

## CHAPTER 270.

[ H. B. 260. ]

## CIGARETTE TAX.

AN ACT relating to certain excise taxes on cigarettes; and amending section 82, chapter 180, Laws of 1935 as last amended by section 2, chapter 240, Laws of 1953, and RCW 82.24.020 through 82.24.080; and amending section 83, chapter 180, Laws of 1935, as amended by section 14, chapter 228, Laws of 1949, and RCW 82.24.010.

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

SECTION 1. Section 82, chapter 180, Laws of 1935, as last amended by section 2, chapter 240, Laws of 1953 (heretofore divided and codified as RCW 82.24.020, 82.24.030, 82.24.040, 82.24.050, 82.24.060, 82.24.070 and 82.24.080) is divided and amended as set forth in sections 2 through 8 of this act.

SEC. 2. (RCW 82.24.020) There is levied, and there shall be collected as hereinafter provided, a tax upon the sale, use, consumption, handling or distribution of all cigarettes, in an amount equal to the rate of one and one-half mills per cigarette.

RCW 82.24.020  
amended.  
Tax imposed  
—Rate.

SEC. 3. (RCW 82.24.030) In order to enforce collection of the tax hereby levied, the tax commission shall design and have printed stamps of such size and denominations as may be determined by the commission, such stamps to be affixed on the smallest container or package that will be handled, sold, used, consumed, or distributed, to permit the commission to readily ascertain by inspection, whether or not such tax has been paid. Every person shall cause to be affixed on every package of cigarettes on which a tax is due, stamps of an amount equaling the tax due thereon before he sells, offers for sale, uses, consumes, handles, removes, or otherwise disturbs and distributes the same: *Provided*, That where it is established to the satisfaction of the commission that

RCW 82.24.030  
enacted  
without  
amendment.

it is impractical to affix such stamps to the smallest container or package, the commission may authorize the affixing of stamps of appropriate denomination to a large container or package.

The commission may authorize the use of meter stamping machines for imprinting stamps, which imprinted stamps shall be in lieu of those otherwise provided for under this chapter, and if such use is authorized, shall provide reasonable rules and regulations with respect thereto.

RCW 82.24.040  
enacted  
without  
amendment.

SEC. 4. (RCW 82.24.040) Every wholesaler in this state shall immediately, after receipt of any of the articles taxed herein cause the same to have the requisite denomination and amount of stamps affixed to represent the tax imposed herein: *Provided*, That any wholesaler engaged in interstate business, who furnishes surety bond in the sum satisfactory to the commission, shall be permitted to set aside such part of his stock as may be necessary for the conduct of such interstate business without affixing the stamps required by this chapter. Such interstate stock shall be kept separate and apart from stamped stock: *Provided further*, That every wholesaler shall, at the time of shipping or delivering any of the articles taxed herein to a point outside of this state, make a true duplicate invoice of the same which shall show full and complete details of the interstate sale or delivery, and shall transmit such true duplicate invoice to the main office of the commission, at Olympia, not later than the fifteenth day of the following calendar month, and for failure to comply with the requirements of this proviso the commission may revoke the permission granted to the taxpayer to maintain an interstate stock of goods to which the stamps required by this chapter have not been affixed.

SEC. 5. (RCW 82.24.050) Every retailer shall, except as to those articles on which the tax has been

paid by the proper affixing of stamps by a wholesaler, as herein provided, affix the stamps for the denomination and amount necessary to represent the tax on each individual package or container, the same to be done, in all cases, immediately upon receipt by the retailer of the unstamped articles: *Provided*, That any retailer engaged in interstate business, who furnishes surety bond in a sum satisfactory to the commission, shall be permitted to set aside such part of his stock as may be necessary for the conduct of such interstate business without affixing the stamps required by this chapter. Such interstate stock shall be kept separate and apart from stamped stock: *Provided further*, That every retailer shall, at the time of shipping or delivering any of the articles taxed herein to a point outside of this state, make a true duplicate invoice of the same which shall show full and complete details of the interstate sale or delivery, and shall transmit said true duplicate invoice to the main office of the commission, at Olympia, not later than the fifteenth day of the following calendar month, and for failure to comply with the requirements of this proviso the commission may revoke the permission granted to the taxpayer to maintain an interstate stock of goods to which the stamps required by this chapter have not been affixed.

