

NEW SECTION. Sec. 3. The prices of farm implements, machinery and repair parts therefor, required to be paid to any retail dealer as provided in section 1 of this 1975 act shall be determined by taking one hundred percent of the net cost on farm implements, machinery, and attachments, and eighty-five percent of the current net price of repair parts therefor as shown upon the manufacturer's, wholesaler's, or distributor's price lists or catalogues in effect at the time such contract is canceled or discontinued.

NEW SECTION. Sec. 4. In the event that any manufacturer, wholesaler, or distributor of farm machinery, farm implements, and repair parts therefor, upon cancellation or discontinuation of a contract by either a retailer or a manufacturer, wholesaler, or distributor, fails or refuses to make payment to such dealer as is required by section 1 of this 1975 act, such manufacturer, wholesaler, or distributor shall be liable in a civil action to be brought by such retailer for such payments as are required by section 1 of this 1975 act.

NEW SECTION. Sec. 5. Sections 1 through 4 of this 1975 act shall constitute a new chapter in Title 19 RCW.

NEW SECTION. Sec. 6. This act shall take effect on January 1, 1976.

NEW SECTION. Sec. 7. 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 June 5, 1975.

Passed the Senate June 3, 1975.

Approved by the Governor July 2, 1975.

Filed in Office of Secretary of State July 2, 1975.

CHAPTER 278

[House Bill No. 354]

TAXATION—CONFORMING STATUTES TO REFLECT GOVERNMENTAL REORGANIZATION

AN ACT Relating to conforming state statutes to reflect the transfer of powers, duties and functions from the state tax commission to the department of revenue or to the board of tax appeals; amending section 11.08.160, chapter 145, Laws of 1965 and RCW 11.08.160; amending section 11.08.170, chapter 145, Laws of 1965 and RCW 11.08.170; amending section 11.08.180, chapter 145, Laws of 1965 and RCW 11.08.180; amending section 11.08.200, chapter 145, Laws of 1965 and RCW 11.08.200; amending section 11.08.210, chapter 145, Laws of 1965 and RCW 11.08.210; amending section 11.08.220, chapter 145, Laws of 1965 and RCW 11.08.220; amending section 11.08.230, chapter 145, Laws of 1965 and RCW 11.08.230; amending section 11.08.240, chapter 145, Laws of 1965 and RCW 11.08.240; amending section 11.08.260, chapter 145, Laws of 1965 and RCW 11.08.260; amending section 11.76.220, chapter 145, Laws of 1965 and RCW 11.76.220; amending section 11.76.240, chapter 145, Laws of 1965 and RCW 11.76.240; amending section 11.76.245, chapter 145, Laws of 1965 and RCW 11.76.245; amending section 8, chapter 286, Laws of 1957 and RCW 19.91.080; amending section 13, chapter 286, Laws of 1957 and RCW 19.91.130; amending section 14, chapter 286, Laws of 1957 and RCW 19.91.140; amending section 15, chapter 286, Laws of 1957 and RCW 19.91.150; amending section 18, chapter 286, Laws of 1957 and RCW 19.91.180; amending section 1, chapter 85, Laws of 1965 and RCW 23.01.226; amending section 5, chapter 280, Laws of 1961 and RCW 30.20.100; amending section 12, chapter 176, Laws of 1963 and RCW 32.12.110; amending section 36.38.020, chapter 4, Laws of 1963 and RCW 36.38.020; amending section 35.42.090, chapter 7, Laws of 1965 and RCW 35.42.090; amending section 1, chapter 207, Laws of 1909 as last amended by section 2, chapter 70, Laws of 1967 and RCW 39.08.010; amending section 43.38.040, chapter 8, Laws of 1965 and RCW 43.38.040; amending section 43.62.040, chapter 8, Laws of 1965 and RCW 43.62.040; amending section

43.83.030, chapter 8, Laws of 1965 and RCW 43.83.030; amending section 43.83.064, chapter 8, Laws of 1965 and RCW 43.83.064; amending section 3, chapter 172, Laws of 1965 ex. sess. and RCW 43.83.074; amending section 3, chapter 148, Laws of 1967 ex. sess. and RCW 43.83.094; amending section 3, chapter 278, Laws of 1957 as amended by section 3, chapter 274 Laws of 1959 and RCW 54.28.030; amending section 4, chapter 278, Laws of 1957 and RCW 54.28.040; amending section 5, chapter 278, Laws of 1957 as amended by section 4, chapter 274, Laws of 1959 and RCW 54.28.050; amending section 6-104, chapter 157, Laws of 1965 ex. sess. and RCW 62A.6-104; amending section 6-107, chapter 157, Laws of 1965 ex. sess. and RCW 62A.6-107; amending section 4, chapter 27, Laws of 1963 ex. sess. and RCW 72.19.100; amending section 4, chapter 230, Laws of 1949 and RCW 72.99.040; amending section 6, chapter 298, Laws of 1957 and RCW 72.99.120; amending section 4, chapter 299, Laws of 1957 and RCW 72.99.200; amending section 82.04.020, chapter 15, Laws of 1961 and RCW 82.04.020; amending section 82.04.090, chapter 15, Laws of 1961 and RCW 82.04.090; amending section 82.04.300, chapter 15, Laws of 1961 as amended by section 3, chapter 293, Laws of 1961 and RCW 82.04.300; amending section 82.04.450, chapter 15, Laws of 1961 and RCW 82.04.450; amending section 82.04.470, chapter 15, Laws of 1961 and RCW 82.04.470; amending section 82.04.480, chapter 15, Laws of 1961 and RCW 82.04.480; amending section 82.04.490, chapter 15, Laws of 1961 and RCW 82.04.490; amending section 82.08.040, chapter 15, Laws of 1961 and RCW 82.08.040; amending section 82.08.060, chapter 15, Laws of 1961 and RCW 82.08.060; amending section 82.08.080, chapter 15, Laws of 1961 as amended by section 2, chapter 244, Laws of 1963 and RCW 82.08.080; amending section 82.08.090, chapter 15, Laws of 1961 and RCW 82.08.090; amending section 82.08.100, chapter 15, Laws of 1961 and RCW 82.08.100; amending section 82.08.120, chapter 15, Laws of 1961 and RCW 82.08.120; amending section 82.12.010, chapter 15, Laws of 1961 as last amended by section 17, chapter 173, Laws of 1965 ex. sess. and RCW 82.12.010; amending section 82.12.050, chapter 15, Laws of 1961 and RCW 82.12.050; amending section 82.12.060, chapter 15, Laws of 1961 as amended by section 16, chapter 293, Laws of 1961 and RCW 82.12.060; amending section 82.12.070, chapter 15, Laws of 1961 and RCW 82.12.070; amending section 82.16.070, chapter 15, Laws of 1961 as amended by section 14, chapter 293, Laws of 1961 and RCW 82.16.070; amending section 82.20.020, chapter 15, Laws of 1961 and RCW 82.20.020; amending section 82.20.030, chapter 15, Laws of 1961 and RCW 82.20.030; amending section 82.20.040, chapter 15, Laws of 1961 and RCW 82.20.040; amending section 82.20.060, chapter 15, Laws of 1961 and RCW 82.20.060; amending section 82.24.030, chapter 15, Laws of 1961 and RCW 82.24.030; amending section 82.24.090, chapter 15, Laws of 1961 and RCW 82.24.090; amending section 82.24.110, chapter 15, Laws of 1961 and RCW 82.24.110; amending section 82.24.120, chapter 15, Laws of 1961 and RCW 82.24.120; amending section 82.24.140, chapter 15, Laws of 1961 and RCW 82.24.140; amending section 82.24.180, chapter 15, Laws of 1961 and RCW 82.24.180; amending section 82.24.190, chapter 15, Laws of 1961 and RCW 82.24.190; amending section 82.24.210, chapter 15, Laws of 1961 and RCW 82.24.210; amending section 82.24.220, chapter 15, Laws of 1961 and RCW 82.24.220; amending section 82.26.010, chapter 15, Laws of 1961 and RCW 82.26.010; amending section 82.26.020, chapter 15, Laws of 1961 as last amended by section 77, chapter 299, Laws of 1971 ex. sess. and RCW 82.26.020; amending section 82.26.050, chapter 15, Laws of 1961 and RCW 82.26.050; amending section 82.26.060, chapter 15, Laws of 1961 and RCW 82.26.060; amending section 82.26.080, chapter 15, Laws of 1961 and RCW 82.26.080; amending section 82.26.090, chapter 15, Laws of 1961 and RCW 82.26.090; amending section 82.26.110, chapter 15, Laws of 1961 and RCW 82.26.110; amending section 82.32.030, chapter 15, Laws of 1961 and RCW 82.32.030; amending section 8, chapter 141, Laws of 1965 ex. sess. and RCW 82.32.105; amending section 82.32.110, chapter 15, Laws of 1961 and RCW 82.32.110; amending section 82.32.120, chapter 15, Laws of 1961 and RCW 82.32.120; amending section 82.32.130, chapter 15, Laws of 1961 as amended by section 20, chapter 237, Laws of 1967 and RCW 82.32.130; amending section 82.32.140, chapter 15, Laws of 1961 and RCW 82.32.140; amending section 82.32.200, chapter 15, Laws of 1961 and RCW 82.32.200; amending section 82.32.230, chapter 15, Laws of 1961 and RCW 82.32.230; amending section 11, chapter 28, Laws of 1963 ex. sess. as amended by section 22, chapter 299, Laws of 1971 ex. sess. and RCW 82.32.235; amending section 82.32.240, chapter 15, Laws of 1961 and RCW 82.32.240; amending section 82.32.260, chapter 15, Laws of 1961 and RCW 82.32.260; amending section 82.32.270, chapter 15, Laws of 1961 and RCW 82.32.270; amending section 82.32.290, chapter 15, Laws of 1961 and RCW 82.32.290; amending section 82.32.300, chapter 15, Laws of 1961 and RCW 82.32.300; amending section 82.32.310, chapter 15, Laws of 1961 and RCW 82.32.310; amending section 82.32.320, chapter 15, Laws of 1961 and RCW 82.32.320; amending section 82.32.360, chapter 15, Laws of 1961 and RCW 82.32.360; amending section 82.44.040, chapter 15, Laws of 1961 and RCW 82.44.040; amending section 82.44.120, chapter 15, Laws of 1961 as last amended by section 4, chapter 54, Laws of 1974 ex. sess. and RCW 82.44.120; amending section 82.48.090, chapter 15, Laws of 1961 and RCW 82.48.090; amending section 82.50.170, chapter 15, Laws of 1961 as amended by section 9, chapter 54, Laws of 1974 ex. sess. and RCW 82.50.170; amending section 6, chapter 292, Laws of 1961 and RCW 83.04.023; amending section 83.05.010,

RCW 84.16.036; amending section 84.16.040, chapter 15, Laws of 1961 and RCW 84.16.040; amending section 84.16.050, chapter 15, Laws of 1961 and RCW 84.16.050; amending section 84.16.090, chapter 15, Laws of 1961 and RCW 84.16.090; amending section 84.16.100, chapter 15, Laws of 1961 and RCW 84.16.100; amending section 84.16.130, chapter 15, Laws of 1961 and RCW 84.16.130; amending section 84.24.010, chapter 15, Laws of 1961 and RCW 84.24.010; amending section 84.24.030, chapter 15, Laws of 1961 and RCW 84.24.030; amending section 84.24.040, chapter 15, Laws of 1961 and RCW 84.24.040; amending section 84.24.050, chapter 15, Laws of 1961 and RCW 84.24.050; amending section 2, chapter 214, Laws of 1963 and RCW 84.28.006; amending section 84.28.020, chapter 15, Laws of 1961 as amended by section 4, chapter 214, Laws of 1963 and RCW 84.28.020; amending section 84.28.050, chapter 15, Laws of 1961 as amended by section 5, chapter 214, Laws of 1963 and RCW 84.28.050; amending section 84.28.060, chapter 15, Laws of 1961 as amended by section 6, chapter 214, Laws of 1963 and RCW 84.28.060; amending section 7, chapter 214, Laws of 1963 and RCW 84.28.063; amending section 8, chapter 214, Laws of 1963 and RCW 84.28.065; amending section 84.28.160, chapter 15, Laws of 1961 as amended by section 14, chapter 214, Laws of 1963 and RCW 84.28.160; amending section 84.40.320, chapter 15, Laws of 1961 as amended by section 98, chapter 195, Laws of 1973 1st ex. sess. and RCW 84.40.320; amending section 84.40.330, chapter 15, Laws of 1961 and RCW 84.40.330; amending section 84.41.060, chapter 15, Laws of 1961 and RCW 84.41.060; amending section 84.41.070, chapter 15, Laws of 1961 and RCW 84.41.070; amending section 84.41.080, chapter 15, Laws of 1961 and RCW 84.41.080; amending section 84.41.090, chapter 15, Laws of 1961 and RCW 84.41.090; amending section 84.41.110, chapter 15, Laws of 1961 and RCW 84.41.110; amending section 84.41.120, chapter 15, Laws of 1961 and RCW 84.41.120; amending section 84.41.130, chapter 15, Laws of 1961 and RCW 84.41.130; amending section 84.41.140, chapter 15, Laws of 1961 and RCW 84.41.140; amending section 84.44.090, chapter 15, Laws of 1961 and RCW 84.44.090; amending section 84.48.120, chapter 15, Laws of 1961 and RCW 84.48.120; amending section 84.48.130, chapter 15, Laws of 1961 and RCW 84.48.130; amending section 84.68.120, chapter 15, Laws of 1961 and RCW 84.68.120; amending section 84.68.130, chapter 15, Laws of 1961 and RCW 84.68.130; amending section 84.68.140, chapter 15, Laws of 1961 and RCW 84.68.140; amending section 84.72.010, chapter 15, Laws of 1961 and RCW 84.72.010; amending section 84.72.020, chapter 15, Laws of 1961 and RCW 84.72.020; amending section 84.72.030, chapter 15, Laws of 1961 and RCW 84.72.030; amending section 4, chapter 106, Laws of 1967 and RCW 90.50.040; and declaring an emergency.

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

Section 1. Section 11.08.160, chapter 145, Laws of 1965 and RCW 11.08.160 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue of this state shall have supervision of and jurisdiction over escheat property and may institute and prosecute any proceedings deemed necessary or proper in the handling of such property, and it shall be the duty of the ~~((tax commission))~~ department of revenue to protect and conserve escheat property for the benefit of the permanent common school fund of the state until such property or the proceeds thereof have been forwarded to the state treasurer or the state land commissioner as hereinafter provided.

Sec. 2. Section 11.08.170, chapter 145, Laws of 1965 and RCW 11.08.170 are each amended to read as follows:

Escheat property may be probated under the provisions of the probate laws of this state. Whenever such probate proceedings are instituted, whether by special administration or otherwise, the petitioner shall promptly notify the ~~((tax commission))~~ department of revenue in writing thereof on forms furnished by the ~~((tax commission))~~ department of revenue to the county clerks. Thereafter, the ~~((tax commission))~~ department of revenue shall be served with written notice at least twenty days prior to any hearing on proceedings involving the valuation or sale of property, on any petition for the allowance of fees, and on all interim reports, final accounts or petitions for the determination of heirship. Like notice shall be given of the presentation of any claims to the court for allowance. Failure to furnish such notice shall be deemed jurisdictional and any order of the court entered

without such notice shall be void: PROVIDED, That the ~~((tax commission))~~ department of revenue may waive the provisions of this section in its discretion.

Sec. 3. Section 11.08.180, chapter 145, Laws of 1965 and RCW 11.08.180 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue may demand copies of any papers, documents or pleadings involving the escheat property or the probate thereof deemed by it to be necessary for the enforcement of RCW 11.08.140 through 11.08.280 and it shall be the duty of the administrator or his attorney to furnish such copies to the ~~((commission))~~ department.

Sec. 4. Section 11.08.200, chapter 145, Laws of 1965 and RCW 11.08.200 are each amended to read as follows:

If any person shall take possession of escheat property without proper authorization to do so, and shall have the use thereof for a period exceeding sixty days, he shall be liable to the state for the reasonable value of such use, payment of which may be enforced by the ~~((tax commission))~~ department of revenue or by the administrator of the estate.

Sec. 5. Section 11.08.210, chapter 145, Laws of 1965 and RCW 11.08.210 are each amended to read as follows:

If at the expiration of four months from the date of the first publication of notice to creditors no heirs have appeared and established their claim to the estate, the court may enter an interim order allowing claims, expenses and partial fees. If at the expiration of sixteen months from the date of issuance of letters testamentary or of administration no heirs have appeared and established their claim to the estate, all personal property not in the form of cash shall be sold under order of the court. Personal property found by the court to be worthless shall be ordered abandoned. Real property shall not be sold for the satisfaction of liens thereon, or for the payment of the debts of decedent or expenses of administration until the proceeds of the personal property are first exhausted. The court shall then enter a decree allowing any additional fees and charges deemed proper and distributing the balance of the cash on hand, together with any real property, to the state. Remittance of cash on hand shall be made to the ~~((tax commission))~~ department of revenue which shall make proper records thereof and forthwith forward such funds to the state treasurer for deposit in the permanent common school fund of the state.

Sec. 6. Section 11.08.220, chapter 145, Laws of 1965 and RCW 11.08.220 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall be furnished two certified copies of the decree of the court distributing any real property to the state, one of which shall be forwarded to the state land commissioner who shall thereupon assume supervision of and jurisdiction over such real property and thereafter handle it the same as state common school lands. The administrator shall also file a certified copy of the decree with the auditor of any county in which the escheated real property is situated.

Sec. 7. Section 11.08.230, chapter 145, Laws of 1965 and RCW 11.08.230 are each amended to read as follows:

Upon the appearance of heirs and the establishment of their claim to the satisfaction of the court prior to entry of the decree of distribution to the estate, the provisions of RCW 11.08.140 through 11.08.280 shall not further apply, except for purposes of appeal: PROVIDED, That the ~~((tax commission))~~ department of revenue shall be promptly given written notice of such appearance by the claimants and furnished copies of all papers or documents on which such claim of heirship is based. Any documents in a foreign language shall be accompanied by translations made by a properly qualified translator, certified by him to be true and correct translations of the original documents. The administrator or his attorney shall also furnish the ~~((tax commission))~~ department of revenue with any other available information bearing on the validity of the claim.

Sec. 8. Section 11.08.240, chapter 145, Laws of 1965 and RCW 11.08.240 are each amended to read as follows:

Any claimant to escheated funds or real property shall have seven years from the date of issuance of letters testamentary or of administration within which to file his claim. Such claim shall be filed with the court having original jurisdiction of the estate, and a copy thereof served upon the ~~((tax commission))~~ department of revenue, together with twenty days notice of the hearing thereon.

Sec. 9. Section 11.08.260, chapter 145, Laws of 1965 and RCW 11.08.260 are each amended to read as follows:

In the event the order of the court requires the payment of escheated funds or the proceeds of the sale of escheated real property, a certified copy of such order shall be served upon the ~~((tax commission))~~ department of revenue which shall thereupon take any steps necessary to effect payment to the claimant out of the general fund of the state.

Sec. 10. Section 11.76.220, chapter 145, Laws of 1965 and RCW 11.76.220 are each amended to read as follows:

If the estate remains in the hands of the agent unclaimed for three years, any property not in the form of cash shall be sold under order of the court, and all funds, after deducting a reasonable sum for expenses and services of the agent, to be fixed by the court, shall be paid into the county treasury. The county treasurer shall issue triplicate receipts therefor, one of which shall be filed with the county auditor, one with the court, and one with the ~~((tax commission))~~ department of revenue. If the funds remain in the county treasury unclaimed for a period of four years and ninety days, the county treasurer shall forthwith remit them to the ~~((tax commission))~~ department of revenue for deposit in the state treasury in the fund in which escheats and forfeitures are by law required to be deposited.

Sec. 11. Section 11.76.240, chapter 145, Laws of 1965 and RCW 11.76.240 are each amended to read as follows:

During the time the estate is held by the agent, or within four years after it is delivered to the county treasury, claim may be made thereto only by the absentee person or his legal representative, excepting that if it clearly appears that such person died prior to the decedent in whose estate distribution was made to him, but leaving lineal descendants surviving, such lineal descendants may claim. If any claim to the estate is made during the period specified above, the claimant shall forthwith notify the ~~((tax commission))~~ department of revenue in writing of

such claim. The court, being first satisfied as to the right of such person to the estate, and after the filing of a clearance from the ~~((tax commission))~~ department of revenue, shall order the agent, or the county treasurer, as the case may be, to forthwith deliver the estate, or the proceeds thereof, if sold, to such person.

Sec. 12. Section 11.76.245, chapter 145, Laws of 1965 and RCW 11.76.245 are each amended to read as follows:

After any time limitation prescribed in RCW 11.76.220, 11.76.240 or 11.76.243, the absentee claimant may, at any time, if the assets of the estate have not been claimed under the provisions of RCW 11.76.240 and 11.76.243, notify the ~~((tax commission))~~ department of revenue of his claim to the estate, and file in the court which had jurisdiction of the original probate a petition claiming the assets of the estate. The ~~((tax commission))~~ department of revenue may appear in answer to such petition. Upon proof being made to the probate court that the claimant is entitled to the estate assets, the court shall render its judgment to that effect and the assets shall be paid to the claimant without interest, upon appropriation made by the legislature.

Sec. 13. Section 8, chapter 286, Laws of 1957 and RCW 19.91.080 are each amended to read as follows:

(1) In determining "cost to the retailer" and "cost to the wholesaler" the ~~((tax commission))~~ department of revenue or a court shall receive and consider as bearing on the bona fides of the cost, evidence tending to show that any person complained against under any of the provisions of this chapter purchased cigarettes, with respect to the sale of which complaint is made, at a fictitious price, or upon terms, or in such a manner, or under such invoices, as to conceal the true cost, discounts or terms of purchase, and shall also receive and consider as bearing on the bona fides of such cost, evidence of the normal, customary and prevailing terms and discounts in connection with other sales of a similar nature in the trade area or state.

(2) Merchandise given gratis or payment made to a retailer or wholesaler by the manufacturer thereof for display, or advertising, or promotion purposes, or otherwise, shall not be considered in determining the cost of cigarettes to the retailer or wholesaler.

Sec. 14. Section 13, chapter 286, Laws of 1957 and RCW 19.91.130 are each amended to read as follows:

The licenses issuable by the ~~((tax commission))~~ department of revenue under this chapter shall be as follows:

- (1) Wholesalers license.
- (2) Retailers license.

All licenses shall be issued by the ~~((tax commission, who [which]))~~ department of revenue, which shall make rules and regulations respecting applications therefor and issuance thereof. The ~~((tax commission))~~ department of revenue may refrain from the issuance of any license under this chapter, where ~~((he [it]))~~ it has reasonable cause to believe that the applicant has wilfully withheld information requested of him for the purpose of determining the eligibility of the applicant to receive a license, or where ~~((he [it]))~~ it has reasonable cause to believe that information submitted in the application is false or misleading or is not made in good faith.

Each such license shall lapse on the last day of June of the period for which it is issued, and each such license shall be continued annually upon the conditions that the licensee shall have paid the required fee and complied with all the provisions of this chapter and the rules and regulations of the ~~((tax commission))~~ department of revenue made pursuant thereto.

Sec. 15. Section 14, chapter 286, Laws of 1957 and RCW 19.91.140 are each amended to read as follows:

For each license issued to a wholesaler, and for each continuance thereof, there shall be paid to the ~~((tax commission))~~ department of revenue a fee of three hundred dollars. If a wholesaler sells or intends to sell cigarettes at two or more places of business, whether established or temporary, a separate license with a license fee of twenty-five dollars shall be required for each additional place of business. Each license, or certificate thereof, and such other evidence of license as the ~~((tax commission))~~ department of revenue shall require, shall be exhibited in the place of business for which it is issued and in such manner as may be prescribed by the ~~((tax commission))~~ department of revenue. The ~~((tax commission))~~ department of revenue shall require each licensed wholesaler to file with him a bond in an amount not less than one thousand dollars to guarantee the proper performance of his duties and the discharge of his liabilities under this chapter. The bond shall be executed by such licensed wholesaler as principal, and by a corporation approved by the ~~((tax commission))~~ department of revenue and authorized to engage in business as a surety company in this state, as surety. The bond shall run concurrently with the wholesaler's license.

Sec. 16. Section 15, chapter 286, Laws of 1957 and RCW 19.91.150 are each amended to read as follows:

For each license issued to a retail dealer and for each continuance thereof, there shall be paid to the ~~((tax commission))~~ department of revenue a fee of five dollars. For each license issued to a retail dealer operating a cigarette vending machine, and for each continuance thereof, there shall be paid to the ~~((tax commission))~~ department of revenue a fee of one additional dollar for each vending machine.

Sec. 17. Section 18, chapter 286, Laws of 1957 and RCW 19.91.180 are each amended to read as follows:

(1) In addition to the penalties and rights imposed and set forth in RCW 19.91.020 and 19.91.110, the ~~((tax commission))~~ department of revenue may enforce the provisions of this chapter. The ~~((tax commission))~~ department of revenue shall have the power to adopt, amend and repeal rules and regulations necessary to enforce and administer the provisions of this chapter. The ~~((tax commission))~~ department of revenue is given full power and authority to revoke or suspend the license or permit of any wholesale or retail cigarette dealer in the state of Washington upon sufficient cause appearing of the violation of this chapter or upon the failure of such licensee or permittee to comply with any of the provisions of this chapter.

(2) No license or licenses shall be suspended or revoked except upon notice to the licensee and after a hearing as prescribed by said ~~((tax commission))~~ department of revenue. The said ~~((tax commission))~~ department of revenue, upon a

finding by same, that the licensee has failed to comply with any provision of this chapter or any rule or regulation promulgated thereunder, shall, in the case of the first offender, suspend the license or licenses of the said licensee for a period of not less than five nor more than twenty consecutive business days, and, in the case of a second or plural offender, shall suspend said license or licenses for a period of not less than twenty consecutive business days nor more than twelve months, and, in the event the said ~~((tax commission))~~ department of revenue finds the offender has been guilty of wilful and persistent violations, it may revoke said person's license or licenses.

(3) Any person whose license or licenses have been so revoked may apply to the ~~((tax commission))~~ department of revenue at the expiration of one year for a reinstatement of his license or licenses. Such license or licenses may be reinstated by the ~~((tax commission))~~ department of revenue if it shall appear to the satisfaction of said ~~((tax commission))~~ department of revenue that the licensee will comply with the provisions of this chapter and the rules and regulations promulgated thereunder.

(4) No person whose license has been suspended or revoked shall sell cigarettes or permit cigarettes to be sold during the period of such suspension or revocation on the premises occupied by him or upon other premises controlled by him or others or in any other manner or form whatever.

(5) Any determination and order by the ~~((tax commission))~~ department of revenue, and any order of suspension or revocation by the ~~((tax commission))~~ department of revenue of the license or licenses, or refusal to reinstate a license or licenses after revocation shall be reviewable by an appeal to the superior court of Thurston county in and for the state of Washington. Said superior court shall review the order or ruling of the ~~((tax commission))~~ department of revenue and may hear the matter de novo, having due regard to the provisions of this chapter, and the duties imposed upon the ~~((tax commission))~~ department of revenue. Said review by the superior court, and any order entered thereon by said superior court, shall be appealable under and by virtue of the procedural law of this state.

Sec. 18. Section 1, chapter 85, Laws of 1965 and RCW 23.01.226 are each amended to read as follows:

Neither a domestic or foreign corporation or its registrar or transfer agent shall be liable for transferring or causing to be transferred on the books of the corporation to or pursuant to the direction of the surviving spouse of a deceased husband or wife any share or shares or other securities theretofore issued by the corporation to the deceased or surviving spouse or both of them if the corporation or its registrar or transfer agent shall be provided with the following:

(1) A copy of an agreement which shall have been entered into between the spouses pursuant to the provisions of section 2416 Code of 1881 and RCW 26.16-.120 and certified by the auditor of the county in this state in whose office the same shall have been recorded;

(2) A certified copy of the death certificate of the deceased spouse;

(3) A release issued by the inheritance tax division of the ~~((tax commission))~~ department of revenue of this state; and

(4) An affidavit of the surviving spouse that:

(a) The shares or other securities constituted community property of the spouses at date of death of the deceased spouse;

(b) No proceedings have been instituted or are contemplated to have admitted to probate a will of the decedent or for letters of administration upon the decedent's estate; and that no proceedings have been instituted to contest or set aside or cancel the agreement; and that

(c) The claims of creditors have been paid or provided for.

