

branch office although they are physically divided by a city street, may, if a major redevelopment project for upgrading the central business district pursuant to a redevelopment plan is adopted or approved by a duly constituted municipal planning body or other appropriate governmental authority and concurred in by the supervisor of banking, petition the supervisor of banking for the relocation of the branch office to a location within such redevelopment project not in excess of eight hundred feet from the former location of the branch office, and such branch office may retain and operate the single drive-in facility at its existing location as a separate facility: PROVIDED, That such drive-in facility shall be limited to the customary paying and receiving functions, shall not be considered as a branch in and of itself, and shall not engage in any other banking business: PROVIDED FURTHER, That any action sought to be taken pursuant to the authority of this section, whether by a national bank or a state-chartered bank, shall be subject, in its entirety, to the prior approval of the supervisor of banking, who shall base his approval or disapproval of such action upon the protection of public and private funds and the public safety and welfare.

NEW SECTION. Sec. 8. There is added to chapter 30.12 RCW a new section to read as follows:

The articles of incorporation of any bank or trust company organized under this title may limit or permit the preemptive rights of a shareholder to acquire unissued shares of the corporation and may thereafter by amendment limit, deny, or grant to shareholders of any class of stock the preemptive right to acquire additional shares of the corporation whether then or thereafter authorized.

Passed the House March 7, 1979.

Passed the Senate March 2, 1979.

Approved by the Governor March 23, 1979.

Filed in Office of Secretary of State March 23, 1979.

CHAPTER 107

[House Bill No. 846]

DEPARTMENT OF REVENUE—STATUTORY DEVOLUTION

AN ACT Relating to state government; amending section 1, chapter 286, Laws of 1957 as amended by section 20, chapter 26, Laws of 1967 ex. sess. and RCW 19.91.010; amending section 19, chapter 286, Laws of 1957 as amended by section 1, chapter 172, Laws of 1959 and RCW 19.91.190; amending section 1, chapter 165, Laws of 1975 1st ex. sess. and RCW 33.20.035; amending section 43.30.010, chapter 8, Laws of 1965 and RCW 43.30.010; amending section 43.30.120, chapter 8, Laws of 1965 and RCW 43.30.120; amending section 1, chapter 385, Laws of 1955 as amended by section 27, chapter 26, Laws of 1967 ex. sess. and RCW 63.28.070; amending section 1, chapter 140, Laws of 1953 and RCW 76.40.015; amending section 13, chapter 140, Laws of 1953 and RCW 76.40.016; amending section 82.02.010, chapter 15, Laws of 1961 as amended by section 14, chapter 26, Laws of 1967 ex. sess. and RCW 82.02.010; amending section 82.44.010, chapter 15, Laws of 1961 as last amended by section 54, chapter 299, Laws of 1971 ex. sess. and RCW 82.44.010; amending section 82.50.010, chapter 15, Laws of 1961 as last

amended by section 6, chapter 22, Laws of 1977 ex. sess. and RCW 82.50.010; amending section 2, chapter 125, Laws of 1967 and RCW 82.56.020; amending section 83.01.010, chapter 15, Laws of 1961 as amended by section 15, chapter 26, Laws of 1967 ex. sess. and RCW 83.01.010; amending section 83.16.080, chapter 15, Laws of 1961 as amended by section 11, chapter 292, Laws of 1961 and RCW 83.16.080; amending section 13, chapter 292, Laws of 1961 as amended by section 149, chapter 81, Laws of 1971 and RCW 83.24.020; amending section 83.28.030, chapter 15, Laws of 1961 and RCW 83.28.030; amending section 83.28.060, chapter 15, Laws of 1961 and RCW 83.28.060; amending section 83.28.070, chapter 15, Laws of 1961 and RCW 83.28.070; amending section 15, chapter 292, Laws of 1961 and RCW 83.32.020; amending section 16, chapter 292, Laws of 1961 and RCW 83.32.030; amending section 83.32.050, chapter 15, Laws of 1961 as amended by section 150, chapter 81, Laws of 1971 and RCW 83.32.050; amending section 20, chapter 292, Laws of 1961 as amended by section 2, chapter 132, Laws of 1971 ex. sess. and RCW 83.40.020; amending section 21, chapter 292, Laws of 1961 and RCW 83.40.030; amending section 83.44.110, chapter 15, Laws of 1961 as amended by section 22, chapter 292, Laws of 1961 and RCW 83.44.110; adding new sections to chapter 84.04 RCW; repealing section 19, chapter 26, Laws of 1967 ex. sess. and RCW 11.08.005; repealing section 84.04.110, chapter 15, Laws of 1961, section 16, chapter 26, Laws of 1967 ex. sess. and RCW 84.04.110; and declaring an emergency.