RCW 82.04.050  
enacted  
without  
amendment.

SEC. 6. (RCW 82.24.060) Stamps shall be affixed in such manner that they cannot be removed from the package or container without being mutilated or destroyed, which stamps so affixed shall be evidence of the tax imposed.

RCW 82.24.060  
enacted  
without  
amendment.

In the case of cigarettes contained in individual packages, as distinguished from cartons or larger units, the stamps shall be affixed securely on each individual package.

SEC. 7. (RCW 82.24.070) Wholesalers and retailers subject to the provisions of this chapter shall

RCW 82.24.070  
enacted  
without  
amendment.

be allowed as compensation for their services in affixing the stamps herein required a sum equal to five percent of the value of the stamps purchased or affixed by them.

RCW 82.24.080  
enacted  
without  
amendment.

SEC. 8. (RCW 82.24.080) It is the intent and purpose of this chapter to levy a tax on all of the articles taxed herein, sold, used, consumed, handled, or distributed within this state and to collect the tax from the person who first sells, uses, consumes, handles, or distributes them in the state. It is further the intent and purpose of this chapter that whenever any of the articles herein taxed is given away for advertising or any other purpose, it shall be taxed in the same manner as if it were sold, used, consumed, handled, or distributed in this state.

RCW 82.24.010  
amended.

SEC. 9. Section 83, chapter 180, Laws of 1935, as amended by section 14, chapter 228, Laws of 1949, and RCW 82.24.010 are each amended to read as follows:

Definitions.

For the purposes of this chapter, unless otherwise required by the context:

"Wholesaler."

(1) "Wholesaler" means every person who purchases, sells, or distributes any one or more of the articles taxed herein to retailers for the purpose of resale only;

"Retailer."

(2) "Retailer" means every person other than a wholesaler, who purchases, sells, offers for sale or distributes any one or more of the articles taxed herein, irrespective of quantity or amount, or the number of sales, and all persons operating under a retailer's registration certificate;

"Retail selling price."

(3) "Retail selling price" means the ordinary, customary or usual price paid by the consumer for each package of cigarettes, less the tax levied by this chapter and less any similar tax levied by this state;

"Cigarette."

(4) "Cigarette" means any roll for smoking made wholly or in part of tobacco, irrespective of size or

shape and irrespective of the tobacco being flavored, adulterated, or mixed with any other ingredient, where such roll has a wrapper or cover made of paper or any material, except where such wrapper is wholly or in the greater part made of natural leaf tobacco in its natural state;

(5) "Stamp" means the stamp or stamps or meter impressions by use of which the tax levy under this chapter is paid; "Stamp."

(6) The meaning attributed, in chapter 82.04, to the words "person," "sale," "business" and "successor" shall apply equally in the provisions of this chapter. Miscellaneous.

Passed the House March 10, 1959.

Passed the Senate March 12, 1959.

Approved by the Governor March 23, 1959.

---

## CHAPTER 271.

[ H. B. 261. ]

### SCHOOL PLANT FACILITIES—CIGARETTE TAX.

AN ACT relating to revenue and taxation and the providing of funds for the construction of public school plant facilities; and amending section 5, chapter 3, Laws of 1955 first extraordinary session and RCW 28.47.440.

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

SECTION 1. Section 5, chapter 3, Laws of 1955 first extraordinary session and RCW 28.47.440 are each amended to read as follows: RCW 28.47.440 amended.

In addition to the taxes levied by RCW 73.32.130 and 82.24.020, there is levied and shall be collected by the tax commission from the persons mentioned in and in the manner provided by chapter 82.24, as now or hereafter amended, an excise tax upon the sale, use, consumption, handling or distribution of 1955 emergency construction of school plant facilities.