Sec. 19. Section 5, chapter 280, Laws of 1961 and RCW 30.20.100 are each amended to read as follows:

Upon the death of any person having funds held by or on deposit with any state or national bank or trust company, or mutual savings bank, or any bank under the supervision of the supervisor, such bank or trust company or mutual savings bank may with full acquittance to it pay over the balance of such funds to the executor or administrator of the estate of such deceased person appointed under the laws of any other state or territory or country, after (1) such foreign executor or administrator has caused a notice to be published substantially in the manner and form herein provided for, in a newspaper of general circulation in the county in which is located the office or branch of the bank holding or having on deposit said funds, or if none, then in a newspaper of general circulation in an adjoining county, at least once a week for at least three successive weeks; (2) expiration of at least ninety days after the date of first publication of such notice; and (3) consent of the ~~((tax commission))~~ department of revenue to such payment or receipt for payment of any inheritance tax due has been received by such bank or trust company: PROVIDED, That if an executor or administrator of the estate of said deceased person shall be appointed and qualify as such under the laws of this state and deliver a certified copy of his letters testamentary or of administration or certificate of qualification to the office or branch of such bank or trust company or mutual savings bank holding or having on deposit such funds prior to its transmitting the same to a foreign executor or administrator, then such funds shall be paid to or to the order of the executor or administrator of said estate appointed and qualified in this state. The notice herein provided for may be published in substantially the following form:

In the Matter of the Estate of
....., deceased

Notice is hereby given that the undersigned representative of the estate of said deceased person has applied for transfer to the undersigned of funds of said deceased held or on deposit at the office of, the address of which is, in the state of Washington; and that such transfer may be made after ninety days from first publication of this notice unless an executor or administrator of said estate is appointed and qualified within the state of Washington and said bank or trust company receives written notice thereof at its said address prior to transmittal of such funds to the undersigned.

Date of first publication:
.....
..... of said estate
Address:

Affidavit of the publisher of the publication of such notice filed with such bank, trust company or mutual savings bank shall be sufficient proof of such publication.

Sec. 20. Section 12, chapter 176, Laws of 1963 and RCW 32.12.110 are each amended to read as follows:

Upon the death of any person having funds held by or on deposit with any mutual savings bank, such mutual savings bank may with full acquittance to it pay over the balance of such funds to the executor or administrator of the estate of such deceased person appointed under the laws of any other state or territory or country, after (1) such foreign executor or administrator has caused a notice to be published substantially in the manner and form herein provided for, in a newspaper of general circulation in the county in which is located the office or branch of the bank holding or having on deposit said funds, or if none, then in a newspaper of general circulation in an adjoining county, at least once a week for at least three successive weeks; (2) expiration of at least ninety days after the date of first publication of such notice; and (3) consent of the ~~((tax commission))~~ department of revenue to such payment or receipt for payment of any inheritance tax due has been received by such bank: PROVIDED, That if an executor or administrator of the estate of said deceased person shall be appointed and qualify as such under the laws of this state and deliver a certified copy of his letters testamentary or of administration or certificate of qualification to the office or branch of such mutual savings bank holding or having on deposit such funds prior to its transmitting the same to a foreign executor or administrator, then such funds shall be paid to or to the order of the executor or administrator of said estate appointed and qualified in this state. The notice herein provided for may be published in substantially the following form:

In the Matter of the Estate of
....., deceased

Notice is hereby given that the undersigned representative of the estate of said deceased person has applied for transfer to the undersigned of funds of said deceased held or on deposit at the office of, the address of which is, in the state of Washington; and that such transfer may be made after ninety days from first publication of this notice unless an executor or administrator of said estate is appointed and qualified within the state of Washington and said bank receives written notice thereof at its said address prior to transmittal of such funds to the undersigned.

Date of first publication:
.....
..... of said estate
Address:

Affidavit of the publisher of the publication of such notice filed with such mutual savings bank shall be sufficient proof of such publication.

Sec. 21. Section 36.38.020, chapter 4, Laws of 1963 and RCW 36.38.020 are each amended to read as follows:

In addition to the provisions levying and fixing the amount of tax, the ordinance may contain any or all of the following provisions:

- (1) A provision defining the words and terms used therein;
- (2) A provision requiring the price (exclusive of the tax to be paid by the person paying for admission) at which every admission ticket or card is sold to be conspicuously and indelibly printed or written on the face or back of that part of the ticket which is to be taken up by the management of the place for which an admission charge is exacted, and making the violation of such provision a misdemeanor punishable by fine of not exceeding one hundred dollars;
- (3) Provisions fixing reasonable exemptions from such tax;
- (4) Provisions allowing as an offset against the tax, the amount of like taxes levied, fixed, and collected within their jurisdiction by incorporated cities and towns in the county;
- (5) A provision requiring persons receiving payments for admissions taxed under said ordinance to collect the amount of the tax from the persons making such payments;
- (6) A provision to the effect that the tax imposed by said ordinance shall be deemed to be held in trust by the person required to collect the same until paid to the county treasurer, and making it a misdemeanor for any person receiving payment of the tax and appropriating or converting the same to his own use or to any use other than the payment of the tax as provided in said ordinance to the extent that the amount of such tax is not available for payment on the due date for filing returns as provided in said ordinance;
- (7) A provision that in case any person required by the ordinance to collect the tax imposed thereby fails to collect the same, or having collected the tax fails to pay the same to the county treasurer in the manner prescribed by the ordinance, whether such failure is the result of such person's own acts or the result of acts or conditions beyond such person's control, such person shall nevertheless be personally liable to the county for the amount of the tax;
- (8) Provisions fixing the time when the taxes imposed by the ordinance shall be due and payable to the county treasurer; requiring persons receiving payments for admissions to make periodic returns to the county treasurer on such forms and setting forth such information as the county treasurer may specify; requiring such return to show the amount of tax upon admissions for which such person is liable for specified preceding periods, and requiring such person to sign and transmit the same to the county treasurer together with a remittance for the amount;
- (9) A provision requiring taxpayers to file with the county treasurer verified annual returns setting forth such additional information as he may deem necessary to determine tax liability correctly;
- (10) A provision to the effect that whenever a certificate of registration, if required by the ordinance, is obtained for operating or conducting temporary places of amusement by persons who are not the owners, lessees, or custodians of the building, lot or place where the amusement is to be conducted, or whenever the business is permitted to be conducted without the procurement of a certificate, the tax imposed shall be returned and paid as provided in the ordinance by such owner, lessee, or custodian, unless paid by the person conducting the place of amusement;

(11) A provision requiring the applicant for a temporary certificate of registration, if required by the ordinance, to furnish with the application therefor, the name and address of the owner, lessee, or custodian of the premises upon which the amusement is to be conducted, and requiring the county treasurer to notify such owner, lessee, or custodian of the issuance of any such temporary certificate, and of the joint liability for such tax;

(12) A provision empowering the county treasurer to declare the tax upon temporary or itinerant places of amusement to be immediately due and payable and to collect the same, when he believes there is a possibility that the tax imposed under the ordinance will not be otherwise paid;

(13) Any or all of the applicable general administrative provisions contained in RCW 82.32.010 through 82.32.340 and 82.32.380, and the amendments thereto, except that unless otherwise indicated by the context of said sections, in all provisions so incorporated in such ordinance (a) the term "county treasurer" (of the county enacting said ordinance) shall be substituted for each reference made in said sections to the "~~((commission))~~ department," the "~~((tax commission))~~ department of revenue," "any ~~((member))~~ employee of the ~~((commission))~~ department," or "~~((secretary of the tax commission))~~ director of the department of revenue"; (b) the name of the county enacting such ordinance shall be substituted for each reference made in said sections to the "state" or to the "state of Washington"; (c) the term "this ordinance" shall be substituted for each reference made in said sections to "this chapter"; (d) the name of the county enacting said ordinance shall be substituted for each reference made in said sections to "Thurston county"; and (e) the term "board of county commissioners" shall be substituted for each reference made in said sections to the "director of ~~((budget))~~ program planning and fiscal management."

Sec. 22. Section 35.42.090, chapter 7, Laws of 1965 and RCW 35.42.090 are each amended to read as follows:

All leases executed pursuant to RCW 35.42.010 through 35.42.090 shall be exempt from the tax imposed by chapter 19, Laws of 1951 second extraordinary session, as amended, and chapter ~~((28.45))~~ 28A.45 RCW; section 5, chapter 389, Laws of 1955, and RCW 82.04.040; and section 9, chapter 178, Laws of 1941, and RCW 82.08.090, and by rules and regulations of the ~~((tax commission))~~ department of revenue issued pursuant thereto.

Sec. 23. Section 1, chapter 207, Laws of 1909 as last amended by section 2, chapter 70, Laws of 1967 and RCW 39.08.010 are each amended to read as follows:

Whenever any board, council, commission, trustees or body acting for the state or any county or municipality or any public body shall contract with any person or corporation to do any work for the state, county or municipality, or other public body, city, town or district, such board, council, commission, trustees or body shall require the person or persons with whom such contract is made to make, execute and deliver to such board, council, commission, trustees or body a good and sufficient bond, with two or more sureties, or with a surety company as surety, conditioned that such person or persons shall faithfully perform all the provisions of such contract and pay all laborers, mechanics and subcontractors and materialmen, and all persons who shall supply such person or persons, or

subcontractors, with provisions and supplies for the carrying on of such work, which bond shall be filed with the county auditor of the county where such work is performed or improvement made, except in cases of cities and towns, in which cases such bond shall be filed with the clerk or comptroller thereof, and any person or persons performing such services or furnishing material to any subcontractor shall have the same right under the provisions of such bond as if such work, services or material was furnished to the original contractor: PROVIDED, HOWEVER, That the provisions of RCW 39.08.010 through 39.08.030 shall not apply to any money loaned or advanced to any such contractor, subcontractor or other person in the performance of any such work: PROVIDED FURTHER, That on contracts of two thousand dollars or less, the respective public entity may, in lieu of the bond, retain one hundred percent of the contract amount for a period of thirty days after date of final acceptance, or until receipt of all necessary releases from the ~~((tax commission))~~ department of revenue and the department of labor and industries.

Sec. 24. Section 43.38.040, chapter 8, Laws of 1965 and RCW 43.38.040 are each amended to read as follows:

The governor shall designate one member to be chairman of the council. The council at its first meeting shall elect a vice chairman. Meetings shall be held at times and places determined by the chairman. The chairman shall appoint from the staff of the state ~~((tax commission))~~ department of revenue, an executive secretary, whose salary shall be paid by the ~~((tax commission))~~ department of revenue, who shall attend all meetings of the council and perform such duties as it shall direct.

Sec. 25. Section 43.62.040, chapter 8, Laws of 1965 and RCW 43.62.040 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue or any other state officer or officials of cities, towns, or counties shall upon request of the board furnish such information, aid, and assistance as may be required by the board in the performance of its duties. The action of the board in determining the population shall be final and conclusive.

Sec. 26. Section 43.83.030, chapter 8, Laws of 1965 and RCW 43.83.030 are each amended to read as follows:

Retirement of the bonds and interest authorized by RCW 43.83.010 through 43.83.050 shall be from the state building construction bond redemption fund created by chapter 298, Laws of 1957. The state finance committee shall on or before June 30th of each year certify to the state treasurer the amount needed in the ensuing twelve months to meet interest payments on and retirement of bonds authorized by RCW 43.83.010 through 43.83.050. The state treasurer shall thereupon deposit such amount in the state building construction bond redemption fund from moneys transmitted to the state treasurer by the ~~((tax commission))~~ department of revenue and certified by the ~~((tax commission))~~ department of revenue to be sales tax collections, and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax revenues of the state of Washington, subject to and inferior only to the charges thereon created by chapters 229 and 230, Laws of 1949, and chapter 298, Laws of

1957. Said bond redemption fund shall be kept segregated from all moneys in the state treasury and shall, while any of such bonds or interest thereon remains unpaid, be available solely for the payment thereof. As a part of the contract of sale of the bonds herein authorized, the state undertakes to continue to levy and collect a tax on retail sales equal to that portion thereof allocated to said fund as provided in RCW 43.83.010 through 43.83.050, and to place the proceeds thereof in the state building construction bond redemption fund and to make said fund available to meet said payments when due until all bonds and the interest thereon authorized under RCW 43.83.010 through 43.83.050 shall have been paid.

Sec. 27. Section 43.83.064, chapter 8, Laws of 1965 and RCW 43.83.064 are each amended to read as follows:

Retirement of the bonds and interest authorized by RCW 43.83.060 through 43.83.068 shall be from the state building construction bond redemption fund created by chapter 298, Laws of 1957. The state finance committee shall on or before June thirtieth of each year certify to the state treasurer the amount needed in the ensuing twelve months to meet interest payments on and retirement of bonds authorized by RCW 43.83.060 through 43.83.068. The state treasurer shall thereupon deposit such amount in the state building construction bond redemption fund from moneys transmitted to the state treasurer by the ~~((tax commission))~~ department of revenue and certified by the ~~((tax commission))~~ department of revenue to be sales tax collections, and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax revenues of the state of Washington, subject to and inferior only to amounts previously pledged for the payment of interest on and retirement of bonds heretofore issued. Said bond redemption fund shall be kept segregated from all moneys in the state treasury and shall, while any of such bonds or interest thereon remains unpaid, be available solely for the payment thereof. As a part of the contract of sale of the bonds herein authorized, the state undertakes to continue to levy and collect a tax on retail sales equal to that portion thereof allocated to said fund as provided in RCW 43.83.060 through 43.83.068, and to place the proceeds thereof in the state building construction bond redemption fund and to make said fund available to meet said payments when due until all bonds and the interest thereon authorized under RCW 43.83.060 through 43.83.068 shall have been paid.

Sec. 28. Section 3, chapter 172, Laws of 1965 ex. sess. and RCW 43.83.074 are each amended to read as follows:

The state building and higher education bond redemption fund is hereby created in the state treasury, which fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by RCW 43.83.070 through 43.83.084. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements and on July 1st of each year the state treasurer shall deposit such amount in said state building and higher education bond redemption fund from moneys transmitted to the state treasurer by the ~~((tax commission))~~ department of revenue and certified by the ~~((tax commission))~~ department of revenue to be sales tax collections and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all

retail sales tax revenues of the state of Washington, except that portion thereof heretofore pledged for the payment of bond principal and interest.

The owner and holder of each of said bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require and compel the transfer and payment of funds as directed herein.

Sec. 29. Section 3, chapter 148, Laws of 1967 ex. sess. and RCW 43.83.094 are each amended to read as follows:

The state building and higher education bond redemption fund is created in the state treasury, which fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by RCW 43.83.090 through 43.83.104. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements, and on July 1st of each year the state treasurer shall deposit such amount in the state building and higher education bond redemption fund from moneys transmitted to the state treasurer by the ~~((tax commission))~~ department of revenue and certified by the ~~((tax commission))~~ department of revenue to be sales tax collections; and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax revenues of the state of Washington, except that portion thereof which has been heretofore pledged for the payment of bond principal and interest.

The owner and holder of each of the bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require and compel the transfer and payment of funds as directed herein.

Sec. 30. Section 3, chapter 278, Laws of 1957 as amended by section 3, chapter 274 Laws of 1959 and RCW 54.28.030 are each amended to read as follows:

On or before the fifteenth day of March of each year, each district subject to this tax shall file with the ~~((tax commission))~~ department of revenue a report verified by the affidavit of its manager or secretary on forms prescribed by the ~~((tax commission))~~ department of revenue. Such report shall state (1) the gross revenues derived by the district from the sale of all distributed energy to consumers and the respective amounts derived from such sales within each county; (2) the gross revenues derived by the district from the sale of self-generated energy for resale; (3) the amount of all generated energy distributed by a district from its own generating facilities, the wholesale value thereof, and the basis on which the value is computed; (4) the total cost of all generating facilities and the cost of acquisition of land and land rights for reservoir purposes in each county, and (5) such other and further information as the ~~((tax commission))~~ department of revenue reasonably may require in order to administer the provisions of this chapter. In case of failure by a district to file such report, the ~~((commission))~~ department may proceed to determine the information, which determination shall be contestable by the district only for actual fraud.

Sec. 31. Section 4, chapter 278, Laws of 1957 and RCW 54.28.040 are each amended to read as follows:

Prior to May 1st, the ~~((tax commission))~~ department of revenue shall compute the tax imposed by this chapter for the last preceding calendar year and notify the district of the amount thereof, which shall be payable on or before the following

June 1st. Upon receipt of the amount of each tax imposed the ~~((tax commission))~~ department of revenue shall deposit the same with the state treasurer, who shall deposit four percent thereof in the general fund of the state and shall distribute the remainder in the manner hereinafter set forth. The state treasurer shall send a duplicate copy of each such letter of transmittal to the ~~((tax commission))~~ department of revenue.

Sec. 32. Section 5, chapter 278, Laws of 1957 as amended by section 4, chapter 274, Laws of 1959 and RCW 54.28.050 are each amended to read as follows:

After computing the tax imposed by this chapter, the ~~((tax commission))~~ department of revenue shall instruct the state treasurer, after placing four percent in the state general fund, to distribute the balance collected under RCW 54.28.020 subsection (1) to each county in proportion to the gross revenue from sales made within each county; and to distribute the balance collected under RCW 54.28.020 subsections (2) and (3) as follows: If the entire generating facility, including reservoir, if any, is in a single county then all of the balance to the county where such generating facility is located. If any reservoir is in more than one county, then to each county in which the reservoir or any portion thereof is located a percentage equal to the percentage determined by dividing the total cost of the generating facilities, including adjacent switching facilities, into twice the cost of land and land rights acquired for any reservoir within each county, land and land rights to be defined the same as used by the federal power commission. If the powerhouse and dam, if any, in connection with such reservoir are in more than one county, the balance shall be divided sixty percent to the county in which the owning district is located and forty percent to the other county or counties or if said powerhouse and dam, if any, are owned by a joint operating agency organized under chapter 43.52 RCW, or by more than one district or are outside the county of the owning district, then to be divided equally between the counties in which such facilities are located. If all of the powerhouse and dam, if any, are in one county, then the balance shall be distributed to the county in which the facilities are located.

Sec. 33. Section 6-104, chapter 157, Laws of 1965 ex. sess. and RCW 62A.6-104 are each amended to read as follows:

(1) Except as provided with respect to auction sales (RCW 62A.6-108), a bulk transfer subject to this Article is ineffective against any creditor of the transferor unless:

(a) The transferee requires the transferor to furnish a list of his existing creditors prepared as stated in this section; and

(b) The parties prepare a schedule of the property transferred sufficient to identify it; and

(c) The transferee preserves the list and schedule for six months next following the transfer and permits inspection of either or both and copying therefrom at all reasonable hours by any creditor of the transferor, and files the list and schedule in the office of the county auditor of the county in which the property transferred is located and serves it upon the office of the state ~~((tax commission))~~ department of revenue; the list and schedule shall be indexed as chattel mortgages are indexed, the name of the vendor being indexed as mortgagor and the name of the intending purchaser as mortgagee.

(2) The list of creditors and the schedule must be signed and sworn to by the transferor or his agent. It must contain the names and business addresses of all creditors of the transferor, with the amounts when known, and also the names of all persons who are known to the transferor to assert claims against him even though such claims are disputed. If the transferor is the obligor of an outstanding issue of bonds, debentures or the like as to which there is an indenture trustee, the list of creditors need include only the name and address of the indenture trustee and the aggregate outstanding principal amount of the issue.

(3) Responsibility for the completeness and accuracy of the list of creditors rests on the transferor, and the transfer is not rendered ineffective by errors or omissions therein unless the transferee is shown to have had knowledge.

Sec. 34. Section 6-107, chapter 157, Laws of 1965 ex. sess. and RCW 62A.6-107 are each amended to read as follows:

(1) The notice to creditors (RCW 62A.6-105) shall state:

(a) that a bulk transfer is about to be made; and

(b) the names and business addresses of the transferor and transferee, and all other business names and addresses used by the transferor within three years last past so far as known to the transferee; and

(c) whether or not all the debts of the transferor are to be paid in full as they fall due as a result of the transaction, and if so, the address to which creditors should send their bills.

(2) If the debts of the transferor are not to be paid in full as they fall due or if the transferee is in doubt on that point then the notice shall state further:

(a) the location and general description of the property to be transferred and the estimated total of the transferor's debts;

(b) the address where the schedule of property and list of creditors (RCW 62A.6-104) may be inspected;

(c) whether the transfer is to pay existing debts and if so the amount of such debts and to whom owing;

(d) whether the transfer is for new consideration and if so the amount of such consideration and the time and place of payment; and

(e) if for new consideration the time and place where creditors of the transferor are to file their claims.

(3) The notice in any case shall be delivered personally or sent by registered or certified mail to all the persons shown on the list of creditors furnished by the transferor (RCW 62A.6-104), to all other persons who are known to the transferee to hold or assert claims against the transferor, and to the office of the state ((~~tax commission~~)) department of revenue. A copy of the notice shall be filed in the office of the county auditor of the county in which the property transferred is located and indexed as chattel mortgages are indexed, the name of the vendor being indexed as mortgagor and the name of the intending purchaser as mortgagee.

Sec. 35. Section 4, chapter 27, Laws of 1963 ex. sess. and RCW 72.19.100 are each amended to read as follows:

The juvenile correctional institution building bond redemption fund is hereby created in the state treasury, which fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by RCW 72.19.070 through 72.19.130. The state finance committee shall, on or before June 30th of

each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements and the state treasurer shall thereupon deposit such amount in said juvenile correctional institution building bond redemption fund from moneys transmitted to the state treasurer by the ~~((tax commission))~~ department of revenue and certified by the ~~((tax commission))~~ department of revenue to be sales tax collections and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax revenues of the state of Washington, except that portion thereof heretofore pledged for the payment of bond principal and interest.

The owner and holder of each of said bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require and compel the transfer and payment of funds as directed herein.

Sec. 36. Section 4, chapter 230, Laws of 1949 and RCW 72.99.040 are each amended to read as follows:

The institutional building bond redemption fund is hereby created in the state treasury, which fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by RCW 72.99.010 through 72.99.060. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements and the state treasurer shall thereupon deposit such amount in said institutional building bond redemption fund from moneys transmitted to the state treasurer by the ~~((tax commission))~~ department of revenue and certified by the ~~((tax commission))~~ department of revenue to be sales tax collections and such amount certified by the state finance committee to the state treasurer shall be a first and prior charge against all retail sales tax revenues of the state of Washington.

The owner and holder of each of said bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require and compel the transfer and payment of funds as directed herein.

Sec. 37. Section 6, chapter 298, Laws of 1957 and RCW 72.99.120 are each amended to read as follows:

There is hereby created in the state treasury a special fund to be known as the state building construction bond redemption fund, which fund shall be exclusively devoted for the retirement of said bonds upon maturity and the payment of interest as it falls due. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements, and the state treasurer shall thereupon deposit such amount in said state building construction bond redemption fund from moneys transmitted to the state treasurer by the ~~((tax commission))~~ department of revenue and certified by the ~~((tax commission))~~ department of revenue to be sales tax collections, and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax revenues of the state of Washington, subject to and inferior only to the charges thereon created by chapters 229 and 230, Laws of 1949 [RCW 28A.47.130–28A.47.180 and 72.99.010–72.99.060]. Said bond redemption fund shall be kept segregated from all moneys in the state treasury and shall, while any of such bonds or interest thereon remains unpaid, be available solely for the payment

thereof. As a part of the contract of sale of the bonds herein authorized, the state undertakes to continue to levy and collect a tax on retail sales equal to that portion thereof allocated to said fund as provided in RCW 72.99.070 through 72.99.160, and to place the proceeds thereof in the state building construction bond redemption fund and to make said fund available to meet said payments when due until all bonds and the interest thereon authorized under RCW 72.99.070 through 72.99.160 shall have been paid.

Sec. 38. Section 4, chapter 299, Laws of 1957 and RCW 72.99.200 are each amended to read as follows:

The institutional building bond redemption fund is hereby created in the state treasury, which fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by RCW 72.99.170 through 72.99.220. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements and the state treasurer shall thereupon deposit such amount in said institutional building bond redemption fund from moneys transmitted to the state treasurer by the ~~((tax commission))~~ department of revenue and certified by the ~~((tax commission))~~ department of revenue to be sales tax collections and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax revenues of the state of Washington, except that portion thereof heretofore pledged for the payment of bond principal and interest.

The owner and holder of each of said bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require and compel the transfer and payment of funds as directed herein.

Sec. 39. Section 82.04.020, chapter 15, Laws of 1961 and RCW 82.04.020 are each amended to read as follows:

"Tax year" or "taxable year" means either the calendar year, or the taxpayer's fiscal year when permission is obtained from the ~~((tax commission))~~ department of revenue to use a fiscal year in lieu of the calendar year.

Sec. 40. Section 82.04.090, chapter 15, Laws of 1961 and RCW 82.04.090 are each amended to read as follows:

"Value proceeding or accruing" means the consideration, whether money, credits, rights, or other property expressed in terms of money, actually received or accrued. The term shall be applied, in each case, on a cash receipts or accrual basis according to which method of accounting is regularly employed in keeping the books of the taxpayer. The ~~((tax commission))~~ department of revenue may provide by regulation that the value proceeding or accruing from sales on the installment plan under conditional contracts of sale may be reported as of the dates when the payments become due.

Sec. 41. Section 82.04.300, chapter 15, Laws of 1961 as amended by section 3, chapter 293, Laws of 1961 and RCW 82.04.300 are each amended to read as follows:

This chapter shall apply to any person engaging in any business activity taxable under RCW 82.04.230, 82.04.240, 82.04.250, 82.04.260, 82.04.270, 82.04.275, 82.04.280 and 82.04.290 other than those whose value of products, gross proceeds

of sales, or gross income of the business is less than three hundred dollars per month: PROVIDED, That where one person engages in more than one business activity and the combined measures of the tax applicable to such businesses equal or exceed three hundred dollars per month, no exemption or deduction from the amount of tax is allowed by this section.

Any person claiming exemption under the provisions of this section may be required to file returns even though no tax may be due: PROVIDED, FURTHER, That the ((~~tax commission~~)) department of revenue may allow exemptions, by general rule or regulation, in those instances in which quarterly, semiannual, or annual returns are permitted. Exemptions for such periods shall be equivalent in amount to the total of exemptions for each month of a reporting period.

Sec. 42. Section 82.04.450, chapter 15, Laws of 1961 and RCW 82.04.450 are each amended to read as follows:

The value of products, including byproducts, extracted or manufactured shall be determined by the gross proceeds derived from the sale thereof whether such sale is at wholesale or at retail, to which shall be added all subsidies and bonuses received from the purchaser or from any other person with respect to the extraction, manufacture, or sale of such products or byproducts by the seller, except:

(1) Where such products, including byproducts, are extracted or manufactured for commercial or industrial use;

(2) Where such products, including byproducts, are shipped, transported or transferred out of the state, or to another person, without prior sale or are sold under circumstances such that the gross proceeds from the sale are not indicative of the true value of the subject matter of the sale.

In the above cases the value shall correspond as nearly as possible to the gross proceeds from sales in this state of similar products of like quality and character, and in similar quantities by other taxpayers, plus the amount of subsidies or bonuses ordinarily payable by the purchaser or by any third person with respect to the extraction, manufacture, or sale of such products. The ((~~tax commission~~)) department of revenue shall prescribe uniform and equitable rules for the purpose of ascertaining such values.

Sec. 43. Section 82.04.470, chapter 15, Laws of 1961 and RCW 82.04.470 are each amended to read as follows:

Unless a seller has taken from the purchaser a resale certificate signed by, and bearing the name and address and registration number of the purchaser to the effect that the property was purchased for resale, or unless the nature of the transaction is clearly shown as a sale at wholesale by the books and records of the taxpayer in such other manner as the ((~~tax commission~~)) department of revenue shall by regulation provide, the burden of proving that a sale of tangible personal property was not a sale at retail shall be upon the person who made it.

Sec. 44. Section 82.04.480, chapter 15, Laws of 1961 and RCW 82.04.480 are each amended to read as follows:

Every consignee, bailee, factor, or auctioneer having either actual or constructive possession of tangible personal property, or having possession of the documents of title thereto, with power to sell such tangible personal property in his or

its own name and actually so selling, shall be deemed the seller of such tangible personal property within the meaning of this chapter; and further, the consignor, bailor, principal, or owner shall be deemed a seller of such property to the consignee, bailee, factor, or auctioneer.

The burden shall be upon the taxpayer in every case to establish the fact that he is not engaged in the business of selling tangible personal property but is acting merely as broker or agent in promoting sales for a principal. Such claim will be allowed only when the taxpayer's accounting records are kept in such manner as the ~~((tax commission))~~ department of revenue shall by general regulation provide.