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

Section 1. Section 1, chapter 286, Laws of 1957 as amended by section 20, chapter 26, Laws of 1967 ex. sess. and RCW 19.91.010 are each amended to read as follows:

When used in this chapter, the following words and phrases shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

(1) "Person" means and includes any individual, firm, association, company, partnership, corporation, joint stock company, club, agency, syndicate, municipal corporation, or other political subdivision of this state, trust, receiver, trustee, fiduciary and conservator.

(2) "Wholesaler" includes any person who:

(a) Purchases cigarettes directly from the manufacturer, or

(b) Purchases cigarettes from any other person who purchases from or through the manufacturer, for the purpose of bona fide resale to retail dealers or to other persons for the purpose of resale only, or

(c) Services retail outlets by the maintenance of an established place of business for the purchase of cigarettes, including, but not limited to, the maintenance of warehousing facilities for the storage and distribution of cigarettes.

Nothing contained herein shall prevent a person from qualifying in different capacities as both a "wholesaler" and "retailer" under the applicable provisions of this chapter.

(3) "Retailer" means and includes any person who operates a store, stand, booth, concession, or vending machine for the purpose of making sales of cigarettes at retail.

(4) (~~"Tax commission" means the department of revenue of the state of Washington.~~

~~(5))~~ "Cigarettes" means any roll for smoking made wholly or in part of tobacco, irrespective of size or shape and whether or not such tobacco is

flavored, adulterated, or mixed with any other ingredient, the wrapper or cover of which is made of paper or any other substance or material except tobacco.

~~((6))~~ (5) "Sale" means any transfer for a consideration, exchange, barter, gift, offer for sale and distribution, in any manner, or by any means whatsoever.

~~((7))~~ (6) "Sell at wholesale", "sale at wholesale" and "wholesale" sales mean and include any bona fide transfer of title to cigarettes for a valuable consideration, made in the ordinary course of trade or in the usual conduct of the wholesaler's business, to a retailer for the purpose of resale.

~~((8))~~ (7) "Sell at retail", "sale at retail" and "retail sales" mean and include any transfer of title to cigarettes for a valuable consideration, made in the ordinary course of trade or usual conduct of the seller's business, to the purchaser for consumption or use.

~~((9))~~ (8) "Basic cost of cigarettes" means the invoice cost of cigarettes to the retailer or wholesaler, as the case may be, or the replacement cost of cigarettes to the retailer or wholesaler, as the case may be, in the quantity last purchased, whichever is lower, less all trade discounts and customary discounts for cash, to which shall be added the full face value of any stamps which may be required by any cigarette tax act of this state and by ordinance of any municipality thereof, now in effect or hereafter enacted, if not already included by the manufacturer in his list price.

~~((10))~~ (9) (a) The term "cost to the wholesaler" means the "basic cost of cigarettes" to the wholesaler plus the "cost of doing business by the wholesaler" which said cost of doing business amount shall be expressed percentage-wise in the ratio that said wholesalers "cost of doing business" bears to said wholesalers dollar volume per annum, and said "cost of doing business by the wholesaler" shall be evidenced and determined by the standards and methods of accounting regularly employed by him in his allocation of overhead costs and expenses, paid or incurred, and must include, without limitation, labor costs (including reasonable salaries for partners, executives, and officers), rent, depreciation, selling cost, maintenance of equipment, delivery costs, all types of licenses, taxes, insurance and advertising.

