

CHAPTER 91.

[H. B. 182.]

EXCISE TAXES.

AN ACT relating to revenue and taxation; adding to and amending title 82, RCW, and declaring an emergency.

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

New section.

SECTION 1. There is added to chapter 82.04, RCW, as derived from title II, chapter 180, Laws of 1935, a new section to read as follows:

Business and occupation tax; surtax.

From and after the first day of May, 1953, until the thirtieth day of April, 1955, there is levied and shall be collected from every person for the act or privilege of engaging in business activities, as a part of the tax imposed by this chapter and as a temporary increase thereof, an additional tax in the amount of twenty percent of the tax payable under this chapter. To facilitate collection of this additional tax, the tax commission is authorized to adjust the basic rates of persons to which this section applies in such manner as to reflect the exact amount of the additional tax hereby imposed.

New section.

SEC. 2. There is added to chapter 82.16, RCW, as derived from title V, chapter 180, Laws of 1935, a new section to read as follows:

Public utility tax; surtax.

From and after the first day of May, 1953, until the thirtieth day of April, 1955, there is levied and shall be collected from every person for the act or privilege of engaging within this state in one or more of the businesses named in section 82.16.020, RCW, as a part of the tax imposed by this chapter and as a temporary increase thereof, an additional tax in the amount of ten percent of the tax payable under this chapter. To facilitate collection of this additional tax, the tax commission is authorized to adjust the basic rates of persons to which this section applies in such

manner as to reflect the exact amount of the additional tax hereby imposed.

SEC. 3. Section 82.04.050, RCW, as derived from chapter 180, Laws of 1935, as last amended by section 3, chapter 28, Laws of 1951, second extraordinary session, is amended to read as follows: Amendment.

“Sale at retail” or “retail sale” means every sale of tangible personal property (including articles produced, fabricated, or imprinted) other than a sale to one who purchases for the purpose of resale as tangible personal property in the regular course of business or for the purpose of consuming the property purchased in producing for sale a new article of tangible personal property or substance, of which such property becomes an ingredient or component or is a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale. The term also means every sale of tangible personal property to persons engaged in any business which is taxable under RCW 82.04.280, subdivision (2), and 82.04.290. Business and occupation tax; “sale at retail” and “retail sale” defined.

The term “sale at retail” or “retail sale” shall include the sale of or charge made for tangible personal property consumed and/or for labor and services rendered in respect to the following: (1) the installing, repairing, cleaning, altering, imprinting, or improving of tangible personal property of or for consumers, excluding, however, services rendered in respect to live animals, birds and insects; (2) the constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for consumers, including the installing or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation, and shall also include the sale of services or charges made for

the clearing of land and the moving of earth to the extent necessary for such constructing or improving, unless the charge therefor is stated separately from other charges made in connection with the work performed, under such rules as the tax commission may prescribe; (3) between November 1, 1951, and May 1, 1955, for the furnishing of lodging and related services to transients in or by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property, and it shall be presumed that the occupancy of real property, for a continuous period of one month or more constitutes a rental or lease of real property and not a mere license to use or enjoy the same.

Not included. The term shall not include the sale of or charge made for labor and services rendered in respect to the mere cleaning, fumigating, razing, or moving of existing buildings or structures, or the building, repairing, or improving of any publicly owned street, place, road, highway, bridge, or trestle which is used or to be used primarily for foot or vehicular traffic, nor shall it include sales of feed, seed, fertilizer, and spray materials to persons for the purpose of producing for sale any agricultural product whatsoever, including milk, eggs, wool, fur, meat, honey, or other substances obtained from animals, birds, or insects.

Amendment. SEC. 4. Section 82.04.260, RCW, as derived from section 4 (d), chapter 180, Laws of 1935, as last amended by section 4, chapter 28, Laws of 1951, second extraordinary session, is amended to read as follows:

**Business and
occupation
tax; grain
wholesalers.**

(1) Upon every person engaging within this state in the business of buying wheat, oats, corn and barley, but not including any manufactured or processed products thereof, and selling the same at wholesale; the tax imposed shall be equal to the gross proceeds

derived from such sales multiplied by the rate of one one-hundredth of one per cent.

(2) Upon every person engaging within this state in the business of manufacturing wheat into flour; as to such persons the amount of tax with respect to such business shall be equal to the value of the flour manufactured, multiplied by the rate of one-eighth of one percent.

Wheat flour
manufac-
turers.

SEC. 5. Section 82.08.150, RCW, as derived from section 5, chapter 28, Laws of 1951, second extraordinary session, is amended to read as follows:

Amendment.

There is levied and shall be collected from and after the first day of November, 1951, until the thirtieth day of April, 1955, a tax upon each retail sale of spirits, wine, or strong beer in the original package at the rate of ten percent of the selling price, and the term "retail sale" as used herein shall include, in addition to the meaning ascribed thereto in chapter 82.04, RCW, any sale not for resale in such original package. The tax imposed in this section shall apply to the sale of spirits, wine, or strong beer by the Washington state liquor stores, including sales to Class H licensees. The tax imposed in RCW 82.08-.020 shall not apply to sales subject to the tax imposed by this section.

Retail sales
tax; spirits,
wine or
strong beer
in original
package.

As used in this section, the terms "spirits," "wine," "strong beer," and "package" shall have the meaning ascribed to them in chapter 66.04, RCW.

Definitions.

SEC. 6. If any title, section, subdivision of a section, paragraph, sentence, clause or word of this act for any reason shall be adjudged invalid, such judgment shall not affect, impair or invalidate the remainder of this act.

Severability
clause.

SEC. 7. This act is necessary for the immediate preservation of the public peace, health and safety,

Effective
date.

the support of the state government and its existing public institutions, and shall take effect May 1, 1953.

Passed the House February 9, 1953.

Passed the Senate March 9, 1953.

Approved by the Governor March 17, 1953.

CHAPTER 92.

[H. B. 200.]

CONVEYANCE OF TIDELANDS TO PORT OF OLYMPIA.

AN ACT authorizing conveyance of certain tidelands in Thurston county from the state to the port of Olympia.

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

Authoriza-
tion.

SECTION 1. The commissioner of public lands is hereby authorized and directed to certify to the governor, in the manner now provided by law, for deed to the port of Olympia, the following described tidelands: South 50.5 feet of block 357, Olympia tidelands, and block 420, third supplemental map of Olympia tidelands.

Description.

Deed.

SEC. 2. The governor is hereby authorized and directed to execute, and the secretary of state to attest, a deed to the port of Olympia conveying all of said tidelands.

Passed the House March 1, 1953.

Passed the Senate March 9, 1953.

Approved by the Governor March 17, 1953.