

shall be a fidelity bond conditioned on each board member honestly performing his duties and shall be paid for from district funds. The amount of the bond shall be prescribed by the board of county commissioners but shall not be less than twenty thousand dollars per board member.

NEW SECTION. Sec. 18. The board shall reimburse the county auditor, assessor, and treasurer for the actual costs of services performed by them in behalf of the district.

NEW SECTION. Sec. 19. Any person who shall knowingly make a false statement for exemption from the tax provided under this act shall be guilty of a misdemeanor.

NEW SECTION. Sec. 20. If the board of county commissioners finds, following a public hearing or hearings, that the continued existence of a district would no longer serve the purposes of this act, it may by resolution order the district dissolved. If there is any property owned by the district at the time of dissolution, the board of county commissioners shall have such property sold pursuant to the provisions of chapter 36.34 RCW, as now law or hereafter amended. The proceeds from such sale shall be applied to the county current expense fund.

NEW SECTION. Sec. 21. No television reception improvement district may be formed to operate and maintain any translator station presently or previously owned, operated or maintained by a television broadcaster.

NEW SECTION. Sec. 22. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the House May 9, 1971.

Passed the Senate May 7, 1971.

Approved by the Governor May 19, 1971.

Filed in Office of Secretary of State May 20, 1971.

CHAPTER 156

[Engrossed House Bill No. 56]

REVENUE AND TAXATION--

MOTOR VEHICLE FUEL--

AIRCPAFT FUEL

AN ACT Relating to revenue and taxation; amending section 82.36.010, chapter 15, Laws of 1961 as last amended by section 1, chapter 153, Laws of 1967 and RCW 82.36.010; amending section 82.36.230, chapter 15, Laws of 1961 as last amended by section

3, chapter 153, Laws of 1967 and RCW 82.36.230; amending section 82.36.400, chapter 15, Laws of 1961 as amended by section 6, chapter 153, Laws of 1967 and RCW 82.36.400; amending section 7, chapter 10, Laws of 1967 ex. sess. and RCW 82.42.070; and adding a new section to chapter 10, Laws of 1967 ex. sess. and to chapter 82.42 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 82.36.010, chapter 15, Laws of 1961 as last amended by section 1, chapter 153, Laws of 1967 and RCW 82.36.010 are each amended to read as follows:

For the purposes of this chapter:

(1) "Motor vehicle" means every vehicle which is in itself a self-propelled unit, equipped with solid rubber, hollow-cushion rubber or pneumatic rubber tires and capable of being moved or operated upon a public highway, except motor vehicles used as motive power for or in conjunction with farm implements and machines or implements of husbandry;

(2) "Motor vehicle fuel" means gasoline or any other inflammable gas or liquid, by whatsoever name such gasoline, gas or liquid may be known or sold, the chief use of which is as fuel for the propulsion of motor vehicles ((~~r~~) or motorboats ((~~or~~ airplanes: PROVIDED, That the term "motor vehicle fuel" shall not include products specifically prepared and sold, as determined by the director, for use in turbo prop or jet type aircraft engines));

(3) "Distributor" means every person who refines, manufactures, produces, or compounds motor vehicle fuel and sells, distributes, or in any manner uses it in this state; also every person engaged in business as a bona fide wholesale merchant dealing in motor vehicle fuel who either acquires it within the state from any person refining it within or importing it into the state, on which the tax has not been paid, or imports it into this state and sells, distributes, or in any manner uses it in this state;

(4) "Service station" means a place operated for the purpose of delivering motor vehicle fuel into the fuel tanks of motor vehicles;

(5) "Department" means the department of motor vehicles;

(6) "Director" means the director of motor vehicles;

(7) "Dealer" means any person engaged in the retail sale of liquid motor vehicle fuels;

(8) "Person" means every natural person, firm, partnership, association, or private or public corporation;

(9) "Highway" means every way or place open to the use of the public, as a matter of right, for purposes of vehicular travel;

(10) "Broker" means every person, other than a distributor, engaged in business as a broker, jobber, or wholesale merchant

dealing in motor vehicle fuel or other petroleum products used or usable in propelling motor vehicles, or in other petroleum products which may be used in blending, compounding, or manufacturing of motor vehicle fuel;

(11) "Producer" means every person, other than a distributor, engaged in the business of producing motor vehicle fuel or other petroleum products used in, or which may be used in, the blending, compounding, or manufacturing of motor vehicle fuel;

(12) "Distribution" means all withdrawals of motor vehicle fuel for delivery to others, to retail service stations, or to unlicensed bulk storage plants;

(13) "Bulk storage plant" means, pursuant to the licensing provisions of RCW 82.36.070, any plant, under the control of the distributor, used for the storage of motor vehicle fuel to which no retail outlets are directly connected by pipe lines;

(14) "Marine fuel dealer" means any person engaged in the retail sale of liquid motor vehicle fuel whose place of business and or sale outlet is located upon a navigable waterway.