(b) In the absence of the filing with the department of revenue of satisfactory proof of a lesser or higher cost of doing business by the wholesaler making the sale, the "cost of doing business by the wholesaler" shall be presumed to be four percent of the "basic cost of cigarettes" to the wholesaler, plus cartage to the retail outlet, if performed or paid for by the wholesaler, which cartage cost, in the absence of the filing with the department of revenue of satisfactory proof of a lesser or higher cost, shall be deemed to be one-half of one percent of the "basic cost of cigarettes" to the wholesaler.

~~((+))~~ (10) (a) The term "cost to the retailer" means the "basic cost of cigarettes" to the retailer plus the "cost of doing business by the retailer" which said cost of doing business amount shall be expressed percentage-wise in the ratio that said retailers "cost of doing business" bears to said retailers dollar volume per annum, and said "cost of doing business by the retailer" shall be evidenced and determined by the standards and methods of accounting regularly employed by him in his allocation of overhead costs and expenses, paid or incurred, and must include, without limitation, labor (including reasonable salaries for partners, executives, and officers), rent, depreciation, selling costs, maintenance of equipment, delivery costs, all types of licenses, taxes, insurance and advertising: PROVIDED, That any retailer who, in connection with the retailer's purchase, receives not only the discounts ordinarily allowed upon purchases by a retailer but also, in whole or in part, discounts ordinarily allowed upon purchases by a wholesaler shall, in determining "cost to the retailer", pursuant to this subdivision, add the "cost of doing business by the wholesaler," as defined in subdivision ~~((+))~~ (9) of this section, to the "basic cost of cigarettes" to said retailer, as well as the "cost of doing business by the retailer".

(b) In the absence of the filing with the department of revenue of satisfactory proof of a lesser or higher cost of doing business by the retailer making the sale, the "cost of doing business by the retailer" shall be presumed to be ten percent of the "basic cost of cigarettes" to the retailer.

(c) In the absence of the filing with the department of revenue of satisfactory proof of a lesser or higher cost of doing business, the "cost of doing business by the retailer", who, in connection with the retailer's purchase, receives not only the discounts ordinarily allowed upon purchases by a retailer but also, in whole or in part, the discounts ordinarily allowed upon purchases by a wholesaler, shall be presumed to be ten percent of the sum of the "basic cost of cigarettes" and the "cost of doing business by the wholesaler".

~~((+))~~ (11) "Business day" means any day other than a Sunday or a legal holiday.

Sec. 2. Section 19, chapter 286, Laws of 1957 as amended by section 1, chapter 172, Laws of 1959 and RCW 19.91.190 are each amended to read as follows:

All fees and penalties received or collected by the ~~((commission))~~ department of revenue pursuant to the provisions of this chapter shall be paid to the state treasurer, to be credited to the general fund.

Sec. 3. Section 1, chapter 165, Laws of 1975 1st ex. sess. and RCW 33-20.035 are each amended to read as follows:

In addition to any other powers and duties authorized by law, upon the death of any person having funds held by or on deposit with any state-

chartered savings and loan association, such association 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 association 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]~~)) department of revenue to such payment or receipt for payment of any inheritance tax due has been received by such savings and loan association: 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 association 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 savings and loan association 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 association shall be sufficient proof of such publication.

This section shall be applicable to federally-chartered savings and loan associations operating within the state insofar as federal law and rules and regulations promulgated thereunder so permit.

Sec. 4. Section 43.30.010, chapter 8, Laws of 1965 and RCW 43.30.010 are each amended to read as follows:

The purpose of this chapter is to provide for more effective and efficient management of the forest and land resources in the state by consolidating into a department of natural resources certain powers, duties and functions of the division of forestry of the department of conservation and development, the board of state land commissioners, the state forest board, all state sustained yield forest committees, director of conservation and development, state capitol committee, director of ~~((licenses))~~ licensing, secretary of state, ~~((tax-commission))~~ director of revenue, and commissioner of public lands.

Sec. 5. Section 43.30.120, chapter 8, Laws of 1965 and RCW 43.30.120 are each amended to read as follows:

The department shall exercise the powers, duties and functions of the director of ~~((licenses))~~ licensing and the ~~((tax-commission))~~ director of revenue of the state of Washington with respect to log patrols, as set forth in chapter 76.40 RCW, and such powers, duties and functions are hereby transferred to the department.