Sec. 45. Section 82.04.490, chapter 15, Laws of 1961 and RCW 82.04.490 are each amended to read as follows:

The taxes imposed hereunder shall be due and payable in monthly installments and remittance therefor shall be made on or before the fifteenth day of the month next succeeding the end of the monthly period in which tax accrued. The taxpayer, on or before said fifteenth day of said month, shall make out a return, upon such forms and setting forth such information as the ~~((tax commission))~~ department of revenue may require, showing the amount of the tax for which he is liable for the preceding monthly period, sign and transmit the same to the ~~((commission))~~ department, together with a remittance for such amount in the form required: PROVIDED, That any such taxpayer may elect to remit each month on such forms as the ~~((tax commission))~~ department of revenue shall in its discretion prescribe, an estimate of the tax to be due for each month on or before the fifteenth day of the month next succeeding the end of the monthly period in which the tax accrued, and a quarterly return to the ~~((commission))~~ department on or before the fifteenth day of the month next succeeding the end of each quarter of every year and shall remit therewith the balance of the actual tax due for the period of the report: PROVIDED FURTHER, That every person who shall elect to remit a monthly "estimate of the tax to be due" as hereinabove described shall remit each month at least one-third of the tax paid during the previous quarter or, ninety percent of the tax actually collected or owing during the month, whichever is greater.

The ~~((tax commission))~~ department of revenue may also relieve any taxpayer or class of taxpayers from the obligation of filing monthly returns and may require the return to cover other reporting periods, but in no event shall returns be filed for a period greater than one year.

The ~~((tax commission))~~ department of revenue may also, by general rule or regulation, establish conditions for submission of annual or semiannual reconciling returns by such taxpayers or class of taxpayers in lieu of quarterly returns.

The ~~((tax commission))~~ department of revenue may also require verified annual returns from any taxpayer, setting forth such additional information as it may deem necessary to correctly determine tax liability.

Sec. 46. Section 82.08.040, chapter 15, Laws of 1961 and RCW 82.08.040 are each amended to read as follows:

Every consignee, bailee, factor, or auctioneer authorized, engaged, or employed to sell or call for bids on tangible personal property belonging to another, and so selling or calling, shall be deemed the seller of such tangible personal property within the meaning of this chapter and all sales made by such persons

are subject to its provisions even though the sale would have been exempt from tax hereunder had it been made directly by the owner of the property sold. Every consignee, bailee, factor, or auctioneer shall collect and remit the amount of tax due under this chapter with respect to sales made or called by him: PROVIDED, That if the owner of the property sold is engaged in the business of selling tangible personal property in this state the tax imposed under this chapter may be remitted by such owner under such rules and regulations as the ~~((tax commission))~~ department of revenue shall prescribe.

Sec. 47. Section 82.08.060, chapter 15, Laws of 1961 and RCW 82.08.060 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall have power to adopt rules and regulations prescribing methods and schedules for the collection of the tax required to be collected by the seller from the buyer under this chapter. The methods and schedules prescribed shall be adopted so as to eliminate the collection of fractions of one cent and so as to provide that the aggregate collections of all taxes by the seller shall, insofar as practicable, equal the amount of tax imposed by this chapter. Such schedules may provide that no tax need be collected from the buyer upon sales below a stated sum and may be amended from time to time to accomplish the purposes set forth herein.

Sec. 48. Section 82.08.080, chapter 15, Laws of 1961 as amended by section 2, chapter 244, Laws of 1963 and RCW 82.08.080 are each amended to read as follows:

The ~~((commission))~~ department of revenue may authorize a seller to pay the tax levied under this chapter upon sales made through vending machines and similar devices or where sales are made under conditions of business such as to render impracticable the collection of the tax as a separate item and waive collection of the tax from the customer. Where sales are made by receipt of a coin or coins dropped into a receptacle that results in delivery of the merchandise in single purchases of smaller value than the minimum sale upon which a one cent tax may be collected from the purchaser, according to the schedule provided by the ~~((commission))~~ department under authority of RCW 82.08.060, and where the design of the sales device is such that multiple sales of items are not possible or cannot be detected so as practically to assess a tax, in such a case the selling price for the purposes of the tax imposed under RCW 82.08.020 shall be sixty percent of the gross receipts of the vending machine through which such sales are made. No such authority shall be granted except upon application to the ~~((commission))~~ department and unless the ~~((commission))~~ department, after hearing, finds that the conditions of the applicant's business are such as to render impracticable the collection of the tax in the manner otherwise provided. The ~~((commission))~~ department, by regulation, may provide that the applicant, under this section, furnish a proper bond sufficient to secure the payment of the tax.

Sec. 49. Section 82.08.090, chapter 15, Laws of 1961 and RCW 82.08.090 are each amended to read as follows:

In the case of installment sales and leases of personal property, the ~~((commission))~~ department of revenue, by regulation, may provide for the collection of

taxes upon the installments of the purchase price, or amount of rental, as of the time the same fall due.

Sec. 50. Section 82.08.100, chapter 15, Laws of 1961 and RCW 82.08.100 are each amended to read as follows:

The (~~tax commission~~) department of revenue, by general regulation, may provide that a taxpayer whose regular books of account are kept on a cash receipts basis may file returns based upon his cash receipts for each reporting period and pay the tax herein provided upon such basis in lieu of reporting and paying the tax on all sales made during such period.

Sec. 51. Section 82.08.120, chapter 15, Laws of 1961 and RCW 82.08.120 are each amended to read as follows:

Whoever, excepting as expressly authorized by this chapter, refunds, remits, or rebates to a buyer, either directly or indirectly and by whatever means, all or any part of the tax levied by this chapter, or makes in any form of advertising, verbal or otherwise, any statements which might infer that he is absorbing the tax or paying the tax for the buyer by an adjustment of prices, or at a price including the tax, or in any other manner whatsoever shall be guilty of a misdemeanor. The violation of this section by any person holding a license granted by the state or any political subdivision thereof shall be sufficient grounds for the cancellation of the license of such person upon written notification by the (~~tax commission~~) department of revenue to the proper officer of the department granting the license that such person has violated the provisions of this section. Before any license shall be canceled hereunder, the licensee shall be entitled to a hearing before the department granting the license under such regulations as the department may prescribe.

Sec. 52. Section 82.12.010, chapter 15, Laws of 1961 as last amended by section 17, chapter 173, Laws of 1965 ex. sess. and RCW 82.12.010 are each amended to read as follows:

For the purposes of this chapter:

(1) "Value of the article used" shall mean the consideration, whether money, credit, rights, or other property, expressed in terms of money, paid or given or contracted to be paid or given by the purchaser to the seller for the article of tangible personal property, the use of which is taxable under this chapter. The term includes, in addition to the consideration paid or given or contracted to be paid or given, the amount of any tariff or duty paid with respect to the importation of the article used. In case the article used is acquired by lease or by gift or is extracted, produced, or manufactured by the person using the same or is sold under conditions wherein the purchase price does not represent the true value thereof, the value of the article used shall be determined as nearly as possible according to the retail selling price at place of use of similar products of like quality and character under such rules and regulations as the (~~tax commission~~) department of revenue may prescribe.

In case the articles used are acquired by bailment, the value of the use of the articles so used shall be in an amount representing a reasonable rental for the use of the articles so bailed, determined as nearly as possible according to the value of

such use at the places of use of similar products of like quality and character under such rules and regulations as the ~~((tax commission))~~ department of revenue may prescribe;

In the case of articles manufactured or produced by the user and used in the manufacture or production of products sold or to be sold to the department of defense of the United States, the value of the articles used shall be determined according to the value of the ingredients of such articles.

(2) "Use," "used," "using," or "put to use" shall have their ordinary meaning, and shall mean the first act within this state by which the taxpayer takes or assumes dominion or control over the article of tangible personal property (as a consumer), and include installation, storage, withdrawal from storage, or any other act preparatory to subsequent actual use or consumption within this state;

(3) "Taxpayer" and "purchaser" include all persons included within the meaning of the word "buyer" and the word "consumer" as defined in chapters 82.04 and 82.08 RCW;

(4) "Retailer" means every person engaged in the business of selling tangible personal property at retail and every person required to collect from purchasers the tax imposed under this chapter;

(5) The meaning ascribed to words and phrases in chapters 82.04 and 82.08 RCW, insofar as applicable, shall have full force and effect with respect to taxes imposed under the provisions of this chapter. "Consumer," in addition to the meaning ascribed to it in chapters 82.04 and 82.08 RCW insofar as applicable, shall also mean any person who distributes or displays, or causes to be distributed or displayed, any article of tangible personal property, except newspapers, the primary purpose of which is to promote the sale of products or services.

Sec. 53. Section 82.12.050, chapter 15, Laws of 1961 and RCW 82.12.050 are each amended to read as follows:

Each taxpayer subject to the provisions of this chapter shall, on or before the fifteenth day of the month succeeding the end of the monthly period in which the tax accrued, file a return with the ~~((commission))~~ department of revenue showing in detail the total quantity of tangible personal property used by him within the state during the preceding monthly period subject to the tax herein imposed, and such other information as the ~~((commission))~~ department may deem pertinent. Each taxpayer shall remit to the ~~((commission))~~ department with his return the amount of tax shown thereon to be due: PROVIDED, That any such taxpayer may elect to remit each month on such forms as the ~~((tax commission))~~ department of revenue shall in its discretion prescribe, an estimate of the tax to be due for each month on or before the fifteenth day of the month next succeeding the end of the monthly period in which the tax accrued, and a quarterly return to the ~~((commission))~~ department on or before the fifteenth day of the month next succeeding the end of each quarter of every year and shall remit therewith the balance of the actual tax due for the period of the report: PROVIDED FURTHER, That every person who shall elect to remit a monthly "estimate of the tax to be due" as hereinabove described shall remit each month at least one-third of the tax paid during the previous quarter or, ninety percent of the tax actually collected or owing during the month, whichever is greater.

The ~~((tax commission))~~ department of revenue may also relieve any taxpayer or class of taxpayers from the obligation of filing monthly returns and may require the return to cover other reporting periods, but in no event shall returns be filed for a period greater than one year.

The ~~((tax commission))~~ department of revenue may also, by general rule or regulation, establish conditions for submission of annual or semiannual reconciling returns by such taxpayers or class of taxpayers in lieu of quarterly returns.

The ~~((tax commission))~~ department of revenue may also require verified annual returns from any taxpayer, setting forth such additional information as it may deem necessary to correctly determine tax liability.

The ~~((tax commission))~~ department of revenue shall, by rule or regulation, establish procedures and forms for reporting consonant with efficient tax administration and accounting procedure to carry into effect the provisions of this chapter.

Sec. 54. Section 82.12.060, chapter 15, Laws of 1961 as amended by section 16, chapter 293, Laws of 1961 and RCW 82.12.060 are each amended to read as follows:

In the case of installment sales and leases of personal property, the ~~((commission))~~ department, by regulation, may provide for the collection of taxes upon the installments of the purchase price, or amount of rental, as of the time the same fall due.

In the case of property acquired by bailment, the ~~((commission))~~ department, by regulation, may provide for payment of the tax due in installments based on the reasonable rental for the property as determined under RCW 82.12.010(1).

Sec. 55. Section 82.12.070, chapter 15, Laws of 1961 and RCW 82.12.070 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue, by general regulation, may provide that a taxpayer whose regular books of account are kept on a cash receipts basis may file returns based upon his cash receipts for each reporting period and pay the tax herein provided upon such basis in lieu of reporting and paying the tax on all sales made during such period.

Sec. 56. Section 82.16.070, chapter 15, Laws of 1961 as amended by section 14, chapter 293, Laws of 1961 and RCW 82.16.070 are each amended to read as follows:

The taxes imposed hereunder shall be due and payable in monthly installments and remittance therefor shall be made on or before the fifteenth day of the month next succeeding the end of the monthly period in which the tax accrued. The taxpayer on or before the fifteenth day of such month shall make out a return, upon such forms and setting forth such information as the ~~((tax commission))~~ department of revenue may require, showing the amount of the tax for which he is liable for the preceding monthly period, sign, and transmit the same to the ~~((commission))~~ department, together with a remittance for such amount in the form required in chapter 82.32 RCW: PROVIDED, That any such taxpayer may elect to remit each month on such forms as the ~~((tax commission))~~ department of revenue shall in its discretion prescribe, an estimate of the tax to be due for each month on or before the fifteenth day of the month next succeeding the end of the

monthly period in which the tax accrued, and a quarterly return to the (~~commission~~) department on or before the fifteenth day of the month next succeeding the end of each quarter of every year and shall remit therewith the balance of the actual tax due for the period of the report: PROVIDED FURTHER, That every person who shall elect to remit a monthly "estimate of the tax to be due" as hereinabove described shall remit each month at least one-third of the tax paid during the previous quarter or, at least ninety percent of the tax actually collected or owing during the month.

The (~~tax commission~~) department of revenue may also relieve any taxpayer or class of taxpayers from the obligation of filing monthly returns and may require the return to cover other reporting periods, but in no event shall returns be filed for a period greater than one year.

The (~~tax commission~~) department of revenue may also, by general rule or regulation, establish conditions for submission of annual or semiannual reconciling returns by such taxpayers or class of taxpayers in lieu of quarterly returns.

The (~~tax commission~~) department of revenue may also require verified annual returns from any taxpayer, setting forth such additional information as it may deem necessary to correctly determine tax liability.

The (~~commission~~) department shall, by rule or regulation, establish procedures and forms for reporting consonant with efficient tax administration and accounting procedure to carry into effect the provisions of this chapter.

Sec. 57. Section 82.20.020, chapter 15, Laws of 1961 and RCW 82.20.020 are each amended to read as follows:

The (~~tax commission~~) department of revenue shall cause to be prepared and distributed for the payment of the taxes prescribed in this chapter suitable stamps denoting the tax on any instrument, document, or paper, to which the same may be affixed, and shall prescribe such method for the affixing of the stamps as it may deem expedient.

Sec. 58. Section 82.20.030, chapter 15, Laws of 1961 and RCW 82.20.030 are each amended to read as follows:

Whenever any stamp is used for denoting any tax imposed by this chapter, except as hereinafter provided, the person using or affixing the same shall write or stamp thereon, the initials of his name and the date upon which it is attached or used, so that the stamp may not again be used. The (~~tax commission~~) department of revenue may prescribe such other method for the cancellation of the stamps as it may deem expedient.

Sec. 59. Section 82.20.040, chapter 15, Laws of 1961 and RCW 82.20.040 are each amended to read as follows:

The (~~tax commission~~) department of revenue may, upon receipt of satisfactory evidence of the facts, make allowance for or redeem such of the stamps, issued under authority of law to denote the payment of any tax, as may have been spoiled, destroyed or rendered useless or unfit for the purpose intended, or for which the owner may have no use, or which, through mistake, have been improperly or unnecessarily used, or where the returns or duties represented thereby have been excessive in amount, paid in error, or in any manner wrongfully collected. Such allowance or redemption may be made, either by giving other stamps in lieu

of the stamps so allowed for or redeemed or by refunding the amount of value to the owner thereof; but no allowance or redemption shall be made in any case until the stamps so spoiled or rendered useless have been returned to the ((~~commission~~)) department, or until satisfactory proof has been made showing the reason why they cannot be returned. No claim for the redemption of or allowance for stamps shall be allowed unless presented within two years after the purchase of the stamps from the ((~~commission~~)) department.

Sec. 60. Section 82.20.060, chapter 15, Laws of 1961 and RCW 82.20.060 are each amended to read as follows:

Each of the following acts is hereby declared to be a gross misdemeanor and punishable as such: (1) To take, sign, issue, or accept, or cause to be made, signed, issued, or accepted, any instrument of any kind without the full amount of the tax thereon being duly paid; (2) to fraudulently cut, tear, or remove from any instrument, upon which any tax is imposed by this chapter, any stamp or the impression of any stamp, die, plate, or other article provided, made, or used in the pursuance of this chapter; (3) to wilfully remove, or alter the cancellation or defacing marks of, or otherwise prepare any stamp, with intent to use, or cause the same to be used, after it has already been used, or knowingly or wilfully buy, sell, offer for sale, or give away, any such washed or restored stamp to any person for use, or knowingly use the same; (4) for any person other than the ((~~tax commission~~)) department of revenue or its duly authorized agent to sell any stamp provided for herein, not affixed to any conveyance taxed herein, whether such stamp is genuine or counterfeit.

Sec. 61. Section 82.24.030, chapter 15, Laws of 1961 and RCW 82.24.030 are each amended to read as follows:

In order to enforce collection of the tax hereby levied, the ((~~tax commission~~)) department of revenue shall design and have printed stamps of such size and denominations as may be determined by the ((~~commission~~)) department, such stamps to be affixed on the smallest container or package that will be handled, sold, used, consumed, or distributed, to permit the ((~~commission~~)) department 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~~)) department that it is impractical to affix such stamps to the smallest container or package, the ((~~commission~~)) department may authorize the affixing of stamps of appropriate denomination to a large container or package.

The ((~~commission~~)) department 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.

Sec. 62. Section 82.24.090, chapter 15, Laws of 1961 and RCW 82.24.090 are each amended to read as follows:

Every wholesaler or retailer subject to the provisions of this chapter shall keep and preserve for a period of five years an accurate set of records, showing all

transactions had with reference to the purchase and sale of any of the articles taxed herein and such persons shall also keep separately all invoices, and shall keep a record of all stamps purchased, and all such records and all stock of taxable articles on hand shall be open to inspection at all reasonable times by the ~~((tax commission))~~ department of revenue or its duly authorized agent.

All wholesalers shall within fifteen days after the first day of each month file with the ~~((tax commission))~~ department of revenue a report of all drop shipment sales made by them to retailers within this state during the preceding month, which report shall show the name and address of the retailer to whom the cigarettes were sold, the kind and quantity, and the date of delivery thereof.

Sec. 63. Section 82.24.110, chapter 15, Laws of 1961 and RCW 82.24.110 are each amended to read as follows:

Each of the following acts is a gross misdemeanor and punishable as such:

(1) To sell, except as a registered wholesaler or retailer engaged in interstate commerce as to the article being taxed herein, without the stamp first being affixed;

(2) To use or have in possession knowingly or intentionally any forged or counterfeit stamps;

(3) For any person other than the ~~((tax commission))~~ department of revenue or its duly authorized agent to sell any stamps not affixed to any of the articles taxed herein whether such stamps are genuine or counterfeit;

(4) To violate any of the provisions of this chapter;

(5) To violate any lawful rule or regulation made and published by the ~~((tax commission))~~ department of revenue;

(6) To use any stamps more than once;

(7) To refuse to allow the ~~((tax commission))~~ department of revenue or any duly authorized agent thereof, on demand, to make full inspection of any place of business where any of the articles herein taxed are sold or otherwise hinder or prevent such inspection;

(8) For any retailer, except one permitted to maintain an unstamped stock to engage in interstate business as provided herein, to have in possession in any place of business any of the articles herein taxed, unless the same have the proper stamps attached;

(9) For any person to make, use, or present or exhibit to the ~~((tax commission))~~ department of revenue or any duly authorized agent thereof, any invoice for any of the articles herein taxed which bears an untrue date or falsely states the nature or quantity of the goods therein invoiced;

(10) For any wholesaler or retailer or his agents or employees to fail to produce on demand of the ~~((tax commission))~~ department of revenue all invoices of all the articles herein taxed or stamps bought by him or received in his place of business within five years prior to such demand unless he can show by satisfactory proof that the nonproduction of the invoices was due to causes beyond his control;

(11) For any person to receive in this state any shipment of any of the articles taxed herein, when the same are not stamped, for the purpose of avoiding payment of tax. It is presumed that persons other than dealers who purchase or receive shipments of unstamped cigarettes do so to avoid payment of the tax imposed herein.

All agents, employees, and others who aid, abet, or otherwise participate in any way in the violation of the provisions of this chapter or in any of the offenses herein described shall be guilty and punishable as principals, to the same extent as any wholesaler or retailer violating the provisions thereof.

Sec. 64. Section 82.24.120, chapter 15, Laws of 1961 and RCW 82.24.120 are each amended to read as follows:

If any person, subject to the provisions of this chapter or any rules and regulations promulgated by the ~~((tax commission))~~ department of revenue under authority hereof, is found to have failed to affix the stamps required, or to have them affixed as herein provided, or to pay any tax due hereunder, or to have violated any of the provisions of this chapter or rules and regulations promulgated by the ~~((tax commission))~~ department of revenue in the administration hereof, there shall be assessed and collected from such person, in addition to any tax that may be found due, a penalty equal to the amount of any tax found to be due plus interest thereon at the rate of one percent for each thirty days or portions thereof from the date the tax became due, and upon notice mailed to the last known address of the taxpayer said amount shall become due and payable in ten days, at which time the ~~((commission))~~ department or its duly authorized agent may make immediate demand upon such person for the payment of all such taxes and penalties. The ~~((commission))~~ department, for good reason shown, may remit all or any part of penalties imposed, but the taxpayer must pay all taxes due and interest thereon, at the rate of one percent for each thirty days or portion thereof. The keeping of any unstamped articles coming within the provisions of this chapter shall be prima facie evidence of intent to violate the provisions of this chapter.

Sec. 65. Section 82.24.140, chapter 15, Laws of 1961 and RCW 82.24.140 are each amended to read as follows:

In all cases of seizure of any property made subject to forfeiture under the provisions of this chapter, which, in the opinion of the person making the seizure, is of the appraised value of one hundred dollars, or more, the said person shall proceed as follows:

(1) He shall cause a list containing a particular description of the property seized to be prepared in duplicate, and an appraisal thereof to be made by three sworn appraisers to be selected by him, who shall be respectable and disinterested citizens of this state, residing within the county where the seizure was made. Said list and appraisal shall be properly attested by the said person and the said appraisers, for which service each of the said appraisers shall be allowed the sum of one dollar per day for not exceeding two days, to be paid as other costs;

(2) If the property seized is believed, by the person making the seizure, to be of less value than one hundred dollars, no appraisal shall be made;

(3) The person making the seizure shall proceed to give notice thereof for five days, in writing, at three places in the county where the seizure is made. One of

the notices shall be posted at the county court house; another at the place where the goods were seized; and the other at some public place. The notice shall describe the property seized, and the time and place and cause of seizure and give the name and place of residence, if known, of the person from whom the property was seized, and shall require any person claiming it to appear and make such claim in writing, within five days from the date of the first posting of such notice. Such person making the seizure shall also deliver to the person from whom the property was seized, and also to the owner, if known, a copy of the said notice;

(4) Any person claiming the said property seized as contraband, within the time specified in the notice, may file with the ~~((tax commission))~~ department of revenue a claim, in writing, stating his interest in the property seized, and may execute a bond to the ~~((tax commission))~~ department of revenue in a penal sum equal to double the value of the property so seized, but in no case shall said bond be less than one hundred dollars, with sureties to be approved by the clerk of the superior court in the county in which the property is seized, conditioned that in case of condemnation of the property seized, the obligor shall pay to the ~~((tax commission))~~ department of revenue the full value of the property so seized, and all costs and expenses of the proceedings to obtain such condemnation, including a reasonable attorney's fee. And, upon delivery of such bond to the ~~((tax commission))~~ department of revenue, it shall transmit the same with the duplicate list or description of the property seized to the prosecuting attorney of the county in which such seizure was made, and said prosecuting attorney shall prosecute the case to secure the forfeiture of said property in the court having jurisdiction. Upon filing the bond aforesaid, the said property shall be delivered to the claimant pending the outcome of the case: PROVIDED, That he shall at once affix the required stamps thereto;

(5) If no claim is interposed and no bond is filed within the time above specified, such property shall be forfeited, without further proceedings, and the same shall be sold as herein provided, and the proceeds of sale when received by the ~~((tax commission))~~ department of revenue shall be paid into the state treasury as are other funds collected: PROVIDED, That in seizures of property of less value than one hundred dollars, the same may be advertised by the ~~((tax commission))~~ department of revenue with other quantities at Olympia or at any other city or town in which a branch office of the ~~((tax commission))~~ department of revenue is located and disposed of as hereinbefore provided;

(6) In proceedings to secure a confiscation of the property hereinbefore mentioned, where the value of the goods seized at one time is one hundred dollars, or less, the justice court of the place where the property is situated, shall have jurisdiction to try the cause. Where the value of the property seized at one time is more than one hundred dollars, then the superior court of the county where the property is seized shall have jurisdiction to try the cause.

The proceedings against property seized, according to the provisions of this chapter, shall be considered a proceeding in rem unless otherwise herein provided.

Within ten days after filing the bond provided for in subdivision (4) hereof, the claimant shall file a petition in the court having jurisdiction of the cause, and the ~~((tax commission))~~ department of revenue or other party authorized to prosecute the confiscation of said property, shall plead to it as if it were an ordinary action

at law, and the same rules of pleading and procedure applicable to actions in the justice court or superior court shall be observed in this action, and the costs shall be adjudged as in other actions: PROVIDED, HOWEVER, That neither the state, nor the ~~((tax commission))~~ department of revenue, nor any other person representing the state shall be liable for the costs in event the court shall not confiscate the property in controversy.

Sec. 66. Section 82.24.180, chapter 15, Laws of 1961 and RCW 82.24.180 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue may return any property seized under the provisions of this chapter when it is shown that there was no intention to violate the provisions thereof.

When any property is seized, under the provisions of this chapter, the ~~((commission))~~ department may return such goods to the parties from whom they were seized if and when such parties affix the proper amount of stamps thereto, and pay to the ~~((commission))~~ department as penalty an amount equal to twenty-five percent of the amount of tax due and interest thereon at the rate of one percent for each thirty days or portion thereof from the date the tax became due, and in such cases, no advertisement shall be made or notices posted in connection with said seizure.

Sec. 67. Section 82.24.190, chapter 15, Laws of 1961 and RCW 82.24.190 are each amended to read as follows:

When the ~~((tax commission))~~ department of revenue has good reason to believe that any of the articles taxed herein are being kept, sold, offered for sale, or given away in violation of the provisions of this chapter or regulations issued under authority hereof, it may make affidavit of such fact, describing the place or thing to be searched, before any justice of the peace, mayor of any city, town or village, or judge of any court in this state, and such justice, mayor or judge shall issue a search warrant directed to the sheriff, any constable, police officer, or duly authorized agent of the ~~((tax commission))~~ department of revenue commanding him diligently to search any building, room in a building, place or vehicle as may be designated in the affidavit and search warrant, and to seize such tobacco so possessed and to hold the same until disposed of by law, and to arrest the person in possession or control thereof. If upon the return of such warrant, it shall appear that any of the articles taxed herein, unlawfully possessed, were seized, the same shall be sold as provided in this chapter.

Sec. 68. Section 82.24.210, chapter 15, Laws of 1961 and RCW 82.24.210 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue may promulgate rules and regulations providing for the refund to dealers for the cost of stamps affixed to articles taxed herein, which by reason of damage become unfit for sale and are destroyed by the dealer or returned to the manufacturer or jobber. In the case of any articles to which stamps have been affixed, and which articles have been sold and shipped to a regular dealer in such articles in another state, the seller in this state shall be entitled to a refund of the actual amount of the stamps so affixed,

less the affixing discount, upon condition that the seller in this state makes affidavit that the articles were sold and shipped outside of the state and that he has received from the purchaser outside the state a written acknowledgment that he has received such articles with the amount of stamps affixed thereto, together with the name and address of such purchaser. The ~~((tax commission))~~ department of revenue may redeem any unused stamps purchased from it at the face value thereof less the affixing discount.

Sec. 69. Section 82.24.220, chapter 15, Laws of 1961 and RCW 82.24.220 are each amended to read as follows:

Every person in this state who by means of a vending machine sells any of the articles taxed herein shall be required before engaging in such business to apply to and obtain from the ~~((tax commission))~~ department of revenue a certificate to engage in business as a retailer, and shall obtain a separate certificate for each machine used in vending or selling any of the articles taxed herein and each machine so used shall be considered a separate place of business. Any articles taxed herein vended by means of any such machine shall bear stamps as evidence that the tax herein imposed has been paid and the articles taxed herein contained in such machines shall be available for inspection by the ~~((commission))~~ department or its duly authorized agents at all times.

Sec. 70. Section 82.26.010, chapter 15, Laws of 1961 and RCW 82.26.010 are each amended to read as follows:

As used in this chapter:

(1) "Tobacco products" means cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco, snuff, snuff flour, cavendish, plug and twist tobacco, fine-cut and other chewing tobaccos, shorts, refuse scraps, clippings, cuttings and sweepings of tobacco, and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking, but shall not include cigarettes as defined in RCW 82.24.010(4);

(2) "Manufacturer" means a person who manufactures and sells tobacco products;

(3) "Distributor" means (a) any person engaged in the business of selling tobacco products in this state who brings, or causes to be brought, into this state from without the state any tobacco products for sale, (b) any person who makes, manufactures, or fabricates tobacco products in this state for sale in this state, (c) any person engaged in the business of selling tobacco products without this state who ships or transports tobacco products to retailers in this state, to be sold by those retailers;

(4) "Subjobber" means any person, other than a manufacturer or distributor, who buys tobacco products from a distributor and sells them to persons other than the ultimate consumers;

(5) "Retailer" means any person engaged in the business of selling tobacco products to ultimate consumers;

(6) "Sale" means any transfer, exchange, or barter, in any manner or by any means whatsoever, for a consideration, and includes and means all sales made by

any person. It includes a gift by a person engaged in the business of selling tobacco products, for advertising, as a means of evading the provisions of this chapter, or for any other purposes whatsoever.

