

the point of origin and the point of delivery to such an export elevator, wharf, dock, or ship side are located within the corporate limits of the same city or town;

~~(9) ((Amounts derived from the production, sale, or transfer of electrical energy for resale or consumption outside the state if the production or generation of such energy is subject to tax under the manufacturing classification of chapter 82.04 RCW. PROVIDED, That the exemption set forth in RCW 82.04.310 shall not be applicable to the generation or production of the electrical energy so produced, sold, or transferred. AND PROVIDED FURTHER, That no credit has been claimed as an offset to taxes imposed under RCW 82.04.240;~~

~~(10))~~ Amounts derived from the distribution of water by a nonprofit water association and used for capital improvements by that nonprofit water association.

NEW SECTION. Sec. 4. This 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 August 1, 1982.

Passed the Senate June 27, 1982.

Passed the House June 27, 1982.

Approved by the Governor July 16, 1982.

Filed in Office of Secretary of State July 16, 1982.

CHAPTER 10

[Senate Bill No. 5015]

INSURANCE PREMIUM TAX—INCREASED

AN ACT Relating to insurance premium tax; amending section .14.02, chapter 79, Laws of 1947 as last amended by section 15, chapter 35, Laws of 1982 1st ex. sess. and RCW 48.14.020; creating a new section; and declaring an emergency.

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

Section 1. Section .14.02, chapter 79, Laws of 1947 as last amended by section 15, chapter 35, Laws of 1982 1st ex. sess. and RCW 48.14.020 are each amended to read as follows:

(1) Subject to other provisions of this chapter, each authorized insurer except title insurers shall on or before the first day of March of each year pay to the state treasurer through the commissioner's office a tax on premiums. Except as provided in subsection (2) of this section, such tax shall be in the amount of two and sixteen one-hundredths percent of all premiums, excluding amounts returned to or the amount of reductions in premiums allowed to holders of industrial life policies for payment of premiums directly to an office of the insurer, collected or received by the insurer during the preceding calendar year in the case of foreign and alien insurers, and in the

amount of one and sixteen one-hundredths percent of all such premiums in the case of domestic insurers, for direct insurances, other than ocean marine and foreign trade insurances, after deducting premiums paid to policyholders as returned premiums, upon risks or property resident, situated, or to be performed in this state. For the purposes of this section the consideration received by an insurer for the granting of an annuity shall not be deemed to be a premium.

(2) In the case of insurers which require the payment by their policyholders at the inception of their policies of the entire premium thereon in the form of premiums or premium deposits which are the same in amount, based on the character of the risks, regardless of the length of term for which such policies are written, such tax shall be in the amount of two and sixteen one-hundredths percent of the gross amount of such premiums and premium deposits upon policies on risks resident, located, or to be performed in this state, in force as of the thirty-first day of December next preceding, less the unused or unabsorbed portion of such premiums and premium deposits computed at the average rate thereof actually paid or credited to policyholders or applied in part payment of any renewal premiums or premium deposits on one-year policies expiring during such year.

(3) From and after the first day of April, 1982, until and including the thirtieth day of June, 1983, an additional tax is imposed equal to the rate specified in (~~section 31 of this 1982 act~~) RCW 82.02.... (section 31, chapter 35, Laws of 1982 1st ex. sess.) multiplied by the taxes payable under subsections (1) and (2) of this section. All revenues from this additional tax shall be deposited in the state general fund.

(4) Each authorized insurer shall with respect to all ocean marine and foreign trade insurance contracts written within this state during the preceding calendar year, on or before the first day of March of each year pay to the state treasurer through the commissioner's office a tax of (~~three-quarters~~) ninety-one one-hundredths of one percent on its gross underwriting profit. Such gross underwriting profit shall be ascertained by deducting from the net premiums (i.e., gross premiums less all return premiums and premiums for reinsurance) on such ocean marine and foreign trade insurance contracts the net losses paid (i.e., gross losses paid less salvage and recoveries on reinsurance ceded) during such calendar year under such contracts. In the case of insurers issuing participating contracts, such gross underwriting profit shall not include, for computation of the tax prescribed by this subsection, the amounts refunded, or paid as participation dividends, by such insurers to the holders of such contracts.

(5) The state does hereby preempt the field of imposing excise or privilege taxes upon insurers or their agents, other than title insurers, and no county, city, town or other municipal subdivision shall have the right to impose any such taxes upon such insurers or their agents.

(6) If an authorized insurer collects or receives any such premiums on account of policies in force in this state which were originally issued by another insurer and which other insurer is not authorized to transact insurance in this state on its own account, such collecting insurer shall be liable for and shall pay the tax on such premiums.

(7) This section shall be effective as to and shall govern the payment of all taxes (~~(falling due after the effective date of this code)~~) due for calendar year 1982 and thereafter.

NEW SECTION. Sec. 2. The additional premium tax payments required by the amendment of RCW 48.14.020 by section 1 of this act shall be paid to the state treasurer through the insurance commissioner's office on March 1, 1983. Thereafter the prepayment schedule provided by RCW 48.14.025 shall apply.

NEW SECTION. Sec. 3. This 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.

Passed the Senate June 27, 1982.

Passed the House June 27, 1982.

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Filed in Office of Secretary of State July 16, 1982.

CHAPTER 11

[Senate Bill No. 5021]

1981-83 BUDGET—APPROPRIATION MODIFICATIONS—EARLY RETIREES—REEMPLOYMENT PROHIBITION

AN ACT Relating to appropriations; modifying appropriations and expenditures for the operations and capital projects of state agencies for the fiscal biennium beginning July 1, 1981, and ending June 30, 1983; amending section 4, chapter 340, Laws of 1981 as last amended by section 2, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 5, chapter 340, Laws of 1981 as last amended by section 3, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 6, chapter 340, Laws of 1981 as last amended by section 4, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 7, chapter 340, Laws of 1981 as last amended by section 5, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 8, chapter 340, Laws of 1981 as last amended by section 6, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 9, chapter 340, Laws of 1981 as last amended by section 7, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 10, chapter 340, Laws of 1981 as last amended by section 8, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 11, chapter 340, Laws of 1981 as last amended by section 9, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 12, chapter 340, Laws of 1981 as last amended by section 10, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 13, chapter 340, Laws of 1981 as last amended by section 11, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 14, chapter 340, Laws of 1981 as last amended by section 12, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 15, chapter 340, Laws of 1981 as last amended by section 13, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 16, chapter 340, Laws of 1981 as last amended by section 14, chapter 50, Laws of 1982 1st ex. sess. (uncodified); amending section 17, chapter 340,