

CHAPTER 137.

[S. B. 263.]

INHERITANCE TAX—EXEMPTIONS.

AN ACT relating to inheritance tax and to exemptions therefrom; and amending section 83.16.070, RCW.

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

Amendment. SECTION 1. Section 83.16.070, RCW, as derived from section 2, chapter 202, Laws of 1939, is amended to read as follows:

Definitions. As used in this section:

"Property." "Property" includes property which can be identified as having been acquired in exchange for or with the proceeds of property previously taxed.

"Property previously taxed." "Property previously taxed" means property transferred by a present decedent to any person who is a class A transferee, as defined by the inheritance tax laws of this state, with respect to the present decedent, where the property had previously been transferred to the present decedent by a prior decedent whose death occurred not more than five years prior to that of the present decedent, and in relation to whom the present decedent was a class A transferee, and where an inheritance tax was paid to this state on such transfer.

Exemption allowed. There shall be allowed as an exemption in the estate of the present decedent an amount equal to that portion of the property previously taxed which is exclusive of the proportion of deductions chargeable against and any exemption allowed against the property previously taxed in the estate of the prior decedent and the proportion of deductions chargeable against the property previously taxed in the present decedent's estate, which shall be determined under rules prescribed by the tax commission. For the purpose of computing such exemption, the value of each item of the property previously taxed shall

be the gross value thereof as of the date of death of the prior decedent or as of the date of death of the present decedent, whichever is lower.

Passed the Senate February 25, 1953.

Passed the House March 9, 1953.

Approved by the Governor March 17, 1953.

CHAPTER 138.

[S. B. 262.]

INHERITANCE TAX—CLASS A RATES—EXEMPTIONS.

AN ACT relating to inheritance tax and to exemptions therefrom; and amending sections 83.08.010 and 83.08.020, RCW.

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

SECTION 1. Section 83.08.010, RCW, as derived from section 1, chapter 277, Laws of 1943, is amended to read as follows: Amendment.

An inheritance tax shall be imposed on all estates subject to this title at the rates set forth in this chapter. Scope of tax.

SEC. 2. Section 83.08.020, RCW, as derived from section 1, chapter 277, Laws of 1943, is amended to read as follows: Amendment.

Any devise, bequest, legacy, gift or beneficial interest to any property or income therefrom which shall pass to any lineal ancestor, lineal descendant, husband, wife, stepchild or lineal descendant of a stepchild, adopted child or lineal descendant of an adopted child, adopted child of the lineal descendant, son-in-law, or daughter-in-law of the decedent is denominated class A. On any amount passing to class A up to and including twenty-five thousand dollars, one percent; on any amount in excess of Class A.
Defined.
Rate of tax.