

PROVIDED, HOWEVER, That farmers shall be permitted an allowance of an additional eight thousand pounds, within the legal limits, on motor trucks or trailers, when used in the transportation of such farmer's own farm machinery between his own farm or farms and for a distance of not more than thirty-five miles from his farm or farms.

The department shall prepare a special form of application to be used by farmers applying for licenses under this section, which form shall contain a statement (~~(to be signed by the farmer)~~) to the effect that the vehicle or trailer concerned will be used subject to the limitations of this section. The department shall prepare special insignia which shall be placed upon all such vehicles or trailers to indicate that the vehicle or trailer is specially licensed, or may, in its discretion, substitute a special license plate for such vehicles or trailers for such designation.

Any person who operates such a specially licensed vehicle or trailer in transportation upon public highways in violation of the limitations of this section shall be guilty of a misdemeanor.

NEW SECTION. Sec. 2. There is added to chapter 46.16 RCW a new section to read as follows:

The department in its discretion may issue a temporary letter of authority authorizing the movement of an unlicensed vehicle or the temporary usage of a special plate for the purpose of promoting or participating in an event such as a parade, pageant, fair, convention, or other special community activity. The letter of authority may not be issued to or used by anyone for personal gain, but public identification of the sponsor or owner of the donated vehicle shall not be considered to be personal gain.

Passed the House February 7, 1977.

Passed the Senate March 2, 1977.

Approved by the Governor March 17, 1977.

Filed in Office of Secretary of State March 17, 1977.

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## CHAPTER 26

[House Bill No. 108]

### SPECIAL FUEL TAX—LICENSE, BOND—VIOLATIONS—PENALTIES

AN ACT Relating to the taxation of fuel utilized for propulsion of motor vehicles; amending section 12, chapter 175, Laws of 1971 ex. sess. as amended by section 4, chapter 156, Laws of 1973 1st ex. sess. and RCW 82.38.110; amending section 14, chapter 175, Laws of 1971 ex. sess. and RCW 82.38.130; amending section 18, chapter 175, Laws of 1971 ex. sess. as last amended by section 7, chapter 156, Laws of 1973 1st ex. sess. and RCW 82.38.170; and amending section 28, chapter 175, Laws of 1971 ex. sess. and RCW 82.38.270.

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

Section 1. Section 12, chapter 175, Laws of 1971 ex. sess. as amended by section 4, chapter 156, Laws of 1973 1st ex. sess. and RCW 82.38.110 are each amended to read as follows:

Application for a special fuel dealer's license, special fuel supplier's license or a special fuel user's license, shall be made to the department. The application shall be

filed upon a form prepared and furnished by the department and shall contain such information as the department deems necessary.

No special fuel dealer's license or special fuel user's license shall be issued to any person or continued in force unless such person has furnished bond, as defined in RCW 82.38.020, in such form as the department may require, to secure his compliance with this chapter, and the payment of any and all taxes, interest and penalties due and to become due hereunder. The requirement of furnishing a bond shall be waived provided all acquisitions of special fuel by the licensee are on a tax paid or a tax exempt basis.

The total amount of the bond or bonds required of any special fuel dealer or special fuel user shall be equivalent to twice ~~((his))~~ the estimated monthly ~~((license))~~ fuel tax, determined in such manner as the department may deem proper: PROVIDED, That the total amount of the bond or bonds shall never be less than five hundred dollars nor more than fifty thousand dollars: PROVIDED FURTHER, That special fuel dealers or special fuel users whose license is suspended or revoked for cause, shall be required to furnish bond coverage equivalent to three times the estimated monthly fuel tax.

Any person who has filed with the department a bond as a motor vehicle fuel distributor under the terms and conditions provided for in RCW 82.36.060, may extend the terms and conditions of said distributor's bond, by an approved rider or bond form, to include coverage of all liabilities and conditions imposed by this chapter upon the special fuel dealer or to the special fuel user to whom said extension is made applicable. The amount of any new bond that may be required of a dealer or user shall not exceed the maximum amount provided by RCW 82.36.060 for a motor vehicle fuel distributor's license.

Sec. 2. Section 14, chapter 175, Laws of 1971 ex. sess. and RCW 82.38.130 are each amended to read as follows:

The department may revoke the license of any special fuel dealer, special fuel supplier, or special fuel user for reasonable cause. Before revoking such license the department shall notify the licensee to show cause within ~~((ten))~~ twenty days of the date of the notice why the license should not be revoked: PROVIDED, That at any time prior to and pending such hearing the department may, in the exercise of reasonable discretion, suspend such license.