(7) "Wholesale sales price" means the established price for which a manufacturer sells a tobacco product to a distributor, exclusive of any discount or other reduction;

(8) "Business" means any trade, occupation, activity, or enterprise engaged in for the purpose of selling or distributing tobacco products in this state;

(9) "Place of business" means any place where tobacco products are sold or where tobacco products are manufactured, stored, or kept for the purpose of sale or consumption, including any vessel, vehicle, airplane, train, or vending machine;

(10) "Retail outlet" means each place of business from which tobacco products are sold to consumers;

(11) "~~((Commission))~~ Department" means the state (~~((tax commission))~~) department of revenue.

Sec. 71. Section 82.26.020, chapter 15, Laws of 1961 as last amended by section 77, chapter 299, Laws of 1971 ex. sess. and RCW 82.26.020 are each amended to read as follows:

(1) From and after June 1, 1971, there is levied and there shall be collected a tax upon the sale, use, consumption, handling, or distribution of all tobacco products in this state at the rate of forty-five percent of the wholesale sales price of such tobacco products. Such tax shall be imposed at the time the distributor (a) brings, or causes to be brought, into this state from without the state tobacco products for sale, (b) makes, manufactures, or fabricates tobacco products in this state for sale in this state, or (c) ships or transports tobacco products to retailers in this state, to be sold by those retailers.

(2) A floor stocks tax is hereby imposed upon every distributor of tobacco products at the rate of twenty-five percent of the wholesale sales price of each tobacco product in his possession or under his control on July 1, 1959.

Each distributor, within twenty days after July 1, 1959 shall file a report with the ~~((commission))~~ department, in such form as the ~~((commission))~~ department may prescribe, showing the tobacco products on hand on July 1, 1959 and the amount of tax due thereon.

The tax imposed by this subdivision shall be due and payable within twenty days after July 1, 1959 and thereafter shall bear interest at the rate of one percent per month.

Sec. 72. Section 82.26.050, chapter 15, Laws of 1961 and RCW 82.26.050 are each amended to read as follows:

From and after July 1, 1959 no person shall engage in the business of a distributor or subjobber of tobacco products at any place of business without first having received from the ~~((commission))~~ department of revenue a certificate of registration as provided in RCW 82.32.030.

Sec. 73. Section 82.26.060, chapter 15, Laws of 1961 and RCW 82.26.060 are each amended to read as follows:

Every distributor shall keep at each registered place of business complete and accurate records for that place of business, including itemized invoices, of tobacco

products held, purchased, manufactured, brought in or caused to be brought in from without the state, or shipped or transported to retailers in this state, and of all sales of tobacco products made, except sales to the ultimate consumer.

These records shall show the names and addresses of purchasers, the inventory of all tobacco products on hand on July 1, 1959, and other pertinent papers and documents relating to the purchase, sale, or disposition of tobacco products.

When a registered distributor sells tobacco products exclusively to the ultimate consumer at the address given in the certificate, no invoice of those sales shall be required, but itemized invoices shall be made of all tobacco products transferred to other retail outlets owned or controlled by that registered distributor. All books, records, and other papers and documents required by this section to be kept shall be preserved for a period of at least five years after the date of the documents, as aforesaid, or the date of the entries thereof appearing in the records, unless the ~~((commission))~~ department of revenue, in writing, authorizes their destruction or disposal at an earlier date. At any time during usual business hours the ~~((commission))~~ department, or its duly authorized agents or employees, may enter any place of business of a distributor, without a search warrant, and inspect the premises, the records required to be kept under this chapter, and the tobacco products contained therein, to determine whether or not all the provisions of this chapter are being fully complied with. If the ~~((commission))~~ department, or any of its agents or employees, are denied free access or are hindered or interfered with in making such examination, the registration certificate of the distributor at such premises shall be subject to revocation by the commission.

Sec. 74. Section 82.26.080, chapter 15, Laws of 1961 and RCW 82.26.080 are each amended to read as follows:

Every retailer and subjobber shall procure itemized invoices of all tobacco products purchased. The invoices shall show the name and address of the seller and the date of purchase. The retailer and subjobber shall preserve a legible copy of each such invoice for five years from the date of purchase. Invoices shall be available for inspection by the ~~((commission))~~ department of revenue or its authorized agents or employees at the retailer's or subjobber's place of business.

Sec. 75. Section 82.26.090, chapter 15, Laws of 1961 and RCW 82.26.090 are each amended to read as follows:

Records of all deliveries or shipments of tobacco products from any public warehouse of first destination in this state shall be kept by the warehouse and be available to the ~~((commission))~~ department of revenue for inspection. They shall show the name and address of the consignee, the date, the quantity of tobacco products delivered, and such other information as the ~~((commission))~~ department may require. These records shall be preserved for five years from the date of delivery of the tobacco products.

Sec. 76. Section 82.26.110, chapter 15, Laws of 1961 and RCW 82.26.110 are each amended to read as follows:

Where tobacco products upon which the tax imposed by this chapter has been reported and paid, are shipped or transported by the distributor to retailers without the state, to be sold by those retailers, or are returned to the manufacturer by the distributor or destroyed by the distributor, credit of such tax may be made to

the distributor in accordance with regulations prescribed by the ~~((commission))~~ department of revenue.

Sec. 77. Section 82.32.030, chapter 15, Laws of 1961 and RCW 82.32.030 are each amended to read as follows:

If any person engages in any business or performs any act upon which a tax is imposed by the preceding chapters, he shall, whether taxable or not, under such rules and regulations as the ~~((commission))~~ department of revenue shall prescribe, apply for and obtain from the ~~((commission))~~ department, upon payment of a fee of one dollar, a registration certificate. Such registration certificate shall be personal and nontransferable and shall be valid as long as the taxpayer continues in business and pays the tax accrued to the state. In case business is transacted at two or more separate places by one taxpayer, a separate registration certificate for each place at which business is transacted with the public shall be required, but, for such additional certificates no fee shall be required. Each certificate shall be numbered and shall show the name, residence, and place and character of business of the taxpayer and such other information as the ~~((tax commission))~~ department of revenue deems necessary and shall be posted in a conspicuous place at the place of business for which it is issued. Where a place of business of the taxpayer is changed, the taxpayer must return to the ~~((commission))~~ department the existing certificate, and a new certificate will be issued for the new place of business free of charge. No person shall engage in any business taxable hereunder without being registered in compliance with the provisions of this section, except that the ~~((commission))~~ department, by general regulation, may provide for the issuance of certificates of registration to temporary places of business without requiring the payment of any fee.

Sec. 78. Section 8, chapter 141, Laws of 1965 ex. sess. and RCW 82.32.105 are each amended to read as follows:

If the ~~((commission))~~ department of revenue finds that the payment by a taxpayer of a tax less than that properly due or the failure of a taxpayer to pay any tax by the due date was the result of circumstances beyond the control of the taxpayer, the ~~((commission))~~ department of revenue shall waive or cancel any interest or penalties imposed under this chapter with respect to such tax. The ~~((tax commission))~~ department of revenue shall prescribe rules for the waiver or cancellation of interest or penalties imposed by this chapter. Notwithstanding the foregoing the amount of any interest which has been waived, canceled or refunded prior to May 1, 1965 shall not be reassessed according to the provisions of this chapter.

Sec. 79. Section 82.32.110, chapter 15, Laws of 1961 and RCW 82.32.110 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue or its duly authorized agent may examine any books, papers, records, or other data, or stock of merchandise bearing upon the amount of any tax payable or upon the correctness of any return, or for the purpose of making a return where none has been made, or in order to ascertain whether a return should be made; and may require the attendance of any person at a time and place fixed in a summons served by any

sheriff in the same manner as a subpoena is served in a civil case, or served in like manner by an agent of the ~~((tax commission))~~ department of revenue.

The persons summoned may be required to testify and produce any books, papers, records, or data required by the ~~((commission))~~ department with respect to any tax, or the liability of any person therefor.

The ~~((secretary of the commission))~~ director of the department of revenue, ~~((or any member,))~~ or any duly authorized agent thereof, shall have power to administer an oath to the person required to testify; and any person giving false testimony after the administration of such oath shall be guilty of perjury in the first degree.

If any person summoned as a witness before the ~~((commission))~~ department, or its authorized agent, fails or refuses to obey the summons, or refuses to testify or answer any material questions, or to produce any book, record, paper, or data when required to do so, he shall be guilty of contempt, and the ~~((commission))~~ department shall thereupon institute proceedings in the superior court of Thurston county, or of the county in which such person resides, to punish him as for contempt of court.

Sec. 80. Section 82.32.120, chapter 15, Laws of 1961 and RCW 82.32.120 are each amended to read as follows:

All officers empowered by law to administer oaths, ~~((the members of the commission))~~ the director of the department of revenue, and such officers as ~~((it))~~ he may designate shall have the power to administer an oath to any person or to take the acknowledgment of any person with respect to any return or report required by law or the rules and regulations of the ~~((commission))~~ department of revenue.

Sec. 81. Section 82.32.130, chapter 15, Laws of 1961 as amended by section 20, chapter 237, Laws of 1967 and RCW 82.32.130 are each amended to read as follows:

Any notice or order required by this title to be mailed to any taxpayer shall be sent by mail, addressed to the address of the taxpayer as shown by the records of the ~~((tax commission))~~ department of revenue, or, if no such address is shown, to such address as the ~~((commission))~~ department is able to ascertain by reasonable effort. Failure of the taxpayer to receive such notice or order mailed shall not release the taxpayer from any tax or any increases or penalties thereon.

Sec. 82. Section 82.32.140, chapter 15, Laws of 1961 and RCW 82.32.140 are each amended to read as follows:

Whenever any taxpayer quits business, or sells out, exchanges, or otherwise disposes of his business or his stock of goods, any tax payable hereunder shall become immediately due and payable, and such taxpayer shall, within ten days thereafter, make a return and pay the tax due; and any person who becomes a successor to such business shall become liable for the full amount of the tax and withhold from the purchase price a sum sufficient to pay any tax due from the taxpayer until such time as the taxpayer shall produce a receipt from the ~~((commission))~~ department of revenue showing payment in full of any tax due or a certificate that no tax is due and, if such tax is not paid by the taxpayer within ten days from the date of such sale, exchange, or disposal, the purchaser or successor shall become liable for the payment of the full amount of tax, and the payment

thereof by such purchaser or successor shall, to the extent thereof, be deemed a payment upon the purchase price, and if such payment is greater in amount than the purchase price the amount of the difference shall become a debt due such purchaser or successor from the taxpayer.

No successor shall be liable for any tax due from the person from whom he has acquired a business or stock of goods if he gives written notice to the ~~((tax commission))~~ department of revenue of such acquisition and no assessment is issued by the ~~((tax commission))~~ department of revenue within six months of receipt of such notice against the former operator of the business and a copy thereof mailed to such successor.

Sec. 83. Section 82.32.200, chapter 15, Laws of 1961 and RCW 82.32.200 are each amended to read as follows:

When any assessment or additional assessment has been made, the taxpayer may obtain a stay of collection, under such circumstances and for such periods as the ~~((tax commission))~~ department of revenue may by general regulation provide, of the whole or any part thereof, by filing with the ~~((commission))~~ department a bond in an amount, not exceeding twice the amount on which stay is desired, and with sureties as the ~~((commission))~~ department deems necessary, conditioned for the payment of the amount of the assessments, collection of which is stayed by the bond, together with the interest thereon at the rate of one percent of the amount of such assessment for each thirty days or portion thereof from the due date thereof until paid.

Sec. 84. Section 82.32.230, chapter 15, Laws of 1961 and RCW 82.32.230 are each amended to read as follows:

In the discretion of the ~~((tax commission))~~ department of revenue, a warrant of like terms, force, and effect may be issued and directed to any agent of the ~~((commission))~~ department authorized to collect taxes, and in the execution thereof such agent shall have all the powers conferred by law upon sheriffs, but shall not be entitled to any fee or compensation in excess of the actual expenses paid in the performance of such duty, which shall be added to the amount of the warrant.

Sec. 85. Section 11, chapter 28, Laws of 1963 ex. sess. as amended by section 22, chapter 299, Laws of 1971 ex. sess. and RCW 82.32.235 are each amended to read as follows:

In addition to the remedies provided in this chapter the department is hereby authorized to issue to any person, or to any political subdivision or department of the state, a notice and order to withhold and deliver property of any kind whatsoever when there is reason to believe that there is in the possession of such person, political subdivision or department, property which is or shall become due, owing, or belonging to any taxpayer against whom a warrant has been filed.

The notice and order to withhold and deliver shall be served by the sheriff of the county wherein the service is made, or by his deputy, or by any duly authorized representative of the department. Any person, or any political subdivision or department upon whom service has been made is hereby required to answer the notice within twenty days exclusive of the day of service, under oath and in writing, and shall make true answers to the matters inquired of in the notice.

In the event there is in the possession of any such person or political subdivision or department, any property which may be subject to the claim of the department, such property shall be delivered forthwith to the ~~((commission))~~ department of revenue or its duly authorized representative upon demand to be held in trust by the department for application on the indebtedness involved or for return, without interest, in accordance with final determination of liability or nonliability, or in the alternative, there shall be furnished a good and sufficient bond satisfactory to the department conditioned upon final determination of liability.

Should any person or political subdivision fail to make answer to an order to withhold and deliver within the time prescribed herein, it shall be lawful for the court, after the time to answer such order has expired, to render judgment by default against such person or political subdivision for the full amount claimed by the department in the notice to withhold and deliver, together with costs.

Sec. 86. Section 82.32.240, chapter 15, Laws of 1961 and RCW 82.32.240 are each amended to read as follows:

Any tax due and unpaid and all increases and penalties thereon, shall constitute a debt to the state and may be collected by court proceedings in the same manner as any other debt in like amount, which remedy shall be in addition to any and all other existing remedies.

In all cases of probate, insolvency, assignment for the benefit of creditors, or bankruptcy, involving any taxpayer, the claim of the state for said taxes and all increases and penalties thereon shall be a lien upon all real and personal property of the taxpayer, and the mere existence of such cases or conditions shall be sufficient to create such lien without any prior or subsequent action by the state, and in all such cases it shall be the duty of all administrators, executors, guardians, receivers, trustees in bankruptcy or assignees for the benefit of creditors, to notify the ~~((tax commission))~~ department of revenue of such administration, receivership or assignment within thirty days from the date of their appointment and qualification.

The lien provided for by this section shall attach as of the date of the assignment for the benefit of creditors or of the initiation of the probate, insolvency, or bankruptcy proceedings: PROVIDED, That this sentence shall not be construed as affecting the validity or priority of any earlier lien that may have attached previously in favor of the state under any other section of this title.

Any administrator, executor, guardian, receiver or assignee for the benefit of creditors not giving the notification as provided for above shall become personally liable for payment of the taxes and all increases and penalties thereon.

Sec. 87. Section 82.32.260, chapter 15, Laws of 1961 and RCW 82.32.260 are each amended to read as follows:

In the case of any corporation organized under the laws of this state, the courts shall not enter or sign any decree of dissolution, nor shall the secretary of state file in his office any certificate of dissolution, and in the case of any corporation organized under the laws of another jurisdiction and admitted to do business in this state, the secretary of state shall withhold the issuance of any certificate of withdrawal, until proof, in the form of a certificate from the ~~((tax commission))~~ department of revenue, has been furnished by the applicant for such

dissolution or withdrawal, that every license fee, tax, increase, or penalty has been paid or provided for.

Sec. 88. Section 82.32.270, chapter 15, Laws of 1961 and RCW 82.32.270 are each amended to read as follows:

The taxes imposed hereunder, and the returns required therefor, shall be upon a calendar year basis; but, if any taxpayer in transacting his business, keeps books reflecting the same on a basis other than the calendar year, he may, with consent of the ~~((tax commission))~~ department of revenue, make his returns, and pay taxes upon the basis of his accounting period as shown by the method of keeping the books of his business.

Sec. 89. Section 82.32.290, chapter 15, Laws of 1961 and RCW 82.32.290 are each amended to read as follows:

It shall be unlawful for any person to engage in business without having obtained a certificate of registration as provided herein; or to engage in business after his certificate of registration has been revoked by order of the ~~((tax commission))~~ department of revenue; or to tear down or remove any order or notice posted by the ~~((commission))~~ department; or to make any false or fraudulent return or false statement in any return, with intent to defraud the state or evade the payment of any tax or part thereof; or for any person to aid or abet another in any attempt to evade the payment of such tax or any part thereof; or for the president, vice president, secretary, treasurer, or other officer of any company to make or permit to be made for any company any false return, or any false statement in any return, with intent to evade payment of any tax hereunder; or for the president, vice president, secretary, treasurer, or other officer of any company to carry on the business of any company which has not obtained a certificate of registration or whose certificate of registration has been revoked by order of the ~~((commission))~~ department; or for any purchaser to fraudulently sign a resale certificate without intent to resell the property purchased; or for any person to fail or refuse to permit the examination of any book, paper, account, record, or other data by the ~~((commission))~~ department or its duly authorized agent; or to fail or refuse to permit the inspection or appraisal of any property by the ~~((commission))~~ department or its duly authorized agent; or to refuse to offer testimony or produce any record as required.

Any person violating any of the provisions of this section shall be guilty of a gross misdemeanor.

In addition to the foregoing penalties, any person who knowingly swears to or verifies any false or fraudulent return, or any return containing any false or fraudulent statement with the intent aforesaid, shall be guilty of the offense of perjury in the second degree; and any company for which a false return, or a return containing a false statement, as aforesaid, is made, shall be punished, upon conviction thereof, by a fine of not more than one thousand dollars. All penalties or punishments provided in this section shall be in addition to all other penalties provided by law.

Sec. 90. Section 82.32.300, chapter 15, Laws of 1961 and RCW 82.32.300 are each amended to read as follows:

The administration of this and chapters 82.04 through 82.28 RCW of this title is vested in the ~~((tax commission))~~ department of revenue which shall prescribe forms and rules of procedure for the determination of the taxable status of any person, for the making of returns and for the ascertainment, assessment and collection of taxes and penalties imposed thereunder.

The ~~((tax commission))~~ department of revenue shall make and publish rules and regulations, not inconsistent therewith, necessary to enforce their provisions, which shall have the same force and effect as if specifically included therein, unless declared invalid by the judgment of a court of record not appealed from.

The ~~((commission))~~ department may employ such clerks, specialists, and other assistants as are necessary. Salaries and compensation of such employees shall be fixed by the ~~((commission))~~ department and shall be charged to the proper appropriation for the ~~((commission))~~ department.

The ~~((commission))~~ department shall exercise general supervision of the collection of taxes and, in the discharge of such duty, may institute and prosecute such suits or proceedings in the courts as may be necessary and proper.

Sec. 91. Section 82.32.310, chapter 15, Laws of 1961 and RCW 82.32.310 are each amended to read as follows:

When recovery is had in any suit or proceeding against an officer, agent, or employee of the ~~((tax commission))~~ department of revenue for any act done by him or for the recovery of any money exacted by or paid to him and by him paid over to the ~~((commission))~~ department, in the performance of his official duty, and the court certifies that there was probable cause for the act done by such officer, agent, or employee, or that he acted under the direction of the ~~((commission))~~ department or an officer thereof, no execution shall issue against such officer, agent, or employee, but the amount so recovered shall, upon final judgment, be paid by the ~~((commission))~~ department as an expense of operation.

Sec. 92. Section 82.32.320, chapter 15, Laws of 1961 and RCW 82.32.320 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue, on the next business day following the receipt of any payments hereunder, shall transmit them to the state treasurer, taking his receipt therefor.

Sec. 93. Section 82.32.360, chapter 15, Laws of 1961 and RCW 82.32.360 are each amended to read as follows:

Upon approval of such agreement, evidenced by execution thereof by the ~~((tax commission))~~ department of revenue and the person so agreeing, the agreement shall be final and conclusive as to tax liability or tax immunity covered thereby, and, except upon a showing of fraud or malfeasance, or of misrepresentation of a material fact:

(1) The case shall not be reopened as to the matters agreed upon, or the agreement modified, by any officer, employee, or agent of the state, or the taxpayer, and

(2) In any suit, action or proceeding, such agreement, or any determination, assessment, collection, payment, abatement, refund, or credit made in accordance therewith, shall not be annulled, modified, set aside, or disregarded.

Sec. 94. Section 82.44.040, chapter 15, Laws of 1961 and RCW 82.44.040 are each amended to read as follows:

The ~~((commission))~~ department of revenue and association of county assessors of the state shall prepare and, on or before December 1st of each year, furnish to the county auditor of each county in the state a schedule for use in the collection of the excise tax imposed by this chapter. Such schedule shall be based upon such information as may be available to them pertaining to the fair market value of motor vehicles. Such vehicles shall be classified therein into a convenient number of classes on the basis of make, type, year of manufacture, or any other reasonable basis, and to the value of vehicles within the classes as thus determined shall be applied the rate of tax prescribed in RCW 82.44.020. In determining fair market value, the ~~((commission))~~ department of revenue and county assessors may use any guidebook, report, or compendium of recognized standing in the automotive industry. The schedule shall show, so far as possible, the amount of excise tax for vehicles within each class and shall sufficiently describe the various motor vehicles included within each classification to enable the county auditor to ascertain readily the amount of tax applicable to any particular motor vehicle.

Sec. 95. Section 82.44.120, chapter 15, Laws of 1961 as last amended by section 4, chapter 54, Laws of 1974 ex. sess. and RCW 82.44.120 are each amended to read as follows:

Whenever any person has paid a motor vehicle license fee, and together therewith has paid an excise tax imposed under the provisions of this chapter, and the director of motor vehicles determines that the payor is entitled to a refund of the entire amount of the license fee as provided by law, then he shall also be entitled to a refund of the entire excise tax collected under the provisions of this chapter. In case the director determines that any person is entitled to a refund of only a part of the license fee so paid, the payor shall be entitled to a refund of the difference, if any, between the excise tax collected and that which should have been collected and the state treasurer shall determine the amount of such refund by reference to the applicable excise tax schedule prepared by the ~~((tax commission))~~ department of revenue and the association of county assessors.

In case no claim is to be made for the refund of the license fee or any part thereof but claim is made by any person that he has paid an erroneously excessive amount of excise tax, the department of motor vehicles shall determine in the manner generally provided in this chapter the amount of such excess, if any, that has been paid and shall certify to the state treasurer that such person is entitled to a refund in such amount.

No refund of excise tax shall be allowed under the first paragraph of this section unless application for a refund of license fee is filed with the director of motor vehicles within the period provided by law, and no such refund shall be allowed under the second paragraph of this section unless filed with the department of motor vehicles within thirteen months after such claimed excessive excise tax was paid.

Any person authorized by the utilities and transportation commission to operate a motor vehicle for the conveyance of freight or passengers for hire as a common carrier or as a contract carrier, and so operating such vehicle partly within

and partly outside of this state during any calendar year, shall be entitled to a refund of that portion of the full excise tax for such vehicle for such year that the mileage actually operated by such vehicle outside the state bears to the total mileage so operated both within and outside of the state: PROVIDED, If only one-half of the full excise fee was paid, the unpaid one-half shall be deducted from the amount of refund so determined: PROVIDED FURTHER, If only a one-half fee was paid, and the vehicle was operated in this state more than fifty percent of the total miles operated, a balance of the tax is due equal to an amount which is the same percentage of the full excise fee as is the percentage of mileage the vehicle was operated in this state minus the one-half fee previously paid, and any balance due, is payable on or before the first day of June of the year in which the amount of the excise fee due the state has been determined, and until any such balance has been paid no identification plate or permit shall be thereafter issued for such vehicle or any other vehicle owned by the same person. Any claim for such refund shall be filed with the department of motor vehicles at Olympia not later than December 31st of the calendar year following the year for which refund is claimed and any claim filed after said date shall not be allowed. When a claim is filed the applicant must therewith furnish to the department his affidavit, verified by oath, of the mileage so operated by such vehicle during the preceding year, within the state, outside of the state, and the total of all mileage so operated.

If the department approves the claim it shall notify the state treasurer to that effect, and the treasurer shall make such approved refunds and the other refunds herein provided for from the general fund and shall mail or deliver the same to the person entitled thereto.

Any person making any false statement, in the affidavit herein mentioned, under which he obtains any amount of refund to which he is not entitled under the provisions of this section, shall be guilty of a gross misdemeanor.

Sec. 96. Section 82.48.090, chapter 15, Laws of 1961 and RCW 82.48.090 are each amended to read as follows:

In case a claim is made by any person that he has paid an erroneously excessive amount of excise tax under this chapter, he may apply to the ~~((tax commission))~~ department of revenue for a refund of the claimed excessive amount. The ~~((commission))~~ department shall review such application, and if it determines that an excess amount of tax has actually been paid by the taxpayer, such excess amount shall be refunded to the taxpayer by means of a voucher approved by the ~~((tax commission))~~ department of revenue and by the issuance of a state warrant drawn upon and payable from such funds as the legislature may provide for that purpose. No refund shall be allowed, however, unless application for the refund is filed with the ~~((tax commission))~~ department of revenue within ninety days after the claimed excessive excise tax was paid.

Sec. 97. Section 82.50.170, chapter 15, Laws of 1961 as amended by section 9, chapter 54, Laws of 1974 ex. sess. and RCW 82.50.170 are each amended to read as follows:

In case a claim is made by any person that he has erroneously paid the tax or a part thereof or any charge hereunder, he may apply in writing to the ~~((commission))~~ department of revenue for a refund of the amount of the claimed erroneous payment within ninety days of the time of payment of the tax on such a form as is

prescribed by the ~~((commission))~~ department of revenue. The ~~((commission))~~ department of revenue shall review such application for refund, and, if it determines that an erroneous payment has been made by the taxpayer, it shall certify the amount to be refunded to the state treasurer that such person is entitled to a refund in such amount, and the treasurer shall make such approved refund herein provided for from the general fund and shall mail or deliver the same to the person entitled thereto.

Any person making any false statement in the affidavit herein mentioned, under which he obtains any amount of refund to which he is not entitled under the provisions of this section, shall be guilty of a gross misdemeanor.

Sec. 98. Section 6, chapter 292, Laws of 1961 and RCW 83.04.023 are each amended to read as follows:

Unless the tax is sooner paid in full, it shall be a lien upon the gross estate of the decedent for ten years from the date of death, except that such part of the gross estate as is used for the payment of charges against the estate and expenses of its administration, allowed by any court having jurisdiction thereof, shall be divested of such lien. If the ~~((tax commission))~~ department of revenue is satisfied that the tax liability of an estate has been fully discharged or provided for, it may, under regulations prescribed by it, issue its certificate, releasing any or all property of such estate from the lien herein imposed. The limitation period shall in each case be extended for a period of time equal to the period of pendency of litigation of questions affecting the determination of the amount of tax due, provided a lis pendens has been filed with the county auditor.

Any part of the gross estate as is sold, pursuant to an order of the court for the payment of charges against the estate and the expenses of its administration, shall be divested of such lien and such lien shall be transferred to the proceeds. A mortgage on property pursuant to an order of court for payment of charges against the estate and expenses of administration shall constitute a lien upon said property prior and superior to the inheritance tax lien which inheritance tax lien shall attach to the proceeds.

Sec. 99. Section 83.05.010, chapter 15, Laws of 1961 and RCW 83.05.010 are each amended to read as follows:

As used in this chapter:

"Grantor" means any person who creates a power of appointment.

"Donee" means any person given the power to exercise the appointment.

"Property" means any property subject to the power of appointment which is within the jurisdiction of this state.

"Trustee" means any person, including a donee, who holds the property or the title thereto in trust or otherwise.

"Ultimate beneficiary" means any person who becomes entitled to the property through exercise of the power, or by reason of nonexercise of the power, or by reason of renouncement of the power by the donee, or by reason of renouncement or waiver by the person appointed to receive the property.

"Greatest possible tax" means a tentative tax computed on an assumed devolution of the property to an ultimate beneficiary within the limitations of the power who would be taxable at the highest rates provided by the inheritance tax laws of this state.

"Final tax" means the tax determined under the inheritance tax laws of this state when the power is exercised or terminated.

"~~((Commission))~~ Department" means the ~~((tax commission))~~ department of revenue of this state.

Sec. 100. Section 83.05.040, chapter 15, Laws of 1961 and RCW 83.05.040 are each amended to read as follows:

Upon the exercise or termination of the power, prior to furnishing the bond or other security for the tax as hereinafter provided, it shall be the duty of the donee to immediately notify the ~~((commission))~~ department of revenue thereof, together with the name and address of the ultimate beneficiary and his relationship to the grantor. If the donee fails to so notify the ~~((commission))~~ department, which failure results in loss of tax, he shall be liable for such tax.

