a conveyance thereof, under a judicial decree directing a sale for taxes, to vest in the grantee all title and interest in and to said property.

(14) A like description of the personal property, including moneys and credits, held by the company as a whole system, and also the part thereof apportioned to the system in this state.

(15) A statement in detail of all capital stock and bonds or other securities of such railroad company, owned by or held in trust for the company, and the capital stock, bonds, and other securities of other persons, companies or

corporations, owned by or held in trust for it, and the par value, and the market or actual value of the same.

(16) The whole length of the railroad system operated by the company, and the length of the line in this state, whether operated as owner, lessee or otherwise. The length of the line owned and the length of the line operated for the whole system in this state shall be separately reported.

(17) The entire gross earnings of the railroad company from operation, income from operation, and income from other sources for the whole system, and in this state, and the disposition made from such income.

(18) The entire gross earnings of such company in the state of Washington, for each and every month, for each calendar year, ending on the 31st day of December.

(19) The annual reports of the board of directors, or other officers to the stockholders of the company, duplicate of the annual reports made to the interstate commerce commission, to the railway commission in this state, and to the railway commissioners or state officers or boards of other states in or through which the line of said railroad is operated.

(20) Such other facts and information as said board may require, in the form of returns prescribed by it. Blanks for making the above reports shall be furnished to such companies by said board except for the copies of the reports required under the provisions of subdivision nineteen of this section. In case any company refuses or neglects to make the reports provided for by this act, or refuses or neglects to furnish any information requested, the board shall inform itself the best it may on the matters necessary to be known, in order to discharge its duties with respect to the valuation and assessment of the property of such company.

Failure to  
report,  
effect.

SEC. 6. If any railroad company or its officers or agents, shall refuse or neglect to make any reports required by this act, or said board, or shall refuse or neglect to permit an inspection and examination of its records, books, accounts or papers when requested by said board, or shall refuse or neglect to appear before the board in obedience to a summons, such company shall be estopped to

question or impeach the action or determinations of the board upon any grounds not affecting the substantial justice of the tax.

SEC. 7. The board, on or before the first day of March and the first day of June, in each year, according to their best knowledge and judgment, shall ascertain and determine the true cash value of the property of each railroad company within this state. Every such company shall be entitled on its own motion, to a hearing and to present evidence before such board, at any time between the first day of April and the first day of May, relating to the value of the property of such company, or to the value of the general property in the state. On request in writing for such hearing or presentation, the board shall appoint a time and place therefor, within the period aforesaid, the same to be conducted in such manner as the board shall direct. Such hearing shall not impair or affect the right to a further hearing before the State Board of Equalization, as hereinafter provided. The value of property of railroads for assessment shall be made as of the same time, and in like manner, as the value of the general property of the state, is ascertained and determined. Hearings.

SEC. 8. The board shall prepare assessment rolls and place thereon, after the name of each railroad company assessed, the general description of the property of such railroad, which shall include its real estate, right-of-way, tracks, stations, terminals, appurtenances, rolling stock, equipment, franchises and all other real and personal property of said company, which shall be deemed and held to include the entire property and franchises of such railroad company within the state, and all title and interest therein. For the purpose of determining the true cash value of the property of each company, the board may, if deemed necessary, view and inspect the property of such company, and shall consider the reports filed in compliance with this act, and the reports and returns of the company filed in the office of any officer of this state, and such other evidence or information as may have been taken or obtained bearing upon the value of the property of the railroad company assessed. In case of railroad companies Assessment roll.

which own or operate railroads lying partly within and partly without the state, the said board shall only value and assess the property within this state. In determining the value of the portion within the state, the board shall take into consideration the value of the entire system, the mileage of the whole system, and of the part within this state, together with such other information, facts and circumstances as will enable the board to make a substantially just and correct determination. When the value of the property of the railroad company within this state shall have been ascertained and determined, the amount thereof shall be entered upon said assessment rolls, opposite the name of the company, and shall be and constitute the value of the entire property of such railroad company within this state, for the levy of taxes thereon, subject to revision and correction by the State Board of Equalization as hereinafter provided. Upon the completion of such assessment, the board shall give notice by mail to each railroad company assessed, of the amount of its assessment as entered upon such rolls.