The department shall cancel any license to act as a special fuel dealer, a special fuel supplier, or a special fuel user immediately upon surrender thereof by the holder.

It shall be presumed that a special fuel dealer's bond is in effect until such time as the department notifies all licensed special fuel suppliers to the contrary by mailing to their current address of record.

Any surety on a bond furnished by a special fuel dealer or special fuel user as provided herein shall be released and discharged from any and all liability to the state accruing on such bond after the expiration of forty-five days from the date which such surety shall have lodged with the department a written request to be released and discharged, but this provision shall not operate to relieve, release, or discharge the surety from any liability already accrued or which shall accrue before the expiration of the forty-five day period. The department shall promptly, upon receiving any such request, notify the special fuel dealer or special fuel user who

furnished the bond, and unless the special fuel dealer or special fuel user shall, on or before the expiration of the forty-five day period, file a new bond, in accordance with the requirements of this section, or make a deposit in lieu thereof as provided in subsection (12) of RCW 82.38.020, the department forthwith shall cancel the special fuel dealer's or special fuel user's license.

The department may require a special fuel dealer or special fuel user to give a new or additional surety bond or to deposit additional securities of the character specified in subsection (12) of RCW 82.38.020 if, in its opinion, the security of the surety bond therefor filed by such special fuel dealer or special fuel user, or the market value of the properties deposited as security by such special fuel dealer or special fuel user, shall become impaired or inadequate. Upon failure of the special fuel dealer or special fuel user to give such new or additional surety bond or to deposit additional securities within forty-five days after being requested to do so by the department, or after he shall fail or refuse to file reports and remit or pay taxes at the intervals fixed by the department, the department forthwith shall cancel his license.

Sec. 3. Section 18, chapter 175, Laws of 1971 ex. sess. as last amended by section 7, chapter 156, Laws of 1973 1st ex. sess. and RCW 82.38.170 are each amended to read as follows:

(1) If any special fuel dealer or special fuel user fails to pay any taxes collected or due the state of Washington by said dealer or user within the time prescribed by RCW 82.38.150, said dealer or user shall pay in addition to such tax a penalty of ten percent of the amount thereof plus interest at the rate of one percent per month, or fraction thereof, from the date such tax was due until paid.

(2) If it be determined by the department that the tax reported by any special fuel dealer or special fuel user is deficient it shall proceed to assess the deficiency on the basis of information available to it and there shall be added to this deficiency a penalty of ten percent of the amount of the deficiency together with interest at the rate of one percent per month, or fraction thereof, from the date the report was due until paid: PROVIDED, That the interest charge on the unpaid excise tax shall be waived when such interest is less than five dollars: AND PROVIDED FURTHER, That the department may waive the interest on the unpaid excise tax when the interest exceeds five dollars and the department of motor vehicles determines that the cost of processing the collection of the interest exceeds the amount of interest due.

(3) If any special fuel dealer or special fuel user, whether or not he is licensed as such, fails, neglects, or refuses to file a special fuel tax report, the department shall, on the basis of information available to it, determine the tax liability of the special fuel dealer or the special fuel user for the period during which no report was filed, and to the tax as thus determined, the department shall add the penalty and interest provided in subsection (2) of this section. An assessment made by the department pursuant to this subsection or to subsection (2) of this section shall be presumed to be correct, and in any case where the validity of the assessment is drawn in question, the burden shall be on the person who challenges the assessment to establish by a fair preponderance of the evidence that it is erroneous or excessive as the case may be.

(4) If any special fuel dealer or special fuel user shall establish by a fair preponderance of evidence that his failure to file a report or pay the proper amount of tax within the time prescribed was due to reasonable cause and was not intentional or wilful, the department may waive the penalty prescribed in subsections (1), (2), and (3) of this section.

(5) If any special fuel dealer or special fuel user shall file a false or fraudulent report with intent to evade the tax imposed by this chapter, there shall be added to the amount of deficiency determined by the department a penalty equal to twenty-five percent of the deficiency together with interest at one percent per month, or fraction thereof, on such deficiency from the date such tax was due to the date of payment, in addition to the penalty provided in subsection (2) of this section and all other penalties prescribed by law: PROVIDED, That the interest charge on the unpaid excise tax shall be waived when such interest is less than five dollars: AND PROVIDED FURTHER, That the director may waive the interest on the unpaid excise tax when the interest exceeds five dollars and the department of motor vehicles determines that the cost of processing the collection of the interest exceeds the amount of interest due.