Sec. 101. Section 83.05.050, chapter 15, Laws of 1961 and RCW 83.05.050 are each amended to read as follows:

Unless the greatest possible tax is paid in full within thirty days after receipt of the property by the trustee or within thirty days after the death of the grantor, whichever occurs last, a surety company bond shall be executed in favor of the state of Washington by the trustee and filed with the ~~((commission))~~ department of revenue, which bond shall be binding on his successors or representatives, in an amount equal to the greatest possible tax, conditioned that upon the exercise or termination of the power the ~~((commission))~~ department will be notified and the final tax paid in full: PROVIDED, That the trustee may elect to pay a tentative tax based on the probabilities of devolution of the property, and file a bond only for the difference between the tentative tax paid and the greatest possible tax. The ~~((commission))~~ department, in its discretion, may accept other adequate security in lieu of any bond or payment of tentative tax. If at any time the ~~((commission))~~ department has cause to believe that the bond or security furnished is inadequate to insure payment of the final tax, it may require such further security from the remaining property as it deems necessary. If the trustee fails or refuses to pay such tax, or furnish a bond or adequate security, the greatest possible tax shall immediately become due and payable, and may be enforced against the property by the ~~((commission))~~ department through foreclosure proceedings. Any bond executed by the trustee as above provided shall not be released or exonerated without written consent of the ~~((commission))~~ department.

Sec. 102. Section 83.05.060, chapter 15, Laws of 1961 and RCW 83.05.060 are each amended to read as follows:

In the event any tentative tax paid as provided heretofore is determined to be in excess of the final tax, a refund for the excess shall be granted by the ~~((commission))~~ department of revenue, without interest.

Sec. 103. Section 83.12.020, chapter 15, Laws of 1961 and RCW 83.12.020 are each amended to read as follows:

Where there is property belonging to decedent both within the state of Washington and without the state of Washington exemptions allowed under the inheritance tax provisions of this title shall be prorated, and that portion allowed in the state of Washington shall be in that proportion that the value of the property within the state of Washington bears to all the property within and without

the state of Washington. In order to secure an exemption where the property is thus situated, the representative must file with the inheritance tax division of the ((tax commission)) department of revenue a certified copy of the inventory of all the properties without the state of Washington, and upon his failure so to do, no exemptions will be allowed in this state, whether there is property within this state or without this state.

Sec. 104. Section 83.14.010, chapter 15, Laws of 1961 and RCW 83.14.010 are each amended to read as follows:

For the purposes of this chapter:

(1) "Executor" means an executor of a will or administrator of the estate of the decedent, but does not include an ancillary administrator nor an administrator with the will annexed if an executor named in the will has been appointed and has qualified in another state.

(2) "Taxing official" means the state ((tax commission)) department of revenue and the designated authority of a reciprocal state charged with the duty of collecting its death taxes.

(3) "Death tax" means any tax levied by a state on account of the transfer or shifting of economic benefits in property at death, or in contemplation thereof, or intended to take effect in possession or enjoyment at or after death, whether denominated an "inheritance tax", "transfer tax", "succession tax", "estate tax", "death duty", "death dues", or otherwise.

(4) "Interested person" means any person who may be entitled to receive or who has received any property or interest which may be required to be considered in computing the death taxes of any state involved in the dispute.

(5) "State" means the District of Columbia and any state, territory or possession of the United States.

(6) "This state" means the state of Washington.

(7) "Board" means board of arbitration.

Sec. 105. Section 83.14.030, chapter 15, Laws of 1961 and RCW 83.14.030 are each amended to read as follows:

In any case in which an election is made and not rejected, as provided in RCW 83.14.020, the state ((tax commission)) department of revenue may enter into a written agreement with the other taxing officials involved and with the executor to accept a sum certain in full payment of any death taxes, together with interest and penalties, which may be due this state, provided the agreement fixes the amount of death taxes with interest and penalties to be paid to the other states involved in the dispute.

Sec. 106. Section 83.14.040, chapter 15, Laws of 1961 and RCW 83.14.040 are each amended to read as follows:

When it appears by the written admission of the executor and the tax official of each state involved in the dispute that an agreement contemplated in RCW 83.14.030 cannot be reached or, in all events, if one year has elapsed from the date of the election without such an agreement having been reached, the domicile of the decedent at the time of his death shall be determined solely for death tax purposes as follows:

(1) When this state and one other state only are involved in the dispute, the state (~~(tax commission)~~) department of revenue and the taxing official of the other state shall each appoint a member of a board of arbitration and those members shall appoint the third member of the board. If this state and more than one other state are involved, the taxing officials thereof shall agree upon the authorities charged with the duty of administering death tax laws in three states not involved in the dispute and each of these authorities shall appoint one member of the board of arbitration. The board shall select one of its members as chairman.

(2) The board shall hold hearings at such places as it deems necessary, upon reasonable notice to the executor, ancillary administrators, all interested persons and the taxing officials of the state involved, all of whom are entitled to be heard.

(3) The board may administer oaths, take testimony, subpoena witnesses and require their attendance, require the production of books, papers and documents and issue commissions to take testimony. Subpoenas may be issued by any member of the board. Failure to obey a subpoena of the board may be punished by any court of record in the same manner as if the subpoena had been issued by such court.

(4) Whenever practicable the board shall apply the rules of evidence then prevailing in the federal courts under the federal rules of civil procedure.

(5) The board, by the decision of its majority, shall determine the domicile of the decedent at the time of his death. The decision of the board is final and conclusive and binds this state and all its judicial and administrative officials on all questions concerning the domicile of the decedent for death tax purposes. If the board does not render a decision within one year from the time that it is fully constituted, all authority of the board shall cease and the bar to court proceedings set forth in RCW 83.14.020 shall no longer exist.

(6) The decision of the board and the record of its proceeding shall be filed with the authority having jurisdiction to assess death taxes in the state determined to be the domicile of the decedent and with the authorities which would have had jurisdiction to assess death taxes in each of the other states involved if the decedent had been found to be domiciled therein.

(7) The reasonable compensation and expenses of the members of the board and its employees shall be agreed upon among such members, the taxing officials involved, and the executor. If such an agreement cannot be reached, the compensation and expenses shall be determined by such taxing officials and, if they cannot agree, by the appropriate probate court of the state determined to be the domicile of the decedent. Such amount so determined shall be borne by the decedent's estate and shall be deemed an administration expense thereof.

Sec. 107. Section 83.14.050, chapter 15, Laws of 1961 and RCW 83.14.050 are each amended to read as follows:

Notwithstanding the commencement of a legal action for determination of domicile within this state or the commencement of an arbitration proceeding as provided in RCW 83.14.040, the state (~~(tax commission)~~) department of revenue, at any time prior to the conclusion of such action or proceeding, may in any case enter into a written agreement with the other taxing officials involved and with the executor to accept a sum certain in full payment of any death tax, together with interest and penalties, which may be due this state, provided the agreement fixes

the amount of death taxes with interest and penalties to be paid the other states involved in the dispute. Upon the filing of the agreement with the authority which would have jurisdiction to assess the death taxes of this state if the decedent died domiciled in this state, an assessment shall be made as provided in such agreement, and such assessment shall finally and conclusively fix the amount of death taxes due this state. If the aggregate amount payable under such agreement or under an agreement made in accordance with the provisions of RCW 83.14.030 to the states involved in the dispute is less than the minimum credit allowable to the estate against the United States estate tax imposed with respect thereto, the executor forthwith shall also pay to the state (~~tax commission~~) department of revenue of this state the same percentage of the difference between such aggregate amount of such credit as the amount payable to the state (~~tax commission~~) department of revenue under such agreement bears to such aggregate amount.

Sec. 108. Section 83.16.020, chapter 15, Laws of 1961 and RCW 83.16.020 are each amended to read as follows:

When the estate of a deceased person is subject to an inheritance tax, and there is an annuity, life estate, or an estate for a term of years given to one or more persons and the remainder to another or others, the entire estate shall be appraised as other estates are required to be appraised by the laws of this state. The value of the annuity, life or term estate shall be determined in accordance with the rules, methods, and standards of mortality and value that are set forth in tables to be furnished by the insurance commissioner of this state upon request of the (~~tax commission~~) department of revenue based upon such mortality tables as is from time to time required by law for use by life insurance companies in this state in determining nonforfeiture values under ordinary life insurance policies, except that the rate of interest used in computing the present value of the annuity, life or term estate shall be three and one-half percent per annum, and the value of the remainder interest shall be determined by deducting such computed value from the value of the entire property. After the values shall have been determined as provided in this section, the tax shall be computed and collected in the same manner that the tax on other estates is computed and collected: PROVIDED, That any person owning the beneficial interest in the remainder may defer the payment of the tax thereon until he comes into possession of the same by filing in the office of the county clerk within thirty days after the determination of the tax, a good and sufficient surety company bond to the state, or such other security as is deemed by the (~~tax commission~~) department of revenue to be adequate, in a sum equal to the amount of the tax conditioned that he will pay such tax in full within sixty days after coming into possession of the estate. The bond shall not operate to defer payment of the tax unless it is approved by the (~~tax commission~~) department of revenue, and if it shall appear to the (~~commission~~) department at any time that a bond previously filed and approved has become insufficient it may require a new bond to be filed. If the person owning the beneficial interest in the remainder shall fail to file a bond within the time herein provided, or if he shall fail to file a new bond when directed by the (~~commission~~) department, the tax shall immediately become due and payable.

Sec. 109. Section 83.16.070, chapter 15, Laws of 1961 and RCW 83.16.070 are each amended to read as follows:

As used in this section:

"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" 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.

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))~~ department of revenue. 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.

Sec. 110. Section 83.24.010, chapter 15, Laws of 1961 as amended by section 12, chapter 292, Laws of 1961 and RCW 83.24.010 are each amended to read as follows:

When any person dies leaving property within the jurisdiction of the state of Washington, which shall pass by the statutes of inheritance of this or any other state, or by deed, grant, sale or gift made in contemplation of the death of the grantor or donor, or by deed, grant, sale or gift made or intended to take effect in possession or in enjoyment after the death of the grantor or donor, to any person in trust or otherwise, and there has been no application for letters of administration of the estate of such deceased person, or when administration of any estate has been completed without an adjudication of the inheritance tax, the liability of such property for the payment of an inheritance tax may be determined without administration in the manner hereinafter provided.

Any person interested in such property may file an affidavit with the inheritance tax division of the ~~((tax commission))~~ department of revenue and request a determination of the questions arising under the inheritance tax provisions of this title. Such affidavit shall contain the name and date of death of decedent, the description and estimated value of all property involved, the names and places of residence of all persons interested in the same, and such other facts as are necessary for a determination of such questions.

Upon the receipt of such affidavit, and after such investigation as is necessary to determine the fair market value of all of the property becoming subject to the inheritance tax laws, the ~~((tax commission))~~ department of revenue through its inheritance tax division shall determine the amount of inheritance tax due, if any.

Where the ~~((tax commission))~~ department of revenue, through its inheritance tax division, has determined that no tax is due, or that the amount of tax as determined has been fully paid, it may issue its release and receipt, but such release

shall be only as to the assets of the estate shown and disclosed by such affidavit and supplementary exhibits filed in such proceedings.

In any such case, the ~~((supervisor of the inheritance tax division))~~ department of revenue may compromise such tax and issue a satisfaction therefor, without probate proceedings, where the necessary facts are furnished and filed by affidavit, but such release shall be only as to the assets of the estate shown and disclosed by such proceedings.

Sec. 111. Section 83.28.010, chapter 15, Laws of 1961 and RCW 83.28.010 are each amended to read as follows:

All the powers of a referee of the superior court having jurisdiction of the estate of a decedent shall be vested in the ~~((tax commission))~~ department of revenue and its ~~((supervisor))~~ director shall have jurisdiction to require the attendance before him of the executor or administrator of said estate or any person interested therein or any other person whom he may have reason to believe possesses knowledge of the estate of said decedent or knowledge of any property transferred by said decedent within the meaning of the inheritance tax provisions of this title or knowledge of any facts that will aid the ~~((supervisor))~~ department of revenue or the court in the determination of said tax, but no person shall be required to attend at any place outside of the county in which such decedent resided at the time of his death or in which letters of administration could lawfully issue upon the estate of such decedent.

Sec. 112. Section 83.28.020, chapter 15, Laws of 1961 and RCW 83.28.020 are each amended to read as follows:

For the purpose of compelling the attendance of such person or persons, and for the purpose of appraising any property or interest subject to or liable for any inheritance tax hereunder, and for the purpose of determining the amount of tax due thereon, the ~~((tax commission through its supervisor))~~ department of revenue is hereby authorized to issue subpoenas compelling the attendance of witnesses before said ~~((supervisor))~~ department. The ~~((supervisor))~~ department may examine and take evidence of such witnesses or of such executor or administrator or other person under oath concerning such property and the value thereof, and concerning the property or the estate of such decedent subject to probate. Any person or persons who shall be subpoenaed by the said ~~((supervisor))~~ department to appear and testify or to produce books and papers and who shall refuse and neglect to appear and produce books relative to such appraisal shall be guilty of contempt.

Sec. 113. Section 83.32.010, chapter 15, Laws of 1961 and RCW 83.32.010 are each amended to read as follows:

If it shall appear that any transfer has been made within the meaning of the inheritance tax provisions of this title, and the taxability thereof and the liability for such tax and the amount thereof have not been determined and that no proceedings are pending in any court in this state wherein the taxability of such transfer and liability therefor and the amount thereof may be determined, the ~~((tax commission through its supervisor))~~ department of revenue shall issue a citation ordering and directing the persons who may appear liable therefor or known to own any interest in or part of the property transferred to appear before

the ~~((said supervisor))~~ director or other duly authorized agent of the ~~((tax commission))~~ department of revenue in any county in which, under the law, letters of administration could issue upon the estate of the decedent, at a time and place in said citation named not less than ten days nor more than thirty days from the issuance of such citation to be examined under oath by said ~~((supervisor))~~ director of the department of revenue or agent concerning property transferred and the character and value thereof.

Sec. 114. Section 83.36.010, chapter 15, Laws of 1961 and RCW 83.36.010 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall take charge of and exercise general supervision of the enforcement and collection of the direct and collateral inheritance taxes under this title, and in the discharge of such duty the ~~((tax commission through its supervisor))~~ department of revenue may institute and prosecute such suits or proceedings in the courts of the state as may be necessary and proper, appearing therein for such purpose; and it shall be the duty of the several prosecuting attorneys to render assistance therein when called upon by the ~~((tax commission))~~ department of revenue so to do.

The ~~((tax commission))~~ department of revenue shall make and publish rules and regulations not inconsistent with the inheritance tax provisions of this title, necessary in enforcing its provisions, which rules and regulations shall have the same force and effect as if specifically included herein, unless declared invalid by the judgment of a court of record not appealed from.

The ~~((tax commission))~~ department of revenue shall keep a record in which shall be entered memoranda of all the proceedings had in each case, and shall also keep an itemized account showing the amount of such taxes collected, in detail, charging the state treasurer therewith.

Sec. 115. Section 83.36.020, chapter 15, Laws of 1961 and RCW 83.36.020 are each amended to read as follows:

Whenever the ~~((supervisor))~~ department of revenue shall have reasonable cause to believe that a tax is due under the inheritance tax provisions of this title, upon any transfer of any property, and that any person, firm, institution, company, association or corporation has possession, custody or control of any books, accounts, papers, or documents relating to or evidencing such transfer, the ~~((supervisor))~~ department of revenue or his duly authorized agent, is hereby authorized and empowered to inspect the books, records, accounts, papers and documents of any such person, firm, institution, company, association or corporation, including the stock transfer book of any corporation, and to administer oaths to and examine any such person or any officer or agent of such firm, institution, company, association or corporation, for the purpose of acquiring any information deemed necessary or desirable by said ~~((supervisor))~~ director or his assistants, for the proper enforcement of the inheritance tax provisions of this title, and for the collection of the full amount of the tax which may be due the state hereunder. Any and all information and records acquired by said ~~((supervisor))~~ director, or his assistants, shall be deemed and held by said ~~((supervisor))~~ director and said ~~((supervisor's))~~ director's assistants and each of them, as confidential, and shall not be divulged, disclosed or made known by them or any of them except insofar as may be necessary for the enforcement of the provisions of the inheritance tax

provisions of this title. Any ~~((supervisor))~~ director of the department of revenue or assistant ~~((supervisor))~~ director of the department of revenue, or ~~((ex-supervisor))~~ ex-director or ex-assistant ~~((supervisor))~~ director, or inheritance tax attorney, or ex-inheritance tax attorney, or assistant inheritance tax attorney, or ex-assistant inheritance tax attorney, who shall divulge, disclose, or make known any information acquired by such inspection and examination aforesaid, except insofar as the same may be necessary for the enforcement of the provisions of the inheritance tax provisions of this title, shall be guilty of a gross misdemeanor.

Sec. 116. Section 83.36.030, chapter 15, Laws of 1961 and RCW 83.36.030 are each amended to read as follows:

An officer or agent of any firm, institution, company, association or corporation having or keeping an office within this state, who has in his custody or under his control any book, record, account, paper or document of such firm, institution, company, association or corporation, and any person having in his custody or under his control such book, record, account, paper or document who refuses to give to the ~~((supervisor))~~ department of revenue, or said inheritance tax attorney, or any of said assistant inheritance tax attorneys, lawfully demanding as provided in this section, during office hours to inspect or take a copy of the same, or any part thereof, for the purposes provided in RCW 83.36.020, a reasonable opportunity so to do, shall be liable to a penalty of not less than one thousand dollars nor more than twenty thousand dollars, and in addition thereto shall be liable for the amount of the taxes, interest and penalties due under the inheritance tax provisions of this title on such transfer, and the said penalties and liabilities for the violation of this section may be enforced in an action brought by the ~~((supervisor))~~ department of revenue in any court of competent jurisdiction.

Sec. 117. Section 83.36.040, chapter 15, Laws of 1961 and RCW 83.36.040 are each amended to read as follows:

Upon the filing of any petition for letters of administration or for the probate of any will, the petitioner shall file with the clerk of the court a statement in such form as the ~~((tax commission))~~ department of revenue may prescribe, which statement shall contain a list of heirs, legatees or devisees of said estate, if known, and the relationship which each bears to the decedent, together with a statement of the location, nature and probable value of the entire estate, and an estimate of the amount or value of each distributive share, the residence and date of death of decedent, and shall state whether such deceased died testate or intestate, and the clerk of the court shall not accept such petition for filing unless the same is accompanied by such statement. The clerk of the court shall immediately forward such statement to the ~~((tax commission))~~ department of revenue.

Sec. 118. Section 83.36.050, chapter 15, Laws of 1961 and RCW 83.36.050 are each amended to read as follows:

Administrators, executors and trustees of the estates subject to the inheritance tax shall, when demanded by the ~~((tax commission))~~ department of revenue, send certified copies of such parts of their reports as may be demanded by it, and upon refusal of said parties to comply with such demand, it is the duty of the clerk of the court to furnish such copies, and the expense of making the same shall be charged against the estate as are other costs in probate, and such administrator,

executor, or trustee, shall also upon request of the (~~(tax commission)~~) department of revenue, furnish copies of all deeds, mortgages, trust agreements, insurance policies, and other instruments in writing that within his judgment are necessary for the determination of the inheritance taxes due the state of Washington, and shall also furnish to the (~~(tax commission)~~) department of revenue an inheritance tax report in such form as prescribed by the (~~(tax commission)~~) department of revenue, listing under oath the debts and expenses of administration which are allowable as deductions, and including such other information under oath, concerning the inheritance tax liability of the estate as may be required.

Sec. 119. Section 83.36.060, chapter 15, Laws of 1961 and RCW 83.36.060 are each amended to read as follows:

Whenever any of the real estate of which any decedent may die seized shall pass to any body politic or corporate, or to any person or persons, or in trust for them, or some of them, it shall be the duty of the executor, administrator, or trustee of said decedent to give information thereof in writing to the (~~(tax commission)~~) department of revenue within three months after they undertake the execution of their expected duties, or if the fact be not known to them within that period, then within three months after the same shall have come to their knowledge.

Sec. 120. Section 83.44.030, chapter 15, Laws of 1961 and RCW 83.44.030 are each amended to read as follows:

If a foreign executor, administrator or trustee shall assign any corporate stock, or obligations in this state standing in the name of a decedent, or in trust for a decedent, liable to such tax, the tax shall be paid to the state treasurer on or before the transfer thereof, otherwise, the corporation permitting its stock to be so transferred on its books shall be liable to pay such tax. No safe deposit company, bank or other institution, person or persons, holding any securities, property or assets of any nonresident decedent, shall deliver or transfer the same to any nonresident executor, administrator or representative of such decedent, until after a notice in writing of the time and place of such transfer shall have been duly given the (~~(tax commission)~~) department of revenue at least ten days prior thereto, and the tax imposed by the inheritance tax provisions of this title paid thereon, and every such safe deposit company, bank or other institution, person or persons, shall be liable for the payment of such tax.

Sec. 121. Section 83.44.040, chapter 15, Laws of 1961 and RCW 83.44.040 are each amended to read as follows:

Whenever a decedent appoints one or more executors or trustees and in lieu of their allowance or commission, makes a bequest or devise of property to them which would otherwise be liable to said tax, or appoints them his residuary legatees, and said bequests, devises, or residuary legacies exceed what would be a reasonable compensation for their services, such excess shall be liable to such tax, and the court having jurisdiction of their accounts, upon its own motion, or on the application of the (~~(tax commission)~~) department of revenue, shall fix such compensation.

Sec. 122. Section 83.44.050, chapter 15, Laws of 1961 and RCW 83.44.050 are each amended to read as follows:

Whenever any legacies subject to said tax are charged upon or payable out of any real estate, the heir or devisee, before paying the legacies, shall deduct said tax therefrom and pay it to the executor, administrator, trustee or state treasurer, and the same shall remain a charge and be a lien upon said real estate until it is paid; and payment thereof shall be enforced by the executor, administrator, trustee or ~~((tax commission))~~ department of revenue, in the same manner as the payment of the legacy itself could be enforced.

Sec. 123. Section 83.44.070, chapter 15, Laws of 1961 and RCW 83.44.070 are each amended to read as follows:

Whenever an estate charged, or sought to be charged with the inheritance tax, is of such a nature, or is so disposed, that the liability of the estate is doubtful, or the value thereof cannot, with reasonable certainty, be ascertained under the provisions of law, the ~~((tax commission))~~ department of revenue may compromise with the beneficiaries or representatives of such estates, and compound the tax thereon; but said settlement must be approved by the superior court having jurisdiction of the estate, and after such approval, the payment of the amount of the taxes so agreed upon shall discharge the lien against the property of the estate.

Sec. 124. Section 83.48.010, chapter 15, Laws of 1961 and RCW 83.48.010 are each amended to read as follows:

Actions may be brought against the state by any interested person for the purpose of quieting the title to any property against the lien or claim of lien of any tax or taxes under the inheritance tax provisions of this title, or for the purpose of having it determined that any property is not subject to any lien for taxes nor chargeable with any tax under the inheritance tax provisions of this title. No such action shall be maintained where any proceedings are pending in any court or before the ~~((tax commission))~~ department of revenue or the ~~((supervisor))~~ director thereof in this state wherein the taxability of such transfer and the liability therefor and the amount thereof may be determined. All parties interested in said transfer and in the taxability thereof shall be made parties thereto and any interested person who refuses to join as plaintiff therein may be made a defendant. Summons for the state in said action shall be served upon the ~~((tax commission))~~ department of revenue by delivering a copy thereof to the ~~((supervisor))~~ director.

Upon the filing of the complaint the court shall enter an order directing the ~~((supervisor))~~ department of revenue to hear said matter and to report to the court thereon, and shall direct notice of such time and place to be given for such hearing as the court shall deem proper, and shall refer said matter to said ~~((supervisor, who))~~ department, which shall have all of the powers of a referee of said court, including the powers prescribed in RCW 83.28.020. The procedure subsequent to said reference to said ~~((supervisor))~~ department shall conform to the provisions of RCW 83.28.030, 83.28.040, 83.28.050, 83.28.060 and 83.28.070. Should the court determine that the property described in the complaint is subject to the lien of said tax and that said property has been transferred within the meaning of the inheritance tax provisions of this title, the court shall grant affirmative relief to the state in said action and judgment shall be rendered therein in favor of the state, ascertaining and determining the amount of said tax and the person or persons liable therefor, and the property chargeable therewith or subject to lien therefor. If the court shall determine that such property or estate is not liable to be charged

with any tax under the provisions of the inheritance tax provisions of this title, it shall enter its decree quieting title to such property against any and all such taxes, and discharging such person or persons from liability therefor.

Sec. 125. Section 83.56.080, chapter 15, Laws of 1961 and RCW 83.56.080 are each amended to read as follows:

If the gift is made in property other than money, the amount thereof shall be its true and fair value in money, less any encumbrance thereon at the time such gift is made, and such value shall be determined by the ~~((tax commission))~~ department of revenue, and any party in interest may, within thirty days, appeal to the superior court from such determination. If the gift is made by transfer of property in trust or otherwise and constitutes a present or future interest less than a fee simple interest therein, the value thereof shall be computed in the same manner as provided by statute for the determination of inheritance taxes on like interests at the time the gift is made.

Sec. 126. Section 83.56.090, chapter 15, Laws of 1961 and RCW 83.56.090 are each amended to read as follows:

Any individual who within any calendar year makes any transfers by gift (except those which are not to be included in the total amount of gifts for such year) shall make a return under oath which shall set forth such information as is required by the ~~((tax commission))~~ department of revenue.

The return shall be filed with the ~~((tax commission))~~ department of revenue of the state of Washington on or before the fifteenth day of April following the close of the calendar year in which the gift is made.

Sec. 127. Section 83.56.100, chapter 15, Laws of 1961 and RCW 83.56.100 are each amended to read as follows:

(1) Every person liable to any tax imposed by this chapter or for the collection thereof, shall keep such records, render under oath such statements, make such returns, and comply with such rules and regulations, as the ~~((tax commission))~~ department of revenue may from time to time prescribe;

(2) Whenever it is necessary in the judgment of the ~~((tax commission))~~ department of revenue it may require any person, by notice served upon him, to make a return, render under oath such statements, or keep such records, as the ~~((tax commission))~~ department of revenue deems sufficient to show whether or not such person is liable to tax under this chapter.

Sec. 128. Section 83.56.110, chapter 15, Laws of 1961 and RCW 83.56.110 are each amended to read as follows:

The tax imposed by this chapter shall be paid by the donor to the ~~((tax commission))~~ department of revenue on or before the fifteenth day of April following the close of the calendar year in which the gift is made.

All moneys paid to the ~~((tax commission))~~ department of revenue under this chapter shall forthwith be transmitted to the state treasurer and credited to the general fund.

Sec. 129. Section 83.56.130, chapter 15, Laws of 1961 and RCW 83.56.130 are each amended to read as follows:

In any case in which any tax, interest, or penalty imposed by this chapter is not paid when due, the ~~((tax commission))~~ department of revenue may file for

record in the office of the county auditor of any county a certificate giving the name of the donor and the donee or either of them and the amount of taxes, interest and penalties due. From the time of the recording of any such certificate the amount of the tax, interest and penalties therein set forth shall constitute a lien upon any real property then owned or thereafter acquired by any donor or donee named in such certificate located in the county in which said certificate is recorded, which lien shall have the same force, effect and priority as a lien created by the recording of a judgment. Said lien shall continue, however, for ten years after the time the tax becomes delinquent or until the tax is paid, the property sold for the nonpayment thereof until the lien is released or otherwise extinguished.

Sec. 130. Section 83.56.140, chapter 15, Laws of 1961 and RCW 83.56.140 are each amended to read as follows:

If the ~~((tax commission))~~ department of revenue is satisfied that the gift tax liability of any person has been provided for or will be provided for or that no gift tax liability exists, it may issue its certificate releasing any property of such person from the lien imposed by this chapter.

Sec. 131. Section 83.56.150, chapter 15, Laws of 1961 and RCW 83.56.150 are each amended to read as follows:

As soon as practicable after the return is filed the ~~((tax commission))~~ department of revenue shall examine it and shall determine the correct amount of the tax.

Sec. 132. Section 83.56.170, chapter 15, Laws of 1961 and RCW 83.56.170 are each amended to read as follows:

Interest upon the amount determined as a deficiency shall be assessed at the same time as the deficiency, shall be paid upon notice and demand from the ~~((tax commission))~~ department of revenue, and shall be collected as a part of the tax, at the rate of six percent per annum from the due date of the tax to the date the deficiency is assessed, or, in case of waiver under RCW 83.56.160(4), to the thirtieth day after the filing of such waiver or the date the deficiency is assessed, whichever is the earlier.