Sessions of  
Tax Com-  
mission.

SEC. 9. In making the investigation and holding the hearings provided for in this act, the board may hold its sessions at such times and in such places throughout the state as it may deem proper, or necessary for the convenient performance of their duties, and may adjourn from time to time and from place to place.

Equaliza-  
tion of  
assessment.

SEC. 10. The assessment rolls of railroad companies shall, by said Board of Tax Commissioners, be submitted to the State Board of Equalization at its annual meeting held for the purpose of equalizing the assessed valuation of the taxable property of the state; and any railroad company interested shall have the right to appear and be heard as to the assessment of the property of such company, and as to the value and assessment of the general property of the state, and the said Board of Equalization may, on application or of its own motion, correct the valuation or assessment of the property of such company, in such manner as may in its judgment make the valuation thereof just and relatively equal with the valuation of the general property of the state. The assessed valuation

of the property of the railroad company as it appears on such rolls, shall not be increased without notice to the company, by registered letter, that such increase is contemplated, and fixing a time for a hearing in relation thereto.

SEC. 11. On the completion of the equalization of the property of the railroad companies and other property in the state, by the State Board of Equalization it shall be the duty of the State Board of Tax Commissioners, to apportion the value of the operating properties of such railroad, to the county or counties through or into which the lines thereof may extend, according to the classification and value thereof, in such proportion to the entire value thereof, as the length of the line in each county may bear to the entire length of line within the state, which valuation, together with a description of the railroad property assessed, giving the name of the company and the length of line in said county, shall be certified by said board, to the county auditor of the proper county. The county auditor shall in like manner distribute the value so certified to him, to the several cities, towns, road districts, school districts and other taxing districts, in his county, entitled to a proportionate value of the operating property of such railroad; and each assessment so apportioned shall be placed upon the tax rolls of said county, and the taxes extended against the same, as against other property in said county, cities, towns, school, road, and other taxing districts.

Apportionment of value to counties, cities, etc.

SEC. 12. In making the assessments of the operating property of railroads, and in the apportionment of the values and the taxation thereof, as hereinbefore provided, all land occupied and claimed exclusively as the right-of-way for railroads, with all the tracks, and substructures and superstructures which support the same, together with all side tracks, second tracks, turn-outs, station houses, depots, round-houses, machine shops, or other buildings belonging to the road, used in the operation thereof, without separating the same into land and improvements, shall be assessed and taxed as real property. And the rolling stock and other movable property belonging to

Assessments—realty and personalty.



any railroad company or corporation shall be considered personal property and shall be assessed and taxed as such.

Passed the House February 11th, 1907.

Passed the Senate February 20th, 1907.

Approved by the Governor March 6th, 1907.

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## CHAPTER 79.

[H. B. 413.]

JUDGES OF THE SUPERIOR COURT OF WHATCOM, YAKIMA, KITTITAS, BENTON, FRANKLIN, ADAMS, LINCOLN AND SPOKANE COUNTIES.

AN ACT relating to the superior courts of the counties of Whatcom, Yakima, Kittitas, Benton, Franklin, Adams, Lincoln and Spokane, the election and appointment of judges therein, and declaring an emergency.

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

Election  
in 1908.

SECTION 1. At the general election to be held in nineteen hundred and eight there shall be elected in the county of Whatcom, two superior judges; in the county of Yakima one superior judge; in the county of Kittitas one superior judge; in the counties of Benton, Franklin and Adams jointly, one superior judge; in the county of Lincoln one superior judge; and in the county of Spokane four superior judges.

Governor to  
appoint.

SEC. 2. The Governor shall, upon the taking effect of this act appoint one additional superior judge for the county of Whatcom, one superior judge for the county of Kittitas, one superior judge for the counties of Benton, Franklin and Adams jointly, and one additional superior judge for the county of Spokane, who shall hold their offices from the time of their appointments until the next general election and until their successors are elected and qualified.

Present  
judges to  
hold office.

SEC. 3. After the appointment and qualification of a superior judge for the county of Kittitas and a superior judge for the counties of Benton, Franklin and Adams jointly, the judge elected at the November election, 1904, for the counties of Kittitas, Yakima and Franklin shall,