(6) Except in the case of a fraudulent report or of neglect or refusal to make a report, every deficiency shall be assessed under subsection (2) of this section within three years from the twenty-fifth day of the next succeeding calendar month following the monthly period for which the amount is proposed to be determined or within three years after the return is filed, whichever period expires the later.

(7) Any special fuel dealer or special fuel user against whom an assessment is made under the provisions of subsections (2) or (3) of this section may petition for a reassessment thereof within thirty days after service upon the special fuel dealer or special fuel user of notice thereof. If such petition is not filed within such thirty day period, the amount of the assessment becomes final at the expiration thereof.

If a petition for reassessment is filed within the thirty day period, the department shall reconsider the assessment and, if the special fuel dealer or special fuel user has so requested in his petition, shall grant such special fuel dealer or special fuel user an oral hearing and give the special fuel dealer or special fuel user ten days' notice of the time and place thereof. The department may continue the hearing from time to time. The decision of the department upon a petition for reassessment shall become final thirty days after service upon the special fuel dealer or special fuel user of notice thereof.

Every assessment made by the department shall become due and payable at the time it becomes final and if not paid to the department when due and payable, there shall be added thereto a penalty of ten percent of the amount of the tax.

(8) Any notice of assessment required by this section shall be served personally or by mail; if by mail, service shall be made by depositing such notice in the United States mail, postage prepaid addressed to the special fuel dealer or special fuel user at his address as the same appears in the records of the department.

(9) Any licensee who has had their special fuel user, special fuel dealer, special fuel supplier, or combination thereof revoked shall pay a one hundred dollar penalty prior to the issuance of a new license.

Sec. 4. Section 28, chapter 175, Laws of 1971 ex. sess. and RCW 82.38.270 are each amended to read as follows:

It shall be unlawful for any person to:

- (1) Refuse, or knowingly and intentionally fail to make and file any statement required by this chapter in the manner or within the time required;
- (2) Knowingly and with intent to evade or to aid in the evasion of the tax imposed herein to make any false statement or conceal any material fact in any record, return, or affidavit provided for in this chapter;
- (3) Conduct any activities requiring a license under this chapter without a license or after a license has been suspended, surrendered, canceled, or revoked;
- (4) Fail to keep and maintain the books and records required by this chapter.

Except as otherwise provided by law, any person violating any of the provisions of this chapter shall be guilty of a gross misdemeanor and shall, upon conviction thereof, be sentenced to pay a fine of not less than five hundred dollars nor more than one thousand dollars and costs of prosecution, or imprisonment for not more than one year, or both.

The fine and imprisonment provided for in this section shall be in addition to any other penalty imposed by any other provision of this chapter.

Passed the House February 21, 1977.

Passed the Senate March 4, 1977.

Approved by the Governor March 17, 1977.

Filed in Office of Secretary of State March 17, 1977.

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## CHAPTER 27

[House Bill No. 110]

### DRIVER'S LICENSE AND

### INSTRUCTION PERMIT FEES—DISTRIBUTION

AN ACT Relating to driver's license fees; and amending section 4, chapter 25, Laws of 1965 as last amended by section 20, chapter 293, Laws of 1975 1st ex. sess. and RCW 46.68.041.

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

Section 1. Section 4, chapter 25, Laws of 1965 as last amended by section 20, chapter 293, Laws of 1975 1st ex. sess. and RCW 46.68.041 are each amended to read as follows:

(1) The department shall forward all funds accruing under the provisions of chapter 46.20 RCW together with a proper identifying, detailed report to the state treasurer who shall deposit such moneys to the credit of the highway safety fund except as otherwise provided in this section.

(2) One dollar of each fee collected for a temporary instruction permit shall be deposited in the ((~~driver~~)) traffic safety education account in the general fund.

(3) Out of each fee of ((~~five~~)) six dollars collected for a driver's license, the sum of ((~~three~~)) four dollars and ten cents shall be deposited in the highway safety fund, and one dollar and ninety cents shall be deposited in the general fund.

Passed the House February 22, 1977.

Passed the Senate March 4, 1977.

Approved by the Governor March 17, 1977.

Filed in Office of Secretary of State March 17, 1977.