Sec. 133. Section 83.56.180, chapter 15, Laws of 1961 and RCW 83.56.180 are each amended to read as follows:

(1) If the ~~((tax commission))~~ department of revenue believes that the assessment or collection of a deficiency will be jeopardized by delay, it shall immediately assess such deficiency (together with all interest, additional amounts or additions to the tax provided for by law) and notice and demand shall be made by the ~~((tax commission))~~ department of revenue for the payment thereof;

(2) If the jeopardy assessment is made before any notice in respect of the tax to which the jeopardy assessment relates has been mailed, then the ~~((tax commission))~~ department of revenue shall mail a notice within sixty days after the making of the assessment;

(3) The jeopardy assessment may be made in respect of a deficiency greater or less than that notice of which has been mailed to the donor, despite the provisions of this chapter prohibiting the determination of additional deficiencies, and whether or not the donor has theretofore filed a petition with the superior court;

(4) When a jeopardy assessment has been made, the donor, within ten days after notice and demand for the payment of the amount of the assessment, may obtain a stay of collection of the whole or any part of the amount of the assessment by filing with the ~~((tax commission))~~ department of revenue a bond in such amount, not exceeding double the amount as to which the stay is desired, and with such sureties as the ~~((tax commission))~~ department of revenue deems necessary, conditioned upon the payment of so much of the amount, the collection of which is stayed by the bond, as is not abated by a decision of the superior court which has become final, together with interest thereon as provided herein;

(5) If the bond is given before the donor has filed his petition with the superior court the bond shall contain a further condition that if a petition is not filed within the period provided in this chapter, then the amount, the collection of which is stayed by the bond, will be paid on notice and demand at any time after the expiration of such period, together with interest thereon at the rate of six per cent per annum from the date of the jeopardy notice and demand to the date of notice and demand under this subsection;

(6) Upon the filing of the bond the collection of so much of the amount assessed as is covered by the bond shall be stayed. The donor shall have the right to waive such stay at any time in respect of the whole or any part of the amount covered by the bond, and if as a result of such waiver any part of the amount covered by the bond is paid, then the bond shall, at the request of the donor, be proportionately reduced. If the ~~((tax commission))~~ department of revenue determines that the amount assessed is greater than the amount which should have been assessed then when the decision of the superior court is rendered the bond shall, at the request of the donor, be proportionately reduced;

(7) When the petition has been filed with the superior court and when the amount which should have been assessed has been determined by a decision of the court which has become final, then any unpaid portion, the collection of which has been stayed by the bond, shall be collected as part of the tax upon notice and demand from the ~~((commission))~~ department of revenue, and any remaining portion of the assessment shall be abated. If the amount already collected exceeds the amount determined as the amount which should have been assessed, such excess shall be credited or refunded by the state of Washington. If the amount determined as the amount which should have been assessed is greater than the amount actually assessed, then the difference shall be assessed and shall be collected as part of the tax upon notice and demand from the ~~((tax commission))~~ department of revenue.

Sec. 134. Section 83.56.200, chapter 15, Laws of 1961 and RCW 83.56.200 are each amended to read as follows:

(1) Except as otherwise herein provided, the amount of taxes imposed by this chapter shall be assessed within one year after the return is filed, and no proceeding in court without assessment for the collection of such taxes shall be begun after the expiration of three years after the return was filed;

(2) In the case of false or fraudulent return with intent to evade tax or of failure to file return the tax may be assessed or a proceeding in court for the collection of such tax may be begun without assessment at any time;

(3) Where the assessment of any tax imposed by this chapter has been made within the statutory period of limitation properly applicable thereto such tax may be collected by distraint or by a proceeding in court, but only if begun (a) within six years after the assessment of the tax, or (b) prior to the expiration of any period for collection agreed upon in writing by the ~~((tax commission))~~ department of revenue and the donor.

Sec. 135. Section 83.56.210, chapter 15, Laws of 1961 and RCW 83.56.210 are each amended to read as follows:

The running of the statute of limitations provided herein on the making of assessments and the beginning of distraint or a proceeding in court for collection, in respect of any deficiency, shall (after the mailing of notice) be suspended for the period during which the ~~((tax commission))~~ department of revenue is prohibited from making the assessment or beginning distraint or a proceeding in court, and for sixty days thereafter.

Sec. 136. Section 83.56.220, chapter 15, Laws of 1961 and RCW 83.56.220 are each amended to read as follows:

(1) Where the amount determined by the donor as the tax imposed by this chapter, or any part of such amount, is not paid on the due date of the tax, there shall be collected as a part of the tax, interest, upon the unpaid amount at the rate of one percent per month from the due date until it is paid;

(2) Where an extension of time for payment of the amount so determined as the tax by the donor has been granted, and the amount the time for payment of which has been extended, and the interest thereon determined under RCW 83.56-.230(1), is not paid in full prior to the expiration of the period of the extension, then, in lieu of the interest provided for in subsection (1) of this section, interest at the rate of one percent per month shall be collected on such unpaid amount from the date of the expiration of the period of the extension until it is paid;

(3) Where a deficiency, or any interest assessed in connection therewith under RCW 83.56.170 or any addition to the tax provided for in this chapter, is not paid in full within ten days from the date of notice and demand from the ~~((tax commission))~~ department of revenue, there shall be collected as part of the tax, interest upon the unpaid amount at the rate of one percent a month from the date of such notice and demand until it is paid;

(4) If a bond is filed, as provided in RCW 83.56.180, the provisions of subsection (1) of this section shall not apply to the amount covered by the bond;

(5) If the part of the deficiency, the time for payment of which is extended as provided in RCW 83.56.160(9) is not paid in accordance with the terms of the extensions, there shall be collected, as a part of the tax, interest on such amount at the rate of one percent per month for the period from the time fixed by the terms of the extension for its payment until it is paid, and no other interest shall be collected on such unpaid amount for such period;

(6) If the amount included in the notice and demand from the ~~((tax commission))~~ department of revenue under RCW 83.56.180(7) is not paid in full within ten days after such notice and demand, then there shall be collected, as part of the tax, interest upon the unpaid amount at the rate of one percent a month from the date of such notice and demand until it is paid.

Sec. 137. Section 83.56.240, chapter 15, Laws of 1961 and RCW 83.56.240 are each amended to read as follows:

(1) Where there has been an overpayment of any tax imposed by this chapter, the amount of such overpayment shall be credited against any gift tax then due from the taxpayer, and any balance shall be refunded by the state of Washington to the taxpayer;

(2) Limitation on allowance. (a) No such credit or refund shall be allowed or made after two years from the time the tax was paid, unless before the expiration of such period a claim therefor is filed by the taxpayer; (b) The amount of the credit or refund shall not exceed the portion of the tax paid during the three years immediately preceding the filing of the claim, or if no claim was filed, then during the three years immediately preceding the allowance of the credit or refund;

(3) If the ~~((tax commission))~~ department of revenue has mailed to the taxpayer a notice of deficiency under RCW 83.56.160(1) and if the taxpayer files a petition with the superior court within the time prescribed in such section, no credit or refund in respect of the tax for the calendar year in respect of which the ~~((tax commission))~~ department of revenue has determined the deficiency shall be allowed or made and no suit by the taxpayer for the recovering of any part of such tax shall be instituted in any court except: (a) As to the overpayments determined by a decision of the court which has become final; and (b) as to any amount collected in excess of an amount computed in accordance with the decision of the court which has become final; and (c) as to any amount collected after the period of limitation upon the beginning of distraint or a proceeding in court for collection has expired; but in any such claim for credit or refund or in any such suit for refund the decision of the court which has become final, as to whether such period has expired before the notice of deficiency was mailed, shall be conclusive;

(4) If the court finds that there is no deficiency and further finds that the taxpayer has made an overpayment of tax in respect of the taxable year in respect of which the ~~((tax commission))~~ department of revenue determined the deficiency, the court shall have jurisdiction to determine the amount of such overpayment, and such amount shall, when the decision of the court has become final, be credited or refunded to the taxpayer. No such credit or refund shall be made of any portion of the tax paid more than three years before the filing of the claim or the filing of the petition, whichever is earlier.

Sec. 138. Section 83.56.250, chapter 15, Laws of 1961 and RCW 83.56.250 are each amended to read as follows:

(1) The amount of the following liabilities shall, except as hereinafter provided, be assessed, collected and paid in the same manner and subject to the same provisions and limitations as in the case of a deficiency in the tax imposed by this chapter (including the provisions in case of a delinquency in payment after notice and demand, the provisions authorizing distraint and proceedings in court for collection, and the provisions prohibiting claims and suits for refunds):

(a) The liability, at law or in equity, of a transferee of property of a donor, in respect to the tax (including interest, additional amounts, and additions to the tax provided by law) imposed by this chapter;

(b) The liability of a fiduciary in respect of the payment of any such tax from the estate of the donor;

Any such liability may be either as to the amount of tax shown on the return or as to any deficiency in tax;

(2) The period of limitation for assessment of any such liability of a transferee or fiduciary shall be as follows:

(a) Within one year after the expiration of the period of limitation for assessment against the donor;

(b) If a court proceeding against the donor for the collection of the tax has been begun within the period provided in paragraph (a), then within one year after return of execution in such proceedings;

(3) For the purpose of this section, if the donor is deceased, the period of limitation for assessment against the donor shall be the period that would be in effect had the death not occurred;

(4) The running of the statute of limitations upon the assessment of the liability of a transferee or fiduciary shall, after mailing of the notice under RCW 83.56.160(1) to the transferee or fiduciary, be suspended for the period during which the ~~((tax commission))~~ department of revenue is prohibited from making the assessment in respect of the liability of the transferee or fiduciary (and in any event, if a proceeding in respect of the liability is placed on the docket of the superior court, until the decision of the court becomes final, and for sixty days thereafter);

(5) No suit shall be maintained in any court for the purpose of restraining the assessment or collection of (a) the amount of the liability, at law or in equity of a transferee of property of a donor in respect of any gift tax, or (b) the amount of the liability of a fiduciary under this chapter, in respect of any such tax;

(6) As used in this section, the term "transferee" includes donee, heir, legatee, devisee, and distributee;

(7) In the absence of notice to the ~~((tax commission))~~ department of revenue under RCW 83.56.270(2) of the existence of a fiduciary relationship, notice of liability enforceable under this section in respect of a tax imposed by this chapter, if mailed to the person subject to the liability at his last known address, shall be sufficient for the purposes of this chapter even if such person is deceased, or is under legal disability, or, in the case of a corporation, has terminated its existence.

Sec. 139. Section 83.56.270, chapter 15, Laws of 1961 and RCW 83.56.270 are each amended to read as follows:

(1) Upon notice to the ~~((tax commission))~~ department of revenue that any person is acting in a fiduciary capacity such fiduciary shall assume the powers, rights, duties and privileges of the donor in respect of a tax imposed by this chapter (except as otherwise specifically provided and except that the tax shall be collected from the estate of the donor), until notice is given that the fiduciary capacity has terminated;

(2) Upon notice to the ~~((tax commission))~~ department of revenue that any person is acting in a fiduciary capacity for a person subject to the liability of the tax imposed under this chapter, the said fiduciary shall assume on behalf of such person, the powers, rights, duties, and all the privileges of such person (except, however, that the liability shall be collected from the estate of such person), until notice is given that the fiduciary capacity has terminated;

(3) Notice shall be given in accordance with the regulations prescribed by the ~~((tax commission))~~ department of revenue.

Sec. 140. Section 83.56.280, chapter 15, Laws of 1961 and RCW 83.56.280 are each amended to read as follows:

In case of any failure to make and file a return required by this chapter, within the time prescribed by law or by the (~~tax commission~~) department of revenue in pursuance of law, twenty-five percent of the tax shall be added to the tax, except that when a return is filed after such time and it is shown that the failure to file it was not due to wilful neglect no such addition shall be made to the tax. The amount so added to any tax shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the neglect, in which case the amount so added shall be collected in the same manner as the tax.

Sec. 141. Section 83.56.310, chapter 15, Laws of 1961 and RCW 83.56.310 are each amended to read as follows:

The (~~tax commission~~) department of revenue shall prescribe and publish all needful rules and regulations for the enforcement of this chapter.

Sec. 142. Section 83.56.320, chapter 15, Laws of 1961 and RCW 83.56.320 are each amended to read as follows:

The (~~tax commission~~) department of revenue may, for good cause shown, compromise or waive any interest assessed under the provisions of this chapter.

Sec. 143. Section 83.60.010, chapter 15, Laws of 1961 and RCW 83.60.010 are each amended to read as follows:

As used in this chapter:

"Donor" means any person who creates a power of appointment.

"Donee" means any person given the power to exercise the appointment.

"Property" means any property subject to the power of appointment which is within the jurisdiction of this state.

"Trustee" means any person, including a donee, who holds the property or the title thereto in trust or otherwise.

"Ultimate beneficiary" means any person who becomes entitled to the property through exercise of the power, or by reason of nonexercise of the power, or by reason of renouncement of the power by the donee, or by reason of renouncement or waiver by the person appointed to receive the property.

"Greatest possible tax" means a tentative tax computed on an assumed devolution of the property to an ultimate beneficiary within the limitations of the power, who would be taxable at the highest rates provided by the gift tax laws of this state.

"Final tax" means the tax determined under the gift tax laws of this state when the power is exercised or terminated.

"Due date" means the fifteenth day of March following the close of the calendar year in which any gift is made.

"(~~Commission~~) Department" means the (~~tax commission~~) department of revenue of this state.

Sec. 144. Section 83.60.040, chapter 15, Laws of 1961 and RCW 83.60.040 are each amended to read as follows:

Upon the exercise or termination of the power, prior to furnishing the bond or other security for the tax as hereinafter provided, it shall be the duty of the donee

to immediately notify the ~~((commission))~~ department of revenue thereof, together with the name and address of the ultimate beneficiary and his relationship to the donor. If the donee fails to so notify the ~~((commission))~~ department of revenue, which failure results in loss of tax, he shall be liable for such tax.

Sec. 145. Section 83.60.050, chapter 15, Laws of 1961 and RCW 83.60.050 are each amended to read as follows:

Unless the greatest possible tax is paid in full on or before the due date, a surety company bond shall be executed in favor of the state of Washington by the trustee and filed with the ~~((commission))~~ department of revenue, which bond shall be binding on his successors or representatives in an amount equal to the greatest possible tax, conditioned that upon the exercise or termination of the power the ~~((commission))~~ department of revenue will be notified and the final tax paid in full: PROVIDED, That the trustee may elect to pay a tentative tax based on the probabilities of devolution of the property, and file a bond only for the difference between the tentative tax paid and the greatest possible tax. The ~~((commission))~~ department, in its discretion, may accept other adequate security in lieu of any bond or payment of tax. If at any time the ~~((commission))~~ department has cause to believe that the bond or security furnished is inadequate to insure payment of the final tax, it may require such further security from the remaining property as it deems necessary. If the trustee fails or refuses to pay such tax, or furnish a bond or adequate security, the greatest possible tax shall immediately become due and payable, and may be enforced against the property by the ~~((commission))~~ department of revenue through foreclosure proceedings. Any bond executed by the trustee as above provided shall not be released or exonerated without written consent of the ~~((commission))~~ department of revenue.

Sec. 146. Section 83.60.060, chapter 15, Laws of 1961 and RCW 83.60.060 are each amended to read as follows:

In the event any tentative tax paid as provided heretofore is determined to be in excess of the final tax, a refund for the excess shall be granted by the ~~((commission))~~ department of revenue, without interest.

Sec. 147. Section 84.08.010, chapter 15, Laws of 1961 and RCW 84.08.010 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall:

(1) Exercise general supervision and control over the administration of the assessment and tax laws of the state, over county assessors, and county boards of equalization, and over boards of county commissioners, county treasurers and county auditors and all other county officers, in the performance of their duties relating to taxation, and perform any act or give any order or direction to any county board of equalization or to any county assessor or to any other county officer as to the valuation of any property, or class or classes of property in any county, township, city or town, or as to any other matter relating to the administration of the assessment and taxation laws of the state, which, in the ~~((commission's))~~ department's judgment may seem just and necessary, to the end that all taxable property in this state shall be listed upon the assessment rolls and valued and assessed according to the provisions of law, and equalized between persons, firms, companies and corporations, and between the different counties of this

state, and between the different taxing units and townships, so that equality of taxation and uniformity of administration shall be secured and all taxes shall be collected according to the provisions of law.

(2) Formulate such rules and processes for the assessment of both real and personal property for purposes of taxation as are best calculated to secure uniform assessment of property of like kind and value in the various taxing units of the state, and relative uniformity between properties of different kinds and values in the same taxing unit. The ~~((tax commission))~~ department of revenue shall furnish to each county assessor a copy of the rules and processes so formulated. The ~~((tax commission))~~ department of revenue may, from time to time, make such changes in the rules and processes so formulated as it deems advisable to accomplish the purpose thereof, and it shall inform all county assessors of such changes.

(3) Visit the counties in the state, unless prevented by necessary official duties, for the investigation of the methods adopted by the county assessors and county boards of commissioners in the assessment and equalization of taxation of real and personal property; carefully examine into all cases where evasion of property taxation is alleged, and ascertain where existing laws are defective, or improperly or negligently administered.

Sec. 148. Section 84.08.020, chapter 15, Laws of 1961 and RCW 84.08.020 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall:

(1) Confer with, advise and direct assessors, boards of equalization, county boards of commissioners, county treasurers, county auditors and all other county and township officers as to their duties under the law and statutes of the state, relating to taxation, and direct what proceedings, actions or prosecutions shall be instituted to support the law relating to the penalties, liabilities and punishment of public officers, persons, and officers or agents of corporations for failure or neglect to comply with the provisions of the statutes governing the return, assessment and taxation of property, and the collection of taxes, and cause complaint to be made against any of such public officers in the proper county for their removal from office for official misconduct or neglect of duty. In the execution of these powers and duties the said ~~((commission))~~ department or any member thereof may call upon prosecuting attorneys or the attorney general, who shall assist in the commencement and prosecution for penalties and forfeiture, liabilities and punishments for violations of the laws of the state in respect to the assessment and taxation of property.

(2) Prescribe all forms of books and blanks to be used in the assessment and collection of taxes, and change such forms when prescribed by law, and recommend to the legislature such changes as may be deemed most economical to the state and counties, and such recommendation shall be accompanied by carefully prepared bill or bills for this end.

(3) Require county, city and town officers to report information as to assessments of property, equalization of taxes, the expenditure of public funds for all purposes, and other information which said ~~((commission))~~ department of revenue may request.

Sec. 149. Section 84.08.040, chapter 15, Laws of 1961 and RCW 84.08.040 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall secure, tabulate, and keep records of valuations of all classes of property throughout the state, and for that purpose, shall have access to all records and files of state offices and departments and county and municipal offices and shall require all public officers and employees whose duties make it possible to ascertain valuations, including valuations of property of public service corporations for rate making purposes to file reports with the ~~((commission))~~ department of revenue, giving such information as to such valuation and the source thereof: PROVIDED, That the nature and kind of the tabulations, records of valuation and requirements from public officers, as stated herein, shall be in such form, and cover such valuations, as the ~~((tax commission))~~ department of revenue shall prescribe.

Sec. 150. Section 84.08.060, chapter 15, Laws of 1961 and RCW 84.08.060 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall have power to direct and to order any county board of equalization to raise or lower the valuation of any taxable property, or to add any property to the assessment list, or to perform or complete any other duty required by statute. The ~~((tax commission))~~ department of revenue may require any such board of equalization to reconvene after its adjournment for the purpose of performing any order or requirement made by the ~~((tax commission))~~ department of revenue and may make such orders as it shall determine to be just and necessary. The ~~((commission))~~ department may require any county board of equalization to reconvene at any time for the purpose of performing or completing any duty or taking any action it might lawfully have performed or taken at any of its previous regular July, November or April meetings. If such board of equalization shall fail or refuse forthwith to comply with any such order or requirement of the ~~((tax commission))~~ department of revenue, the ~~((tax commission))~~ department of revenue shall have power to take any other appropriate action, or to make such correction or change in the assessment list, and such corrections and changes shall be a part of the record of the proceedings of the said board of equalization: PROVIDED, That in all cases where the ~~((tax commission))~~ department of revenue shall raise the valuation of any property or add property to the assessment list, it shall give notice either for the same time and in the same manner as is now required in like cases of county boards of equalization, or if it shall deem such method of giving notice impracticable it shall give notice by publication thereof in a newspaper of general circulation within the county in which the property affected is situated once each week for two consecutive weeks, and the ~~((tax commission))~~ department of revenue shall not proceed to raise such valuation or add such property to the assessment list until a period of five days shall have elapsed subsequent to the date of the last publication of such notice. Such notice shall give the legal description of each tract of land involved, or a general description in case of personal property; the tax record-owner thereof; the assessed value thereof determined by the county board of equalization in case the property is on the assessment roll; and the assessed value thereof as determined by the ~~((tax commission))~~ department of revenue and shall state that the ~~((tax commission))~~ department of revenue proposes to increase the assessed valuation of such property to the amount stated and to add such property to the assessment list at the assessed valuation stated. The necessary expense

incurred by the (~~tax commission~~) department of revenue in making such reassessment and/or adding such property to the assessment list shall be borne by the county or township in which the property as reassessed and/or so added to the assessment list is situated and shall be paid out of the proper funds of such county upon the order of the (~~tax commission~~) department of revenue.

Sec. 151. Section 84.08.070, chapter 15, Laws of 1961 and RCW 84.08.070 are each amended to read as follows:

The (~~tax commission~~) department of revenue shall make such rules and regulations as may be necessary to carry out the powers granted by this chapter, and for conducting hearings and other proceedings before it.

Sec. 152. Section 84.08.080, chapter 15, Laws of 1961 and RCW 84.08.080 are each amended to read as follows:

The (~~tax commission~~) department of revenue shall, with the advice of the attorney general, decide all questions that may arise in reference to the true construction or interpretation of this title, or any part thereof, with reference to the powers and duties of taxing district officers, and such decision shall have force and effect until modified or annulled by the judgment or decree of a court of competent jurisdiction.

Sec. 153. Section 84.08.090, chapter 15, Laws of 1961 and RCW 84.08.090 are each amended to read as follows:

The (~~tax commission~~) department of revenue shall make diligent investigation concerning the revenue laws and systems of other states and countries, so far as the same may be known by reports and statistics and can be ascertained by correspondence, and with the aid of information thus obtained, together with the experience and observation of our own laws and the operation thereof, recommend to the governor, in a biennial report at least sixty days before the meeting of the legislature, such amendments, changes and modification of our revenue laws as seem proper and requisite to remedy injustice and irregularities in taxation, and to facilitate the assessment and collection of public revenue in the most economical manner. All such recommendations shall be accompanied by suitable bill or bills necessary to carry into effect such recommendations. This report shall also show in tabulated form the whole amount of taxes collected in the state for all purposes, classified as state, county and municipal, with the sources thereof, the amount lost, the cause of the loss and such other pertinent statistics, matter and information concerning revenue and taxation as may be deemed of public interest.

Sec. 154. Section 84.08.110, chapter 15, Laws of 1961 and RCW 84.08.110 are each amended to read as follows:

The (~~tax commission~~) department of revenue shall compile the laws of this state relating to assessment and collection of taxes, with such annotations, instructions and references to the decisions of the courts concerning the same as it may deem proper. It shall cause the same to be printed and distributed to the several county assessors, deputy county assessors, prosecuting attorneys, county commissioners, in the state, and to such other officers and persons as may request the same.

Sec. 155. Section 84.08.120, chapter 15, Laws of 1961 and RCW 84.08.120 are each amended to read as follows:

It shall be the duty of every public officer to comply with any lawful order, rule or regulation of the ~~((tax commission))~~ department of revenue made under the provisions of this title, and whenever it shall appear to the ~~((tax commission))~~ department of revenue that any public officer or employee whose duties relate to the assessment or equalization of assessments of property for taxation or to the levy or collection of taxes has failed to comply with the provisions of this title or with any other law relating to such duties or the rules of the ~~((commission))~~ department made in pursuance thereof, the ~~((commission))~~ department after a hearing on the facts may issue its order directing such public officer or employee to comply with such provisions of law or of its rules, and if such public officer or employee for a period of ten days after service on him of the ~~((commission's))~~ department's order shall neglect or refuse to comply therewith, the ~~((commission))~~ department of revenue may apply to a judge of the superior court or court commissioner of the county in which said public officer or employee holds office for an order returnable within five days from the date thereof to compel such public officer or employee to comply with such provisions of law or of the ~~((commission's))~~ department's order, or to show cause why he should not be compelled so to do, and any order issued by the judge pursuant thereto shall be final. The remedy herein provided shall be cumulative and shall not exclude the ~~((tax commission))~~ department of revenue from exercising any power or rights otherwise granted.

Sec. 156. Section 84.08.130, chapter 15, Laws of 1961 and RCW 84.08.130 are each amended to read as follows:

Any taxpayer or taxing unit feeling aggrieved by the action of any county board of equalization may appeal to the ~~((tax commission))~~ board of tax appeals by filing with the county auditor a notice of appeal in duplicate within ten days after the action of such board of equalization, which notice shall specify the actions complained of, and said auditor shall forthwith transmit one of said notices to the ~~((tax commission))~~ board of tax appeals; and in like manner any county assessor may appeal to the ~~((commission))~~ board of tax appeals from any action of any county board of equalization. The ~~((tax commission))~~ board of tax appeals shall require the board appealed from to certify the minutes of its proceedings resulting in such action and all evidence taken in connection therewith, and may receive further evidence, and shall make such order as in its judgment is just and proper.

Sec. 157. Section 84.08.140, chapter 15, Laws of 1961 and RCW 84.08.140 are each amended to read as follows:

Any taxpayer feeling aggrieved by the levy or levies of any taxing district except levies authorized by a vote of the people of the district may appeal therefrom to the ~~((tax commission))~~ department of revenue as hereinafter provided. Such taxpayer, upon the execution of a bond, with two or more sufficient sureties to be approved by the county auditor, payable to the state of Washington, in the penal sum of two hundred dollars and conditioned that if the petitioner shall fail in his appeal for a reduction of said levy or levies he will pay the taxable costs of the hearings hereinafter provided, not exceeding the amount of such bond, may file a written complaint with the county auditor wherein such taxing district is located not later than ten days after the making and entering of such levy or levies, setting

forth in such form and detail as the ~~((tax commission))~~ department of revenue shall by general rule prescribe, his objections to such levy or levies. Upon the filing of such complaint, the county auditor shall immediately transmit a certified copy thereof, together with a copy of the budget or estimates of such taxing district as finally adopted, including estimated revenues and such other information as the ~~((tax commission))~~ department of revenue shall by rule require, to the ~~((tax commission))~~ department of revenue. The ~~((tax commission))~~ department of revenue shall fix a date for a hearing on said complaint at the earliest convenient time after receipt of said record, which hearing shall be held in the county in which said taxing district is located, and notice of such hearing shall be given to the officials of such taxing district, charged with determining the amount of its levies, and to the taxpayer on said complaint by registered mail at least five days prior to the date of said hearing. At such hearings all interested parties may be heard and the ~~((tax commission))~~ department of revenue shall receive all competent evidence. After such hearing, the ~~((tax commission))~~ department of revenue shall either affirm or decrease the levy or levies complained of, in accordance with the evidence, and shall thereupon certify its action with respect thereto to the county auditor, who, in turn, shall certify it to the taxing district or districts affected, and the action of the ~~((tax commission))~~ department of revenue with respect to such levy or levies shall be final and conclusive.

Sec. 158. Section 84.08.190, chapter 15, Laws of 1961 and RCW 84.08.190 are each amended to read as follows:

For the purpose of instruction on the subject of taxation, the county assessors of the state shall meet with the ~~((tax commission))~~ department of revenue at the capital of the state, or at such place within the state as they may determine at their previous meeting, on the second Monday of October of each year or on such other date as may be fixed by the ~~((tax commission))~~ department of revenue. Each assessor shall be paid by the county of his residence his actual expenses in attending such meeting, upon presentation to the county auditor of proper vouchers.

Sec. 159. Section 84.12.200, chapter 15, Laws of 1961 and RCW 84.12.200 are each amended to read as follows:

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

(1) "~~((Commission))~~ Department" without other designation means the ~~((tax commission))~~ department of revenue of the state of Washington.

(2) "Railroad company" shall mean and include any person owning or operating a railroad, street railway, suburban railroad or interurban railroad in this state, whether its line of railroad be maintained at the surface, or above or below the surface of the earth, or by whatever power its vehicles are transported; or owning any station, depot, terminal or bridge for railroad purposes, as owner, lessee or otherwise.

(3) "Motor vehicle transportation company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the conveyance and transportation of persons and/or property by motor propelled vehicles over any public street and/or highway in this state, between fixed termini or over a regular route, and engaged in the business of transporting persons and/or property for compensation as owner, lessee or otherwise.