Sec. 6. Section 1, chapter 385, Laws of 1955 as amended by section 27, chapter 26, Laws of 1967 ex. sess. and RCW 63.28.070 are each amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Banking organization" means any bank, trust company, savings bank or land bank engaged in business in this state.

(2) "Business association" means any corporation (other than a public corporation), joint stock company, business trust, partnership, or any association for business purposes of two or more individuals.

(3) "Financial organization" means any savings and loan association, building and loan association, industrial loan company, small loan company, credit union or investment company engaged in business in this state.

(4) "Holder" means any person in possession of property subject to this chapter belonging to another, or who is trustee in case of a trust, or is indebted to another on an obligation subject to this chapter.

(5) "Life insurance corporation" means any association or corporation transacting within this state the business of insurance on the lives of persons or insurance appertaining thereto, including, but not by way of limitation, endowments and annuities.

(6) "Owner" means a depositor in case of a deposit, a beneficiary in case of a trust, or creditor, claimant, or payee in case of other choses in action, or any person having a legal or equitable interest in property subject to this chapter, or his legal representative.

(7) "Person" means any individual, business association, government or political subdivision, public corporation, public authority, estate, trust, two or more persons having a joint or common interest, or any other legal or commercial entity.

(8) "Utility" means any person who owns or operates within this state, for public use, any plant, equipment, property, franchise, or license for the transmission of communications or the production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam, or gas.

~~((9) "Tax commission" means the department of revenue of the state of Washington.))~~

Sec. 7. Section 1, chapter 140, Laws of 1953 and RCW 76.40.015 are each amended to read as follows:

The ~~((tax commission))~~ department of revenue shall create, maintain and administer outside the state treasury a permanent revolving fund, to be known as the "log patrol revolving fund," in which shall be deposited all moneys received by it under this chapter. Such revolving fund shall be used to pay the salaries, wages and other operating expenses arising under the administration of this chapter, and whenever there are moneys in excess of ten thousand dollars in the revolving fund, such excess moneys shall, at the end of each bimonthly period commencing July 1, 1953, be remitted by the ~~((tax commission))~~ department of revenue to the state treasurer, and shall be deposited to the credit of the permanent school fund.

Before any payroll or expense voucher is charged against the revolving fund, it shall be signed by the supervisor of forestry and approved by the ~~((tax commission))~~ department of revenue. All moneys shall be paid from the revolving fund by check or voucher.

Sec. 8. Section 13, chapter 140, Laws of 1953 and RCW 76.40.016 are each amended to read as follows:

~~((There is hereby appropriated from the general fund to the tax commission the sum of ten thousand dollars, or so much thereof as may be necessary, to be used under the supervision of the supervisor of forestry, for the payment of salaries, wages and operating expenses incurred in the administration of this chapter: PROVIDED, That whenever sufficient moneys are deposited in the log patrol revolving fund to pay))~~ Current expenses arising under the administration of this chapter ~~((, such expenses))~~ shall ~~((thereafter))~~ be paid from ~~((said))~~ the log patrol revolving fund ~~((: PROVIDED FURTHER, That before any moneys are remitted to the state treasurer under the provisions of RCW 76.40.015, ten thousand dollars shall be returned to the state general fund))~~.

Sec. 9. Section 82.02.010, chapter 15, Laws of 1961 as amended by section 14, chapter 26, Laws of 1967 ex. sess. and RCW 82.02.010 are each amended to read as follows:

For the purpose of this title, unless otherwise required by the context:

(1) ~~((The terms "tax commission", "department of revenue," "state board of equalization" and "revenue department" and the words "commission" and))~~ "Department" means the department of revenue of the state of Washington;

(2) The word "director" means the director of the department of revenue of the state of Washington;

(3) The word "taxpayer" includes any individual, group of individuals, corporation, or association liable for any tax or the collection of any tax hereunder, or who engages in any business or performs any act for which a tax is imposed by this title;

(4) Words in the singular number shall include the plural and the plural shall include the singular. Words in one gender shall include all other genders.