Sec. 2. Section 82.36.23C, chapter 15, Laws of 1961 as last amended by section 3, chapter 153, Laws of 1967 and RCW 82.36.230 are each amended to read as follows:

The provisions of this chapter requiring the payment of taxes shall not apply to motor vehicle fuel imported into the state in interstate or foreign commerce and intended to be sold while they are in interstate or foreign commerce, nor to motor vehicle fuel, exported from this state by a qualified distributor, nor to sales by a distributor of motor vehicle fuel in individual quantities of five hundred gallons or less for export to another state or country by the purchaser other than in the supply tank of a motor vehicle: PROVIDED, That such distributor is licensed in the state of destination to collect and remit the applicable destination state taxes thereon, nor to any motor vehicle fuel sold by a qualified distributor to the armed forces of the United States or to the national guard for use exclusively in ships ((or aircraft)) or for export from this state ((, nor to motor vehicle fuel for use exclusively in the operation of aircraft engines, delivered to aviation fuel dealers and/or users as authorized by the director)). The distributor shall report such imports, exports and sales to the director as hereinafter provided and at such times, on such forms, and in such detail as he may require, otherwise the exemption granted in this section shall be null and void, and all fuel shall be considered distributed in this state fully subject to the provisions of this chapter. Each invoice covering such exempt sale shall have the statement "Ex Washington Motor Vehicle Fuel Tax" clearly marked thereon.

To claim any exemption from taxes under this section on account of the exportation of motor vehicle fuel by a distributor other than deliveries in his own equipment, such distributor shall execute an export certificate in such form as shall be furnished by the director, containing a statement, made by some person having actual knowledge of the fact of exportation, that the motor vehicle fuel has been exported from the state, and giving such details with reference to such shipment as the director may require. All export certificates must be completed and filed with the director within three months of the end of the calendar month in which the shipments to which they relate were made, unless the state, territory or country of destination would not be prejudiced with respect to its collection of taxes thereon if the certificate is not filed within such time. The director may, in cases where it is believed no useful purpose would be served by filing of an export certificate, waive the certificate: PROVIDED, That the director for good cause shall have the right to rescind the previous authorization for waiver of the export certificate. Failure to file the certificate within the time required by this section shall not preclude the distributor from filing a claim for refund on motor vehicle fuel exported as provided in RCW 82.36.310 or otherwise in chapter 82.36 RCW, with such information as the director may require to support the validity of such claim.

To claim any exemption from taxes under this section on account of sales of motor vehicle fuel to the armed forces of the United States or to the national guard, the distributor shall be required to execute an exemption certificate in such form as shall be furnished by the director, containing a certified statement by an authorized officer of the armed forces having actual knowledge of the purpose for which the exemption is claimed. Any claim for exemption based on such sales shall be made by the distributor within six months of the date of sale. The provisions of this section exempting motor vehicle fuel sold to the armed forces of the United States or to the national guard from the tax imposed hereunder shall not apply to any motor vehicle fuel sold to contractors purchasing such fuel either for their own account or as the agents of the United States or the national guard for use in the performance of contracts with the armed forces of the United States or the national guard.

In support of any exemption from taxes on account of sales of motor vehicle fuel in individual quantities of five hundred gallons or less for export by the purchaser, the distributor shall retain in his files for a least three years an export certificate executed by the purchaser in such form and containing such information as shall be prescribed by the director. This certificate shall be prima facie evidence of the exportation of the motor vehicle fuel to which it

applies only if accepted by the distributor in good faith.

The director may at any time require of any distributor any information he deems necessary to determine the validity of the claimed exemption, and failure to supply such data will constitute a waiver of all right to the exemption claimed. The director is hereby empowered with full authority to promulgate rules and regulations and to prescribe forms to be used by distributors in reporting to the director so as to prevent evasion of the tax imposed by this chapter.

Upon request from the officials to whom are entrusted the enforcement of the motor fuel tax law of any other state, the District of Columbia, the United States, its territories and possessions, the provinces, or the Dominion of Canada, the director may forward to such officials any information which he may have relative to the import or export of any motor vehicle fuel by any distributor: PROVIDED, That such governmental unit furnish like information to this state.