(4) "Airplane company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the conveyance and transportation of persons and/or property by aircraft, and engaged in the business of transporting persons and/or property for compensation, as owner, lessee or otherwise.

(5) "Electric light and power company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the generation, transmission or distribution of electricity in this state, and engaged in the business of furnishing, transmitting, distributing or generating electrical energy for light, heat or power for compensation as owner, lessee or otherwise.

(6) "Telegraph company" shall mean and include any person owning, controlling, operating or managing any telegraph or cable line in this state, with appliances for the transmission of messages, and engaged in the business of furnishing telegraph service for compensation, as owner, lessee or otherwise.

(7) "Telephone company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the transmission of communication by telephone in this state through owned or controlled exchanges and/or switchboards, and engaged in the business of furnishing telephonic communication for compensation as owner, lessee or otherwise.

(8) "Gas company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the manufacture, transportation, or distribution of natural or manufactured gas in this state, and engaged for compensation in the business of furnishing gas for light, heat, power or other use, as owner, lessee or otherwise.

(9) "Pipe line company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the conveyance or transportation of oils, natural or manufactured gas and/or other substances, except water, by pipe line in this state, and engaged in such business for compensation, as owner, lessee or otherwise.

(10) "Water company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the supply, storage, distribution, diversion or carriage of water in this state, and engaged in the business of furnishing water for power, irrigation, manufacturing, domestic or other uses for compensation, as owner, lessee or otherwise.

(11) "Heating company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the generation and/or distribution of steam or hot water for heat, power, manufacturing or other purposes in this state, and engaged principally in business of furnishing, distributing, supplying or generating steam or hot water for heat, power, manufacturing or other purposes for compensation, as owner, lessee or otherwise.

(12) "Toll bridge company" shall mean and include any person owning, controlling, operating, or managing real or personal property, used for or in connection with or to facilitate the conveyance or transportation of persons and/or property over a bridge or bridge approach over any stream, river or body of water within, or partly within this state, and operated as a toll bridge for compensation, as owner, lessee, or otherwise.

(13) "Steamboat company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the conveyance and transportation of persons and/or property by vessel or ferry, upon the waters within this state, including the rivers and lakes and Puget Sound, between fixed termini or over a regular route, and engaged in the business of transporting persons and/or property for compensation as owner, lessee or otherwise.

(14) "Logging railroad company" shall mean and include any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the conveyance and transportation of forest products by rail in this state, and engaged in the business of transporting forest products either as private carrier or carrier for hire.

(15) "Person" shall mean and include any individual, firm, copartnership, joint venture, association, corporation, trust, or any other group acting as a unit, whether mutual, cooperative or otherwise, and/or trustees or receivers appointed by any court.

(16) "Company" shall mean and include any railroad company, motor vehicle transportation company, airplane company, electric light and power company, telegraph company, telephone company, gas company, pipe line company, water company, heating company, toll bridge company, steamboat company, or logging railroad company; and the term "companies" shall mean and include all of such companies.

(17) "Operating property" shall mean and include all property, real and personal, owned by any company, or held by it as occupant, lessee or otherwise, including all franchises and lands, buildings, rights-of-way, water powers, motor vehicles, wagons, horses, aircraft, aerodromes, hangars, office furniture, water mains, gas mains, pipe lines, pumping stations, tanks, tank farms, holders, reservoirs, telephone lines, telegraph lines, transmission and distribution lines, dams, generating plants, poles, wires, cables, conduits, switch boards, devices, appliances, instruments, equipment, machinery, vessels, ferries, landing slips, docks, roadbeds, tracks, terminals, rolling stock equipment, appurtenances and all other property of a like or different kind, situate within the state of Washington, used by the company in the conduct of its operations; and, in case of personal property used partly within and partly without the state, it shall mean and include a proportion of such personal property to be determined as in this chapter provided.

(18) "Nonoperating property" shall mean all physical property owned by any company, other than that used during the preceding calendar year in the conduct of its operations. It shall include all lands and/or buildings wholly used by any person other than the owning company. In cases where lands and/or buildings are used partially by the owning company in the conduct of its operations and partially by any other person not assessable under this chapter under lease, sublease,

or other form of tenancy, the operating and nonoperating property of the company whose property is assessed hereunder shall be determined by the ~~((commission))~~ department of revenue in such manner as will, in its judgment, secure the separate valuation of such operating and nonoperating property upon a fair and equitable basis. The amount of operating revenue received from tenants or occupants of property of the owning company shall not be considered material in determining the classification of such property.

Sec. 160. Section 84.12.220, chapter 15, Laws of 1961 and RCW 84.12.220 are each amended to read as follows:

In all matters relating to assessment and taxation the ~~((commission))~~ department of revenue shall have jurisdiction to determine what is operating property and what is nonoperating property.

Sec. 161. Section 84.12.230, chapter 15, Laws of 1961 and RCW 84.12.230 are each amended to read as follows:

Each company doing business in this state shall annually on or before the 15th day of March, make and file with the ~~((commission))~~ department of revenue an annual report, in such manner, upon such form, and giving such information as the ~~((commission))~~ department may direct. At the time of making such report each company shall also be required to furnish to the ~~((commission))~~ department the annual reports of the board of directors, or other officers to the stockholders of the company, duplicate copies of the annual reports made to the interstate commerce commission and to the utilities and transportation commission of this state and duplicate copies of such other reports as the ~~((commission))~~ department may direct.

Sec. 162. Section 84.12.240, chapter 15, Laws of 1961 as amended by section 9, chapter 95, Laws of 1973 and RCW 84.12.240 are each amended to read as follows:

The department of revenue shall have access to all books, papers, documents, statements and accounts on file or of record in any of the departments of the state; and it shall have the power to issue subpoenas, signed by ~~((a member))~~ the director of the department or any duly authorized employee 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))~~ The director of the department ~~((, or the secretary thereof,))~~ or any employee officially designated by the department 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))~~ the director or any duly authorized employee of the department, upon a proper showing that such witness has been duly served with a subpoena and has refused to appear before the said department. 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, the department ~~((or any member thereof))~~ may institute proceedings in the proper superior court to compel such witness to testify or to produce such books or papers, and to punish him for such failure or refusal. All process issued by the department shall be served by the sheriff of the proper county or by a duly authorized agent of the department and such service, if made by the sheriff, shall

be certified by him to the ((commission)) department of revenue without any compensation therefor. Persons appearing before the department in obedience to a subpoena shall receive the same compensation as witnesses in the superior court. The records, books, accounts and papers of each company shall be subject to visitation, investigation or examination by the department, or any employee thereof officially designated by the department. All real and/or personal property of any company shall be subject to visitation, investigation, examination and/or listing at any and all times by the department, or any person officially designated by the director.

Sec. 163. Section 84.12.250, chapter 15, Laws of 1961 and RCW 84.12.250 are each amended to read as follows:

The ((commission)) department of revenue, in any matter material to the valuation, assessment or taxation of the operating property of any company, may cause the deposition of witnesses residing without the state or absent therefrom, to be taken upon notice to the company interested in like manner as the depositions of witnesses are taken in civil actions in the superior court.

Sec. 164. Section 84.12.260, chapter 15, Laws of 1961 and RCW 84.12.260 are each amended to read as follows:

If any company, or any of its officers or agents shall refuse or neglect to make any report required by this chapter, or by the ((commission)) department of revenue, or shall refuse to permit an inspection and examination of its records, books, accounts, papers or property requested by the ((commission)) department of revenue, or shall refuse or neglect to appear before the ((commission)) department of revenue in obedience to a subpoena, the ((commission)) department of revenue shall inform itself to the best of its ability of the matters required to be known, in order to discharge its duties with respect to valuation and assessment of the property of such company, and the ((commission)) department shall add to the value so ascertained twenty-five percent as a penalty for such failure or refusal and such company shall be estopped to question or impeach the assessment of the ((commission)) department in any hearing or proceeding thereafter.

Sec. 165. Section 84.12.270, chapter 15, Laws of 1961 and RCW 84.12.270 are each amended to read as follows:

The ((commission)) department of revenue shall annually make an assessment of the operating property of all companies; and between the fifteenth day of March and the first day of July of each of said years shall prepare an assessment roll upon which it shall enter and assess the true cash value of all the operating property of each of such companies as of the first day of January of the year in which the assessment is made. For the purpose of determining the true cash value of such property the ((commission)) department of revenue may inspect the property belonging to said companies and may take into consideration any information or knowledge obtained by it from such examination and inspection of such property, or of the books, records and accounts of such companies, the statements filed as required by this chapter, the reports, statements or returns of such companies filed in the office of any board, office or commission of this state or any county thereof, the earnings and earning power of such companies, the franchises owned or used by such companies, the assessed valuation of any and all property

of such companies, whether operating or nonoperating property, and whether situated within or outside the state, and any other facts, evidence or information that may be obtainable bearing upon the value of the operating property: PROVIDED, That in no event shall any statement or report required from any company by this chapter be conclusive upon the ~~((commission))~~ department of revenue in determining the amount, character and true cash value of the operating property of such company.

Sec. 166. Section 84.12.300, chapter 15, Laws of 1961 and RCW 84.12.300 are each amended to read as follows:

In determining the value of the operating property within this state of any company, the properties of which lie partly within and partly without this state, the ~~((commission))~~ department of revenue may, among other things, take into consideration the value of the whole system as a unit, and for such purpose may determine, insofar as the same is reasonably ascertainable, the salvage value, the actual cost new, the cost of reproduction new less depreciation and plus appreciation, the par value, actual value and market value of the company's outstanding stocks and bonds during one or more preceding years, the past, present and prospective gross and net earnings of the whole system as a unit.

In apportioning such system value to the state, the ~~((commission))~~ department of revenue shall consider relative costs, relative reproduction cost, relative future prospects and relative track mileage and the distribution of terminal properties within and without the state and such other matters and things as the ~~((commission))~~ department may deem pertinent.

The ~~((commission))~~ department may also take into consideration the actual cost, cost of reproduction new, and cost of reproduction new less depreciation, earning capacity and future prospects of the property, located within the state and all other matters and things deemed pertinent by the ~~((commission))~~ department of revenue.

Sec. 167. Section 84.12.310, chapter 15, Laws of 1961 and RCW 84.12.310 are each amended to read as follows:

For the purpose of determining the system value of the operating property of any such company, the ~~((commission))~~ department of revenue shall deduct from the actual cash value of the total assets of such company, the actual cash value of all nonoperating property owned by such company. For such purpose the ~~((commission))~~ department of revenue may require of the assessors of the various counties within this state a detailed list of such company's properties assessed by them, together with the assessable or assessed value thereof: PROVIDED, That such assessed or assessable value shall be advisory only and not conclusive on the ~~((commission))~~ department of revenue as to the value thereof.

Sec. 168. Section 84.12.330, chapter 15, Laws of 1961 and RCW 84.12.330 are each amended to read as follows:

Upon the assessment roll shall be placed after the name of each company a general description of the operating property of the company, which shall be considered sufficient if described in the language of subdivision (17) of RCW 84.12.200, as applied to said company, following which shall be entered the actual cash value of the operating property as determined by the ~~((commission))~~ department

of revenue. No assessment shall be invalidated by reason of a mistake in the name of the company assessed, or the omission of the name of the owner or by the entry as owner of a name other than that of the true owner. When the ((~~commission~~)) department of revenue shall have prepared the assessment roll and entered thereon the actual cash value of the operating property of the company, as herein required, it shall notify the company by mail of the valuation determined by it and entered upon said roll.

Sec. 169. Section 84.12.340, chapter 15, Laws of 1961 and RCW 84.12.340 are each amended to read as follows:

At any time between the tenth and twenty-fifth days of July, inclusive, following the making of the assessment, every company shall be entitled on its own motion, presented to the ((~~commission~~)) department of revenue before the tenth day of July, to a hearing and to present evidence before the ((~~commission~~)) department of revenue, relating to the value of its operating property and to the value of other taxable property in the counties in which its operating property is situate. Upon request in writing for such hearing, the ((~~commission~~)) department shall appoint a time and place therefor, within the period aforesaid, the hearing to be conducted in such manner as the ((~~commission~~)) department shall direct. Hearings provided for in this section may be held at such times and in such places throughout the state as the ((~~commission~~)) department may deem proper or necessary, may be adjourned from time to time and from place to place and may be conducted by the ((~~commission~~)) department of revenue or by such member or members thereof as may be duly delegated to act for it. Testimony taken before less than the entire ((~~commission~~)) department of revenue shall be reported and a transcript thereof filed with the ((~~commission~~)) department of revenue prior to its decision.

Sec. 170. Section 84.12.360, chapter 15, Laws of 1961 and RCW 84.12.360 are each amended to read as follows:

The actual cash value of the operating property assessed to a company, as fixed and determined by the state board of equalization, shall be apportioned by the ((~~commission~~)) department of revenue to the respective counties and to the taxing districts thereof wherein such property is located in the following manner:

(1) Property of steam, suburban, and interurban railroad companies, telegraph companies and pipe line companies—upon the basis of that proportion of the value of the total operating property within the state which the mileage of track, as classified by the ((~~commission~~)) department of revenue (in case of railroads), mileage of wire (in the case of telegraph companies) and mileage of pipe line (in the case of pipe line companies) within each county or taxing district bears to the total mileage thereof within the state, at the end of the calendar year last past. For the purpose of such apportionment the ((~~commission~~)) department may classify railroad track.

(2) Property of street railroad companies, motor vehicle transportation companies, telephone companies, electric light and power companies, gas companies, water companies, heating companies and toll bridge companies—upon the basis of relative value of the operating property within each county and taxing district to the value of the total operating property within the state to be determined by such factors as the ((~~commission~~)) department of revenue shall deem proper.

(3) Planes or other aircraft of airplane companies and watercraft of steamboat companies—upon the basis of such factor or factors of allocation, to be determined by the ~~((commission))~~ department of revenue, as will secure a substantially fair and equitable division between counties and other taxing districts.

All other property of airplane companies and steamboat companies—upon the basis set forth in subdivision (2) hereof.

The basis of apportionment with reference to all public utility companies above prescribed shall not be deemed exclusive and the ~~((tax commission))~~ department of revenue in apportioning values of such companies may also take into consideration such other information, facts, circumstances, or allocation factors as will enable it to make a substantially just and correct valuation of the operating property of such companies within the state and within each county thereof.

Sec. 171. Section 84.12.370, chapter 15, Laws of 1961 and RCW 84.12.370 are each amended to read as follows:

When the state board of equalization shall have determined the equalized assessed value of the operating property of each company in each of the respective counties and in the taxing districts thereof, as hereinabove provided, the ~~((commission))~~ department of revenue shall certify such equalized assessed value to the county assessor of the proper county. The county assessor shall enter the company's real operating property upon the real property tax rolls and the company's personal operating property upon the personal property tax rolls of his county, together with the values so apportioned, and the same shall be and constitute the assessed valuation of the operating property of the company in such county and the taxing districts therein for that year, upon which taxes shall be levied and collected in the same manner as on the general property of such county.

Sec. 172. Section 84.12.390, chapter 15, Laws of 1961 and RCW 84.12.390 are each amended to read as follows:

The ~~((commission))~~ department of revenue shall have the power to make such rules and regulations, not inconsistent herewith, as may be convenient and necessary to enforce and carry out the provisions of this chapter.

Sec. 173. Section 84.16.010, chapter 15, Laws of 1961 and RCW 84.16.010 are each amended to read as follows:

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

(1) The term "~~((commission))~~ department" without other designation means the ~~((tax commission))~~ department of revenue of the state of Washington.

(2) The term "private car company" or "company" shall mean and include any person, copartnership, association, company or corporation owning, controlling, operating or managing stock cars, furniture cars, refrigerator cars, fruit cars, poultry cars, tank cars or any other kind of cars, used for transportation of property, by or upon railroad lines running in, into or through the state of Washington when such railroad lines are not owned or leased by such person, copartnership, association, company or corporation; or owning, controlling, operating or managing sleeping cars, parlor cars, buffet cars, tourist cars or any other kind of cars, used for transportation of persons by or upon railroads on lines running in, into or through the state of Washington, when such railroad lines are not owned or leased by such person, copartnership, association, company or corporation and

upon which an extra charge in addition to the railroad transportation fare is made.

(3) The term "operating property" shall mean and include all rolling stock and car equipment owned by any private car company, or held by it as occupant, lessee or otherwise, including its franchises used and reasonably necessary in carrying on the business of such company; and in the case of rolling stock and car equipment used partly within and partly without the state, shall mean and include a proportion of such rolling stock and car equipment to be determined as in this chapter provided; and all such property shall, for the purposes of this chapter be deemed personal property.

Sec. 174. Section 84.16.020, chapter 15, Laws of 1961 and RCW 84.16.020 are each amended to read as follows:

Every private car company shall annually on or before the first day of May, make and file with the ~~((commission))~~ department of revenue in such form and upon such blanks as the ~~((commission))~~ department of revenue may provide and furnish, a statement, for the year ending December thirty-first next preceding, under the oath of the president, secretary, treasurer, superintendent or chief officer of such company, containing the following facts:

(1) The name of the company, the nature of the business conducted by the company, and under the laws of what state or country organized; the location of its principal office; the name and post office address of its president, secretary, auditor, treasurer, superintendent and general manager; the name and post office address of the chief officer or managing agent or attorney in fact in Washington.

(2) The total number of cars of every class used in transacting business on all lines of railroad, within the state and outside the state; together with the original cost and the fair average value per car of all cars of each of such classes.

(3) The total number of miles of railroad main track over which such cars were used within this state and within each county in this state.

(4) The total number of car miles made by all cars on each of the several lines of railroad in this state, and the total number of car miles made by all cars on all railroads within and without the state during the year.

(5) A statement in detail of the entire gross receipts and net earnings of the company during the year within the state and of the entire system, from all sources.

(6) Such other facts or information as the ~~((commission))~~ department of revenue may require in the form of return prescribed by it.

The ~~((commission))~~ department of revenue shall have power to prescribe directions, rules and regulations to be followed in making the report required herein.

Sec. 175. Section 84.16.030, chapter 15, Laws of 1961 and RCW 84.16.030 are each amended to read as follows:

The president or other officer of every railroad company whose lines run in, into or through this state, shall, on or before the first day of April in each year, furnish to the ~~((commission))~~ department of revenue a statement, verified by the affidavit of the officer making the same, showing as to every private car company respectively, the name of the company, the class of car and the total number of miles made by each class of cars, and the total number of miles made by all cars

on its lines, branches, sidings, spurs or warehouse tracks, within this state during the year ending on the thirty-first day of December next preceding.

Sec. 176. Section 84.16.032, chapter 15, Laws of 1961 as amended section 10, chapter 95, Laws of 1973 and RCW 84.16.032 are each amended to read as follows:

The department of revenue shall have access to all books, papers, documents, statements and accounts on file or of record in any of the departments of the state; and shall have the power, by summons signed by director 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. The director or any employee officially designated by the director 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 the department, upon a proper showing that such witness has been duly served with a summons and has refused to appear before the said department. 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, the department may institute proceedings in the proper superior court to compel such witness to testify, or to produce such books or papers and to punish him for the refusal. All summons and process issued by the department shall be served by the sheriff of the proper county and such service certified by him to the ~~((commission))~~ department of revenue without any compensation therefor. Persons appearing before the department in obedience to a summons, shall, in the discretion of the department, receive the same compensation as witnesses in the superior court. The records, books, accounts and papers of each company shall be subject to visitation, investigation or examination by the department, or any employee thereof officially designated by the director. All real and/or personal property of any company shall be subject to visitation, investigation, examination and/or listing at any and all times by the department, or any person employed by the department.

Sec. 177. Section 84.16.034, chapter 15, Laws of 1961 and RCW 84.16.034 are each amended to read as follows:

The ~~((commission))~~ department of revenue in any matter material to the valuation, assessment or taxation of the property of any company, may cause the deposition of witnesses residing without the state or absent therefrom, to be taken upon notice to the company interested in like manner as the deposition of witnesses are taken in civil actions in the superior court.

Sec. 178. Section 84.16.036, chapter 15, Laws of 1961 and RCW 84.16.036 are each amended to read as follows:

If any company, or its officer or agent, shall refuse or neglect to make any report required by this chapter, or by the ~~((commission))~~ department of revenue, or shall refuse or neglect to permit an inspection and examination of its records, books, accounts, papers or property requested by the ~~((commission))~~ department of revenue, or shall refuse or neglect to appear before the ~~((commission))~~ department in obedience to a summons, the ~~((commission))~~ department shall inform itself the best it may of the matters to be known, in order to discharge its duties with respect to valuation and assessment of the property of such company; and

the ~~((commission))~~ department shall add to the value so ascertained twenty-five percent as a penalty for the failure or refusal of such company to make its report and such company shall be estopped to question or impeach the assessment of the ~~((commission))~~ department of revenue in any hearing or proceeding thereafter.

Sec. 179. Section 84.16.040, chapter 15, Laws of 1961 and RCW 84.16.040 are each amended to read as follows:

The ~~((commission))~~ department of revenue shall annually make an assessment of the operating property of each private car company; and between the first day of May and the first day of July of each of said years shall prepare an assessment roll upon which it shall enter and assess the true cash value of all the operating property of each of such companies as of the first day of January of the year in which the assessment is made. For the purpose of determining the true cash value of such property the ~~((commission))~~ department of revenue may take into consideration any information or knowledge obtained by it from an examination and inspection of such property, or of the books, records and accounts of such companies, the statements filed as required by this chapter, the reports, statements or returns of such companies filed in the office of any board, office or commission of this state or any county thereof, the earnings and earning power of such companies, the franchises owned or used by such companies, the assessed valuation of any and all property of such companies, whether operating property or nonoperating property, and whether situated within or without the state, and any other facts, evidences or information that may be obtainable bearing upon the value of the operating property: PROVIDED, That in no event shall any statement or report required from any company by this chapter be conclusive upon the ~~((commission))~~ department of revenue in determining the amount, character and true cash value of the operating property of such company.

Sec. 180. Section 84.16.050, chapter 15, Laws of 1961 and RCW 84.16.050 are each amended to read as follows:

The ~~((commission))~~ department of revenue may, in determining the actual cash value of the operating property to be placed on the assessment roll value the entire property as a unit. If the company owns, leases, operates or uses property partly within and partly without the state, the ~~((commission))~~ department of revenue may determine the value of the operating property within this state by the proportion that the value of such property bears to the value of the entire operating property of the company, both within and without this state. In determining the operating property which is located within this state the ~~((commission))~~ department of revenue may consider and base such determination on the proportion which the number of car miles of the various classes of cars made in this state bears to the total number of car miles made by the same cars within and without this state, or to the total number of car miles made by all cars of the various classes within and without this state. If the value of the operating property of the company cannot be fairly determined in such manner the ~~((commission))~~ department of revenue may use any other reasonable and fair method to determine the value of the operating property of the company within this state.

Sec. 181. Section 84.16.090, chapter 15, Laws of 1961 and RCW 84.16.090 are each amended to read as follows:

Upon the assessment roll shall be placed after the name of each company a general description of the operating property of the company, which shall be considered sufficient if described in the language of subdivision (3) of RCW 84.16.010 or otherwise, following which shall be entered the actual cash value of the operating property as determined by the ~~((commission))~~ department of revenue. No assessment shall be invalid by a mistake in the name of the company assessed, by omission of the name of the owner or by the entry of a name other than that of the true owner. When the ~~((commission))~~ department of revenue shall have prepared the assessment roll and entered thereon the actual cash value of the operating property of the company, as herein required, it shall notify the company by mail of the valuation determined by it and entered upon said roll; and thereupon such valuation shall become the actual cash value of the operating property of the company, subject to revision or correction by the state board of equalization as hereinafter provided; and shall be the valuation upon which, after equalization by the state board of equalization as hereinafter provided, the taxes of such company shall be based and computed.

Sec. 182. Section 84.16.100, chapter 15, Laws of 1961 and RCW 84.16.100 are each amended to read as follows:

Every company assessed under the provisions of this chapter shall be entitled on its own motion to a hearing and to present evidence before the ~~((commission))~~ department of revenue, at any time between the twentieth day of July and the fifteenth day of August, relating to the value of the operating property of such company and to the value of the other taxable property in the counties in which the operating property of such company is situate. Upon request in writing for such hearing, which must be presented to the ~~((commission))~~ department of revenue on or before the twentieth day of July following the making of the assessment, the ~~((commission))~~ department shall appoint a time and place therefor, within the respective periods aforesaid, the hearing to be conducted in such manner as the ~~((commission))~~ department shall direct. Hearings provided for in this section may be held at such times and in such places throughout the state as the ~~((commission))~~ department may deem proper or necessary and may be adjourned from time to time and from place to place.

Sec. 183. Section 84.16.130, chapter 15, Laws of 1961 and RCW 84.16.130 are each amended to read as follows:

When the state board of equalization shall have determined the equalized or assessed value of the operating property of each company in the respective counties as hereinabove provided, the ~~((tax commission))~~ department of revenue shall certify such equalized or assessed value to the county assessor of the proper county; and the county assessor shall apportion and distribute such assessed or equalized valuation to and between the several taxing districts of his county entitled to a proportionate value thereof in the manner prescribed in RCW 84.16.120 for apportionment of values between counties. The county assessor shall enter such assessment upon the personal property tax rolls of his county, together with the values so apportioned, and the same shall be and constitute the assessed valuation of the operating company in such county for that year, upon which taxes shall be levied and collected the same as on general property of the county.

Sec. 184. Section 84.24.010, chapter 15, Laws of 1961 and RCW 84.24.010 are each amended to read as follows:

The terms used in this chapter shall be construed as follows: The phrase "error in taxation" shall mean and embrace any action on the part of any assessing or taxing officer or board resulting in taxes being levied on any property at an amount in excess of what they should have been, or resulting in a tax void in whole or in part; the word "owner" shall be construed to mean the person owning the legal title to the property which shall be reassessed and retaxed pursuant to this chapter as shown by the county auditor's records; the phrase "relevied tax" shall mean the tax levied on any property as a result of a reassessment as provided in this chapter; the phrase "original tax" shall mean the tax originally levied upon the property for the year or years for which a reassessment and relevy is made; the phrase "original assessment" shall mean all of the proceedings of the assessing and taxing officers leading up to the actual levying of the original tax; the phrase "original assessment date" shall mean the date as of which the property in question was valued for the purpose of fixing the original tax thereon; the word "hearing" shall mean a proceeding in which any taxpayer or other person having an interest in the matter concerning which such hearing is had, is afforded an opportunity of making such showing with respect thereto, as he may desire; the phrase "~~((tax commission))~~ department of revenue" shall mean the ~~((tax commission))~~ department of revenue of the state of Washington; the term "person" shall import both the singular and plural as the case may demand, or as shall be applicable, and shall include individuals, copartnerships, corporations, and unincorporated societies and associations.

Sec. 185. Section 84.24.030, chapter 15, Laws of 1961 and RCW 84.24.030 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall cause a notice, signed by it, to be served upon the owner in the manner hereinafter provided, which notice shall be addressed to the owner and also "to all persons known and unknown having or claiming any interest in the property in this notice described", shall describe such property with the same particularity as the same is required by law to be described upon the assessment rolls, and shall give notice that at a time to be fixed in such notice (which time shall not be less than ten, nor more than thirty days after the date of the last publication of such notice hereinafter provided), such ~~((tax commission))~~ department of revenue will, at its office proceed to reassess and retax said property for the particular year or years involved (naming them) and further giving notice that said owner or other interested persons may appear at the time and place set forth in said notice, and show cause, if any there be, why such reassessment and retaxation should not be made, and make such showing as they shall desire to make as to the claimed illegality of such tax. Such notice shall also be published once a week for three consecutive weeks in a newspaper printed and published and of general circulation in one of the counties in which such property is located. A copy of such notice shall also be mailed not less than ten days prior to the date fixed for such hearing to the prosecuting attorney of each county in which the property is located.

The notice referred to in this section shall be served either (1) in the same manner as personal service of summons in civil actions is made, or (2) by depositing a true copy thereof in the United States post office at Olympia, Washington, securely wrapped and plainly addressed to such owner at his last known address. Proof of such service shall be made by the affidavit of the person making such service.

Sec. 186. Section 84.24.040, chapter 15, Laws of 1961 and RCW 84.24.040 are each amended to read as follows:

A hearing shall be had at the time and place set forth in the notice provided for in RCW 84.24.030, and thereafter the ~~((tax commission))~~ department of revenue shall determine, as of the original assessment date, and in the manner provided by existing law, the cash market value of the property in question, and the ratio between cash market value and assessed value of the other taxable property in the county where such property is located, and shall fix the equalized value of the property in question at that percentage of its cash market value as of the original assessment date, which the equalized assessed value of the general taxable property in the county where such reassessed property is located, bore to its cash market value: PROVIDED, HOWEVER, That in case of a protest, complaint or petition based upon an alleged excessive assessment, the reassessment shall not exceed the original assessment.