Sec. 3. Section 82.36.400, chapter 15, Laws of 1961 as amended by section 6, chapter 153, Laws of 1967 and RCW 82.36.400 are each amended to read as follows:

It shall be unlawful for any person to commit any of the following acts:

(1) To display, or cause to permit to be displayed, or to have in possession, any motor vehicle fuel distributor's license knowing the same to be fictitious or to have been suspended, canceled, revoked or altered;

(2) To lend to, or knowingly permit the use of, by one not entitled thereto, any motor vehicle fuel distributor's license issued to the person lending it or permitting it to be used;

(3) To display or to represent as one's own any motor vehicle fuel distributor's license not issued to the person displaying the same;

(4) To use a false or fictitious name or give a false or fictitious address in any application or form required under the provisions of this chapter, or otherwise commit a fraud in any application, record, or report;

(5) To refuse to permit the director, or any agent appointed by him in writing, to examine his books, records, papers, storage tanks, or other equipment pertaining to the use or sale and delivery of motor vehicle fuels within the state((;

(6) To receive, purchase or otherwise acquire motor vehicle fuel free of the tax for use in the operation of aircraft engines and thereafter use or permit such fuel to be used for other purposes, or to sell or otherwise distribute such fuel for purposes other than use in aircraft engines)).

Except as otherwise provided, any person violating any of the

provisions of this chapter shall be guilty of a gross misdemeanor and shall, upon conviction thereof, be sentenced to pay a fine of not less than five hundred dollars nor more than one thousand dollars and costs of prosecution, or imprisonment for not more than one year, or both.

Sec. 4. Section 7, chapter 10, Laws of 1967 ex. sess. and RCW 82.42.070 are each amended to read as follows:

The provisions of RCW 82.42.020 requiring the payment of a two cents per gallon aircraft fuel excise tax on aircraft fuel shall not apply to aircraft fuel imported into the state in interstate or foreign commerce and intended to be sold while in interstate or foreign commerce, nor to aircraft fuel exported from this state, nor to aircraft fuel sold to the ((armed forces of the)) United States ((for export from this state)) government or any agency thereof: PROVIDED, That exemptions granted under this section shall be null and void unless full conformance is made with the requisite administrative procedure set forth for procuring such exemptions under rules and regulations of the director promulgated under the provisions of this chapter. Except as provided in RCW 82.42.030, nothing in this chapter shall be construed to exempt the state or any political subdivision thereof from the payment of the two cents per gallon aircraft excise fuel tax provided in RCW 82.42.020. When setting up rules and regulations as provided for in RCW 82.42.040, the director shall provide for such refund procedure as deemed necessary to carry out the provisions of this chapter, and full compliance with such provisions shall be essential before receipt of any refund thereunder.

NEW SECTION. Sec. 5. There is added to chapter 10, Laws of 1967 ex. sess. and to chapter 82.42 RCW a new section to read as follows:

Every person other than a distributor who acquires any aircraft fuel within this state upon which payment of tax is required under the provisions of this chapter, or imports such aircraft fuel into this state and sells, delivers, or in any manner uses it in this state shall, if the tax has not been paid, be subject to the provisions of RCW 82.42.040 provided for distributors and shall pay a tax of two cents for each gallon thereof so sold, delivered, or used in the manner provided for distributors. The proceeds of the tax imposed by this section shall be distributed in the manner provided for the distribution of the aircraft fuel tax in RCW 82.42.090. For failure to comply with the terms of this chapter, such person shall be subject to the same penalties imposed upon distributors. The director shall pursue against such persons the same procedure and remedies for audits, adjustments, collection, and enforcement of this chapter as is provided with respect to distributors. Nothing herein

shall be construed as classifying such persons as distributors.

Passed the House March 12, 1971.

Passed the Senate May 10, 1971.

Approved by the Governor May 19, 1971.

Filed in Office of Secretary of State May 20, 1971.

CHAPTER 157
[House Bill No. 88]
PORT DISTRICTS--
FORMATION--
ANNEXATION

AN ACT Relating to port districts; amending section 2, chapter 92, Laws of 1911 as amended by section 1, chapter 62, Laws of 1913 and RCW 53.04.020; repealing section 1, chapter 39, Laws of 1921 and RCW 53.04.050; and providing an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 2, chapter 92, Laws of 1911 as amended by section 1, chapter 62, Laws of 1913 and RCW 53.04.020 are each amended to read as follows:

At any general election or at any special election which may be called for that purpose, the board of county commissioners of any county in this state may, or on petition of ten percent of the qualified electors of such county based on the total vote cast in the last general county election, shall, by resolution submit to the voters of such county the proposition of creating a port district which shall be coextensive with the limits of such county as now or hereafter established. Such petition shall be filed with the county auditor, who shall within fifteen days examine the signatures thereof and certify to the sufficiency or insufficiency thereof, and for such purpose the county auditor shall have access to all registration books in the possession of the officers of any incorporated city or town in such proposed port district. If such petition be found to be insufficient, it shall be returned to the persons filing the same, who may amend or add names thereto for ten days, when the same shall be returned to the county auditor, who shall have an additional fifteen days to examine the same and attach his certificate thereto. No person having signed such petition shall be allowed to withdraw his name therefrom after the filing of the same with the county auditor. Whenever such petition shall be certified to as sufficient, the county auditor shall forthwith transmit the same, together with his certificate of sufficiency attached thereto, to the board of county commissioners, who shall submit such proposition at the next