Sec. 187. Section 84.24.050, chapter 15, Laws of 1961 and RCW 84.24.050 are each amended to read as follows:

If the original assessment was made by a county assessor, the equalized valuation of such property for the purpose of such reassessment and any other corrections made by the ~~((tax commission))~~ department of revenue in the original tax shall be forthwith certified to the county assessor of the county in which such reassessed property is located, and the same shall be entered and the tax extended by such assessor under an appropriate heading, in the assessment rolls for the year or years for which such reassessment is made, in the same manner as provided by existing law for the entry and extension of the original assessment of such property. If the original assessment was made by the ~~((tax commission))~~ department of revenue, the equalized valuation of such property for the purpose of such reassessment shall be forthwith entered by the ~~((tax commission))~~ department of revenue under an appropriate heading, in its assessment rolls for the year or years for which such reassessment was made, and shall be apportioned to the county or counties, and certified to the county assessors of the proper counties, and shall be distributed by the county assessors among taxing districts, and shall be placed upon the county tax rolls, in the same manner as provided by existing law for the entry and extension of the original assessment of such property.

The officers authorized by existing law to levy and collect taxes on said property shall forthwith proceed to relist said property, and to relevy and collect the tax thereon as of the original assessment year or years, in the same manner as provided by existing law for the listing of property, and the levying and collection of taxes thereon, save and except, that each such officer shall, in turn, perform the several duties to be performed by him in connection with such reassessment and retaxation, as soon as the completion of the duties of other officers in connection

therewith make it possible for him to do so: PROVIDED, That such tax as reassessed and relieved shall be figured and determined at the same tax rate as the original tax on said property for the year or years for which said reassessment was made, was or should have been, figured and determined.

Sec. 188. Section 2, chapter 214, Laws of 1963 and RCW 84.28.006 are each amended to read as follows:

For the purposes of this chapter:

(1) "Department" shall mean the state department of natural resources;

(2) (~~"Commission" shall mean the state tax commission.~~

~~(3))~~) The term selectively harvested lands as used in this chapter shall mean lands devoted to reforestation as set forth and defined in Article 7, Section 1 of the Constitution of the state of Washington, as amended.

Sec. 189. Section 84.28.020, chapter 15, Laws of 1961 as amended by section 4, chapter 214, Laws of 1963 and RCW 84.28.020 are each amended to read as follows:

The owner of any lands eligible for classification under this chapter may apply in writing to the department of natural resources for the classification of any such lands as reforestation lands. The application shall contain a list of such lands by county, giving the legal description thereof by government legal subdivision, in tracts not smaller than a forty acre tract or government lot. At the time of filing the application with the department, the owner shall also file a copy thereof with the assessor of each county wherein such lands are situated along with a list of such lands described in the application. Within one hundred and twenty days following the filing of the application, a hearing on the proposed classification shall be held by the department at the court house in the county seat in each county of the state wherein any lands proposed for classification are situated. Notice of the hearing shall be given by the department by publication of a notice in at least two issues of a newspaper published and having general circulation in the county wherein such hearing is to be held. The notice shall specify the time, place and general purpose of the hearing and shall advise that a list of the lands proposed for classification as reforestation lands, with the legal description and the names of the owners, has been filed with the county assessor. The last publication of such notice shall be at least fifteen days prior to the date fixed for the hearing. The department shall, on or before the date of the last publication of the notice, mail a copy thereof to the applicant, the county commissioners and the county assessor. At the hearing, the department shall hear objections to, and arguments for and against the proposed classification as to all, or any particular lands described on the list. Following the hearing the department shall reconsider the proposed list and classification and shall strike from the list any lands it determines are not suitable as reforestation lands and shall forward a list of such rejected lands to the land owner. The department shall, within thirty days following the conclusion of the hearing, file with the state (~~tax commission~~) department of revenue and forward to the land owner and assessor a list of the lands by the respective counties determined by it to be qualified for classification as reforestation lands, with description by government legal subdivisions, and names and addresses of respective owners.

The ~~((commission))~~ department of revenue shall hold said list for a period of two weeks, during which time any taxpayer, or the county assessor, of the county in which the lands are located shall be entitled to file written objections with it to the classification as reforestation lands of any particular lands on such list. If any objection is filed the ~~((commission))~~ department of revenue shall within thirty days after the receipt of the objection fix a date and hold a hearing thereon, and shall in writing notify the objector, the department, the assessor and the owner of the lands of the date fixed for the hearing and send a copy of the written objections to the department, land owner and assessor. At the hearing the ~~((commission))~~ department of revenue shall hear and consider evidence offered by the department, owner, assessor or objector as to the nature and character of such lands, and from such evidence shall determine whether the lands shall be classified as reforestation lands; and if the ~~((commission))~~ department of revenue determines that the lands are not suitable for reforestation and should not be classified as reforestation lands, it shall cause such lands to be stricken from the list. If no objections are filed to the classification of any lands on such list or if objections are filed and after hearing are overruled, the ~~((commission))~~ department of revenue shall forthwith enter an order approving the list as filed; and if, following a hearing on objections to classification as to any particular lands on the list, the ~~((commission))~~ department of revenue determines that the particular lands are not properly classified as reforestation lands, it shall within thirty days after the close of the hearing enter an order to that effect and shall strike such lands from the list, and enter an order approving the list with such lands stricken therefrom. Upon entry of the order the ~~((commission))~~ department of revenue shall, within a period of ten days, at its expense, cause a certified copy thereof, together with the approved list to be recorded in the office of the auditor of the county in which the lands are situated, and shall forward one certified copy thereof, together with the approved list, to the assessor of the county wherein the lands are situated, one copy to the department, and one copy of its order to the owner, with a list only of lands in which he has an interest; and thereupon the lands described on such list shall be classified as reforestation lands.

Sec. 190. Section 84.28.050, chapter 15, Laws of 1961 as amended by section 5, chapter 214, Laws of 1963 and RCW 84.28.050 are each amended to read as follows:

Whenever the department or county assessor of the county in which classified lands are situated believes that any lands classified as reforestation lands are not being protected as provided by law, or the lands become more valuable for some other purpose, or are not being used primarily for forest crop production, the department or county assessor may petition the ~~((commission))~~ department of revenue to remove such lands from classification as reforestation lands. The petition shall describe the lands by government legal subdivisions and shall set forth the name of the owner thereof, and the grounds and reasons for which such removal is sought. The ~~((commission))~~ department of revenue shall within sixty days after filing of the petition fix a time and place and shall hold a hearing on the petition and shall mail a copy of the notice thereof, together with a copy of the petition, to the owner at his address as shown by the records of the county treasurer's office at least thirty days prior to the date set for the hearing. At the time and place fixed

for the hearing the ~~((commission))~~ department of revenue shall hold a hearing on the petition and shall receive evidence offered by the owner, the department or county assessor for and against the petition. Upon the conclusion of the hearing the ~~((commission))~~ department of revenue shall within fifteen days thereafter determine whether such lands shall be removed from classification as reforestation lands, and shall enter an order accordingly. Within ten days after issuance of the order, one certified copy of such order shall be forwarded by the ~~((commission))~~ department of revenue to the county assessor of the county in which the lands are situated, one to the owner and one to the department, and the ~~((commission))~~ department of revenue shall, at its own expense, cause a certified copy of such order, together with a list of the lands covered thereby, to be recorded in the office of the auditor of the county in which the lands are situated.

Sec. 191. Section 84.28.060, chapter 15, Laws of 1961 as amended by section 6, chapter 214, Laws of 1963 and RCW 84.28.060 are each amended to read as follows:

Whenever any lands previously classified as reforestation lands shall be or become more valuable for some other purpose and twenty-five taxpayers of the county in which the lands are situated file a petition with the ~~((commission))~~ department of revenue, alleging such to be the case, the ~~((commission))~~ department of revenue shall fix a date for hearing on the petition and shall in writing notify the taxpayers by mailing notice thereof directed to the taxpayers at the address shown on the petition; and shall likewise, at least thirty days prior to the hearing date, notify the department, the assessor and the owners of the lands involved, by mailing a notice of the hearing with a copy of the petition to them directed to their respective addresses. At the hearing the petitioners, the department, the assessor and the owners shall be entitled to offer evidence bearing upon the question of the value of such lands for reforestation and other purposes. The ~~((commission))~~ department of revenue from the evidence shall determine whether the lands are more valuable for some other purpose than for reforestation; and if it so determines it shall enter an order to that effect and thereupon the lands shall be removed from classification as reforestation lands. Upon entry of an order by the ~~((commission))~~ department of revenue, as provided for in this section, the ~~((commission))~~ department of revenue shall, at its own expense, cause a certified copy thereof, together with a list of the lands covered thereby, to be recorded in the office of the auditor of the county in which the lands are situated and a certified copy thereof shall also be mailed to the owner.

Sec. 192. Section 7, chapter 214, Laws of 1963 and RCW 84.28.063 are each amended to read as follows:

The owner may at any time cause any of his lands classified under this chapter to be removed from such classification by filing written notice to that effect with the county assessor of the county in which such lands are situated, which notice shall describe the lands to be removed, giving the legal description thereof by government legal subdivision. Copy of such notice shall also be filed with the department, the ~~((commission))~~ department of revenue and the county auditor of the county in which the lands are situated. Upon receipt from the county treasurer of evidence of payment of the yield taxes imposed by RCW 84.28.065, the ~~((commission))~~ department of revenue shall issue an order removing said lands from

classification, and such lands shall thereby be removed from classification as reforestation lands as of the first day of January next following the date of issuance of such order, and shall cease to be assessed and taxed as such and shall be free from any lien for unpaid taxes due or assessable under this chapter except as provided in RCW 84.28.065.

Sec. 193. Section 8, chapter 214, Laws of 1963 and RCW 84.28.065 are each amended to read as follows:

Whenever any land is removed from classification as reforestation land it shall thereafter be assessed and taxed without regard to the provisions of this chapter, and there shall thereupon become due and owing to the county in which such land is situated the taxes set forth in this section.

(a) A yield tax equal to twelve and one-half percent of the value of the timber or forest crop remaining on the land, based upon full current stumpage rates fixed by the assessor: PROVIDED, That whenever, within a period of twelve years following the classification of any lands as reforestation lands, any such lands shall be removed from classification, the owner thereof shall be required to pay a yield tax upon the timber of one percent for each year that has expired from the date of such classification until such removal from classification.

(b) A sum of money equivalent to the amount, if any, by which the tax paid on the land and forest crop because of classification under this chapter is less than the tax paid during the same period on similar land and forest crop that was not classified.

The assessor shall prepare a roll of lands to be removed from classification and shall extend against such lands the taxes computed as provided in this section, and shall forthwith transmit to the county treasurer a record of such taxes; and the county treasurer shall thereupon enter the amount of such taxes upon his records against such lands and their owner; and such taxes shall thereupon become a lien against such lands and timber and also against any forest material that may be cut thereon and against any other real or personal property owned by such owner. Such taxes shall become delinquent on the fifteenth day of March next following the effective date of the ~~((commission's))~~ order of the department of revenue. The lien of such taxes shall be superior, and shall be enforceable, in the same manner and to the same effect as provided in RCW 84.28.140 for collection of yield taxes on materials removed from classified lands: PROVIDED, That payment of such taxes shall be a condition precedent to issuance of an order removing lands from classification pursuant to provisions of RCW 84.28.063: PROVIDED FURTHER, That an order classifying lands or removing lands from classification shall not be retroactive, but the effective date of such order shall not be earlier than the first day of January next following the date of issuance of such order.

Sec. 194. Section 84.28.160, chapter 15, Laws of 1961 as amended by section 14, chapter 214, Laws of 1963 and RCW 84.28.160 are each amended to read as follows:

The department of natural resources and the ~~((commission))~~ department of revenue, respectively, shall have power to make such rules and regulations as they shall deem necessary or advisable in the exercise of the powers and performance of the duties imposed upon them by this chapter.

Sec. 195. Section 84.40.320, chapter 15, Laws of 1961 as amended by section 98, chapter 195, Laws of 1973 1st ex. sess. and RCW 84.40.320 are each amended to read as follows:

The assessor shall add up and note the amount of each column in his detail and assessment lists, which he shall have bound in book form in such manner, to be prescribed or approved by the state (~~(tax commission)~~) department of revenue, as will provide a convenient and permanent record of assessment. He shall also make, under proper headings, a tabular statement showing the footings of the several columns upon each page, and shall add and set down under the respective headings the total amounts of each column, which he shall attach to the highest numbered assessment book, and on the first Monday of July he shall file the same, properly indexed, with the clerk of the county board of equalization for the purpose of equalization by the said board. Such returns shall be verified by his affidavit, substantially in the following form:

State of Washington, County, ss.

I,, Assessor, do solemnly swear that the books No. 1 to No., to the last of which this is attached, contain a correct and full list of all the real property (or personal property, as the case may be) subject to taxation in county, so far as I have been able to ascertain the same; and that the assessed value set down in the proper column, opposite the several kinds and descriptions of property, is in each case one hundred percent of the true and fair value of such property, to the best of my knowledge and belief, and that the footings of the several columns in said books, and the tabular statement returned herewith, are correct, as I verily believe.

....., Assessor.

Subscribed and sworn to before me this day of, 19...
(L. S.), Auditor of county.

PROVIDED, That the failure of the assessor to attach his certificate shall in no-wise invalidate the assessment. After the same has been duly equalized by the county and state board of equalization, the same shall be delivered to the county assessor, who shall then extend the amount as levied by the state and county boards upon the said detail and assessment lists as by law provided.

Sec. 196. Section 84.40.330, chapter 15, Laws of 1961 and RCW 84.40.330 are each amended to read as follows:

It shall be the duty of the county assessor, on the completion of his assessment rolls each year, to furnish the (~~(tax commission)~~) department of revenue a list of corporations, companies, associations, banks and individuals doing business of a public character whose assessed valuation is three thousand dollars or more, together with the class of property and the valuation placed on same for assessment purposes.

Sec. 197. Section 84.41.060, chapter 15, Laws of 1961 and RCW 84.41.060 are each amended to read as follows:

Any county assessor may request special assistance from the (~~(tax commission)~~) department of revenue in the valuation of property which either (1) requires specialized knowledge not otherwise available to the assessor's staff, or (2) because

of an inadequate staff, cannot be completed by the assessor within the time required by this chapter. After consideration of such request the ~~((tax commission))~~ department of revenue shall advise the assessor that such request is either approved or rejected in whole or in part. Upon approval of such request, the ~~((tax commission))~~ department of revenue may assist the assessor in the valuation of such property in such manner as the ~~((tax commission))~~ department of revenue, in its discretion, considers proper and adequate.

Sec. 198. Section 84.41.070, chapter 15, Laws of 1961 and RCW 84.41.070 are each amended to read as follows:

If the ~~((tax commission))~~ department of revenue finds upon its own investigation, or upon a showing by others, that the revaluation program for any county is not proceeding for any reason as herein directed, or is not proceeding for any reason with sufficient rapidity to be completed before June 1, 1958, the ~~((tax commission))~~ department of revenue shall advise both the board of county commissioners and the county assessor of such finding. Within thirty days after receiving such advice, the board of county commissioners, at regular or special session, either (1) shall authorize such expenditures as will enable the assessor to complete the revaluation program as herein directed, or (2) shall direct the assessor to request special assistance from the ~~((tax commission))~~ department of revenue for aid in effectuating the county's revaluation program.

Sec. 199. Section 84.41.080, chapter 15, Laws of 1961 and RCW 84.41.080 are each amended to read as follows:

Upon receiving a request from the county assessor, either upon his initiation or at the direction of the board of county commissioners, for special assistance in the county's revaluation program, the ~~((tax commission))~~ department of revenue may, before undertaking to render such special assistance, negotiate a contract with the board of county commissioners of the county concerned. Such contracts as are negotiated shall provide that the county will reimburse the state for fifty percent of the costs of such special assistance within three years of the date of expenditure of such costs. All such reimbursements shall be paid to the ~~((tax commission))~~ department of revenue for deposit to the state general fund. The ~~((tax commission))~~ department of revenue shall keep complete records of such contracts, including costs incurred, payments received, and services performed thereunder.

Sec. 200. Section 84.41.090, chapter 15, Laws of 1961 and RCW 84.41.090 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall make and publish such rules, regulations and guides which it determines are needed to supplement materials presently published by the ~~((tax commission))~~ department of revenue for the general guidance and assistance of county assessors. Each assessor is hereby directed and required to value property in accordance with the standards established by RCW 84.40.030 and in accordance with the applicable rules, regulations and valuation manuals published by the ~~((tax commission))~~ department of revenue.

Sec. 201. Section 84.41.110, chapter 15, Laws of 1961 and RCW 84.41.110 are each amended to read as follows:

Appraisers whose services may be obtained by contract or who may be assigned by the ~~((tax commission))~~ department of revenue to assist any county assessor shall act in an advisory capacity only, and valuations made by them shall not in any manner be binding upon the assessor, it being the intent herein that all valuations made pursuant to this chapter shall be made and entered by the assessor pursuant to law as directed herein.

Sec. 202. Section 84.41.120, chapter 15, Laws of 1961 and RCW 84.41.120 are each amended to read as follows:

Each county assessor shall keep such books and records as are required by the rules and regulations of the ~~((tax commission))~~ department of revenue and shall comply with any lawful order, rule or regulation of the ~~((commission))~~ department of revenue.

Whenever it appears to the ~~((tax commission))~~ department of revenue that any assessor has failed to comply with any of the provisions of this chapter relating to his duties or the rules of the ~~((tax commission))~~ department of revenue made in pursuance thereof, the ~~((tax commission))~~ department of revenue, after a hearing on the facts, may issue an order directing such assessor to comply with such provisions of this chapter or rules of the ~~((tax commission))~~ department of revenue. Such order shall be mailed by registered mail to the assessor at the county court house. If, upon the expiration of fifteen days from the date such order is mailed, the assessor has not complied therewith or has not taken measures that will insure compliance within a reasonable time, the ~~((tax commission))~~ department of revenue may apply to a judge of the superior court or court commissioner of the county in which such assessor holds office, for an order returnable within five days from the date thereof to compel him to comply with such provisions of law or of the ~~((tax commission's))~~ order of the department of revenue or to show cause why he should not be compelled so to do. Any order issued by the judge pursuant to such order to show cause shall be final. The remedy herein provided shall be cumulative and shall not exclude the ~~((tax commission))~~ department of revenue from exercising any powers or rights otherwise granted.

Sec. 203. Section 84.41.130, chapter 15, Laws of 1961 and RCW 84.41.130 are each amended to read as follows:

Each county assessor, before October 15th each year, shall prepare and submit to the ~~((tax commission))~~ department of revenue a detailed report of the progress made in the revaluation program in his county to the date of the report and be made a matter of public record. Such report shall be submitted upon forms supplied by the ~~((tax commission))~~ department of revenue and shall consist of such information as the ~~((tax commission))~~ department of revenue requires. The ~~((tax commission))~~ department of revenue shall transmit a copy of such report to the legislature.

Sec. 204. Section 84.41.140, chapter 15, Laws of 1961 and RCW 84.41.140 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue, thirty days prior to the convening of each regular session of the legislature, shall submit a comprehensive report showing the extent of progress of the revaluation program in each county. Such report shall also include any comments and recommendations the ~~((tax~~

~~commission~~) department of revenue may have in regard to the revaluation program.

Sec. 205. Section 84.44.090, chapter 15, Laws of 1961 and RCW 84.44.090 are each amended to read as follows:

In all questions that may arise under this title as to the proper place to list personal property, or where the same cannot be listed as stated in this title, if between several places in the same county, or between different counties, or places in different counties, the place for listing and assessing shall be determined and fixed by the (~~tax commission~~) department of revenue; and when fixed in either case shall be as binding as if fixed by this title.

Sec. 206. Section 84.48.120, chapter 15, Laws of 1961 and RCW 84.48.120 are each amended to read as follows:

It shall be the duty of the county assessor of each county, when he shall have received from the state (~~tax commission~~) department of revenue the assessed valuation of the property of railroad and other companies assessed by the (~~commission~~) department of revenue and apportioned to the county, and placed the same on the tax rolls, and received the report of the state auditor of the amount of taxes levied for state purposes, to compute the required percent on the assessed value of property in the county, and such state taxes shall be extended on the tax rolls in the proper column: PROVIDED, That the rates so computed shall not be such as to raise a surplus of more than five percent over the total amount required by the state board of equalization.

Sec. 207. Section 84.48.130, chapter 15, Laws of 1961 and RCW 84.48.130 are each amended to read as follows:

It shall be the duty of the county assessor of each county, when he shall have received from the state (~~tax commission~~) department of revenue the certificate of the assessed valuation of the property of railroad and/or other companies assessed by the (~~commission~~) department of revenue and apportioned to the county, and shall have distributed the value so certified to him to the several taxing districts in his county entitled to a proportionate value thereof, and placed the same upon the tax rolls of the county, to certify to the board of county commissioners and to the officers authorized by law to estimate expenditures and/or levy taxes for any taxing district coextensive with the county, the total assessed value of property in the county as shown by the completed tax rolls, and to certify to the officers authorized by law to estimate expenditures and/or levy taxes for each taxing district in the county not coextensive with the county, the total assessed value of the property in such taxing district.

Sec. 208. Section 84.68.120, chapter 15, Laws of 1961 and RCW 84.68.120 are each amended to read as follows:

Upon the filing of the petition with the county assessor that officer shall proceed forthwith to conduct such investigation as may be necessary to ascertain and determine whether or not the assessment in question was erroneous or whether or not the tax was incorrectly extended upon the tax rolls and if he finds there is probable cause to believe that the property was erroneously assessed, and that such erroneous assessment was due to an error in description, double assessment

or manifest error in assessment which does not involve a revaluation of the property, or that the tax was incorrectly extended upon the tax rolls, he shall endorse his findings upon the petition, and thereupon within ten days after the filing of the petition by the taxpayer forward the same to the county treasurer. If the assessor's findings be in favor of cancellation or reduction or correction he shall include therein a statement of the amount to which he recommends that the assessment and tax be reduced. It shall be the duty of the county treasurer, upon whom a petition with endorsed findings is served, as in RCW 84.68.110 through 84.68.150 provided, to endorse thereon a statement whether or not the tax against which complaint is made has in fact been paid and, if paid, the amount thereof, whereupon the county treasurer shall immediately transmit the petition to the prosecuting attorney and the prosecuting attorney shall make such investigation as he deems necessary and, within ten days after receipt of the petition and findings by him, transmit the same to the state (~~(tax commission)~~) department of revenue with his recommendation in respect to the granting or denial of the petition.

Sec. 209. Section 84.68.130, chapter 15, Laws of 1961 and RCW 84.68.130 are each amended to read as follows:

Upon receipt of the petition, findings and recommendations the state (~~(tax commission)~~) department of revenue shall proceed to consider the same, and it may require evidence to be submitted and make such investigation as it deems necessary and for such purpose the (~~(commission)~~) department of revenue shall be empowered to subpoena witnesses in order that all material and relevant facts may be ascertained. Upon the conclusion of its consideration of the petition and within thirty days after receipt thereof, the (~~(commission)~~) department of revenue shall enter an order either granting or denying the petition and if the petition be granted the (~~(commission)~~) department of revenue may order the assessment canceled or reduced or the extended tax corrected upon the tax rolls in any amount it deems proper but in no event to exceed the amount of reduction or correction recommended by the county assessor.

Sec. 210. Section 84.68.140, chapter 15, Laws of 1961 and RCW 84.68.140 are each amended to read as follows:

Certified copies of the (~~(commission's)~~) order of the department of revenue shall be forwarded to the county assessor, the county auditor and the taxpayer, and the taxpayer shall immediately be entitled to a refund of the difference, if any, between the tax already paid and the canceled or reduced or corrected tax based upon the order of the (~~(tax commission)~~) department of revenue with legal interest on such amount from the date of payment of the original tax. Upon receipt of the (~~(commission's)~~) order of the department of revenue the county auditor shall draw a warrant against the county tax refund fund in the amount of any tax reduction so ordered, plus legal interest to the date such warrant is issued, and such warrant shall be paid by the county treasurer out of any moneys on hand in said fund. If no funds are available in the county tax refund fund for the payment of such warrant the warrant shall bear interest and shall be callable under such conditions as are provided by law for county warrants and such interest, if any, shall also be paid out of said fund. The (~~(commission's)~~) order of the department of revenue shall for all purposes be considered as a judgment against the county tax refund fund and the obligation thereof shall be discharged in the same manner

as provided by law for the discharge of judgments against the county for excessive taxes under the provisions of RCW 84.68.010 through 84.68.070 or any act amendatory thereof.

Sec. 211. Section 84.72.010, chapter 15, Laws of 1961 and RCW 84.72.010 are each amended to read as follows:

The state treasurer is hereby authorized and directed to receive any moneys that may be paid to the state by the United States or any agency thereof in lieu of ad valorem property taxes, and to transfer the same to the respective county treasurers in compliance with apportionments made by the state (~~((tax commission))~~) department of revenue; and the state treasurer shall immediately notify the (~~((tax commission))~~) department of revenue of the receipt of any such payment.

Sec. 212. Section 84.72.020, chapter 15, Laws of 1961 and RCW 84.72.020 are each amended to read as follows:

Any such moneys so paid to the state treasurer shall be apportioned to the state and to the taxing districts thereof that would be entitled to share in the property taxes in lieu of which such payments are made in the same proportion that the state and such taxing units would have shared in such property taxes if the same had been levied. The basis of apportionment shall be the same as that of property taxes first collectible in the year in which such lieu payment is made: PROVIDED, That if any such lieu payment cannot be so apportioned the apportionment shall be made on such basis as the (~~((tax commission))~~) department of revenue shall deem equitable and proper.

Sec. 213. Section 84.72.030, chapter 15, Laws of 1961 and RCW 84.72.030 are each amended to read as follows:

The (~~((tax commission))~~) department of revenue may indicate either the exact apportionment to taxing units or it may direct in general terms that county treasurers shall apportion any such lieu payment in the manner provided in RCW 84.72.020. In either event the (~~((tax commission))~~) department of revenue shall certify to the state treasurer the basis of apportionment and the state treasurer shall thereupon forthwith transmit any such lieu payment, together with a statement of the basis of apportionment, to the county treasurer in accordance with such certification.

Sec. 214. Section 4, chapter 106, Laws of 1967 and RCW 90.50.040 are each amended to read as follows:

The water pollution control facilities bond redemption fund is hereby created in the state treasury, which fund shall be exclusively devoted to the payment of interest on and retirement of the bonds authorized by this chapter. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet bond retirement and interest requirements and on July 1st of each year the state treasurer shall deposit such amount in said water pollution control facilities redemption fund from moneys transmitted to the state treasurer by the (~~((tax commission))~~) department of revenue and certified by the (~~((tax commission))~~) department of revenue to be sales tax collections and such amount certified by the state finance committee to the state treasurer shall be a prior charge against all retail sales tax

revenues of the state of Washington, except that portion thereof heretofore pledged for the payment of bond principal and interest.

The owner and holder of each of said bonds or the trustee for any of the bonds may by mandamus or other appropriate proceeding require and compel the transfer and payment of funds as directed herein.

NEW SECTION. Sec. 215. If any provision of this 1975 amendatory 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.

**NEW SECTION. Sec. 216. This 1975 amendatory act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.*

**Sec. 216. was vetoed, see message at end of chapter.*

NEW SECTION. Sec. 217. The legislature hereby reaffirms its singular intent under this amendatory act to change the designation of the state tax commission to the department of revenue or the board of tax appeals, as the case may be, and to make explicit its intent that no rights, duties, obligations or benefits, of whatsoever kind, are to be construed as changed as a result of the enactment hereof.

Passed the House March 14, 1975.

Passed the Senate May 31, 1975.

Approved by the Governor July 2, 1975 with the exception of section 216 which is vetoed.

Filed in Office of Secretary of State July 2, 1975.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to one section House Bill No. 354 entitled:

"AN ACT Relating to conforming state statutes to reflect the transfer of powers, duties and functions from the state tax commission to the department of revenue or to the board of tax appeals."

Section 216 declares an emergency and provides for the act to take effect immediately. I have, on several recent occasions, expressed my increasing apprehension over repeated and unwarranted use of emergency clauses in bills that do not measure up to the standard of urgency contained in Article II, section 1(b) of our Constitution. I have vetoed emergency clauses from such bills, and must do so again for the same reason in the case of this bill.

With the exception of section 216 which I have vetoed, the remainder of House Bill No. 354 is approved."

CHAPTER 279

[Substitute House Bill No. 427]

HIGHWAYS—OPERATIONS AND CAPITAL IMPROVEMENTS BUDGET

AN ACT Relating to highways; making appropriations for the operations and capital improvements of the state highway commission, the urban arterial board, and the Washington toll bridge authority; and declaring an emergency.

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