Sec. 10. Section 82.44.010, chapter 15, Laws of 1961 as last amended by section 54, chapter 299, Laws of 1971 ex. sess. and RCW 82.44.010 are each amended to read as follows:

For the purposes of this chapter, unless context otherwise requires:

"Motor vehicle" means all motor vehicles, trailers and semitrailers used, or of the type designed primarily to be used, upon the public streets and highways, for the convenience or pleasure of the owner, or for the conveyance, for hire or otherwise, of persons or property, including fixed loads and facilities for human habitation; but shall not include (1) vehicles carrying exempt licenses, (2) dock and warehouse tractors and their cars or trailers, lumber carriers of the type known as spiders, and all other automotive equipment not designed primarily for use upon public streets, or highways, (3) motor vehicles or their trailers used entirely upon private property, (4) mobile homes and travel trailers as defined in RCW 82.50.010, or (5) motor vehicles owned by nonresident military personnel of the armed forces of the United States stationed in the state of Washington provided personnel were also nonresident at the time of their entry into military service.

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

Sec. 11. Section 82.50.010, chapter 15, Laws of 1961 as last amended by section 6, chapter 22, Laws of 1977 ex. sess. and RCW 82.50.010 are each amended to read as follows:

"Mobile home" means a structure, transportable in one or more sections, which is thirty-two body feet or more in length and is eight body feet or more in width, and which is built on a permanent chassis, and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein, except as hereinafter specifically excluded, and excluding modular homes as defined below.

"Travel trailer" means all trailers of the type designed to be used upon the public streets and highways which are capable of being used as facilities for human habitation and which are less than thirty-two body feet in length and eight body feet or less in width, except as may be hereinafter specifically excluded.

"Modular home" means any factory-built housing designed primarily for residential occupancy by human beings which does not contain a permanent frame and must be mounted on a permanent foundation.

"Camper" means a structure designed to be mounted upon a motor vehicle which provides facilities for human habitation or for temporary outdoor or recreational lodging and which is five feet or more in overall length and five feet or more in height from its floor to its ceiling when fully extended, but shall not include motor homes as defined in this section.

"Motor homes" means motor vehicles originally designed, reconstructed, or permanently altered to provide facilities for human habitation.

~~("Commission" means the department of revenue of the state.)~~

"Director" means the director of ~~((motor vehicles))~~ licensing of the state.

Sec. 12. Section 2, chapter 125, Laws of 1967 and RCW 82.56.020 are each amended to read as follows:

The ~~((chairman of the Washington state tax commission or the))~~ director of ~~((its successor department))~~ revenue shall represent this state on the multistate tax commission.

Sec. 13. Section 83.01.010, chapter 15, Laws of 1961 as amended by section 15, chapter 26, Laws of 1967 ex. sess. and RCW 83.01.010 are each amended to read as follows:

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

(1) ~~("Supervisor")~~ "Director" means and refers to the director of revenue of the state of Washington;

(2) ~~(("Tax commission", "commission" or))~~ "Department" means the department of revenue of the state of Washington;

(3) "Taxpayer" includes any individual, group of individuals, corporation, or association liable for any tax or the collection of any tax under the provisions of this title, or who engages in any business or performs any act for which a tax is imposed by this title;

(4) Words in the singular number shall include the plural and the plural shall include the singular;

(5) Words in one gender shall include all other genders.

Sec. 14. Section 83.16.080, chapter 15, Laws of 1961 as amended by section 11, chapter 292, Laws of 1961 and RCW 83.16.080 are each amended to read as follows:

Insurance payable upon the death of any person shall be deemed a part of the estate for the purpose of computing the inheritance tax and shall be taxable to the person, partnership, or corporation entitled thereto. Such insurance shall be taxable irrespective of the fact that the premiums of the policy have been paid by some person, partnership, or corporation other than the insured, or paid out of the income accruing from principal provided by the assured for such payment, whether such principal was donated in

trust or otherwise: PROVIDED, HOWEVER, That there is exempt from the total amount of insurance receivable by all beneficiaries other than the executor, administrator or representative of the estate, regardless of the number of policies, the sum of forty thousand dollars and no more.

Where more than one beneficiary is entitled to the benefit of the provisions of this section exempting forty thousand dollars of the proceeds of insurance policies payable upon death, the benefit of such exemption shall be apportioned among such beneficiaries ratably and proportionately: PROVIDED, That where there is fraternal benefit society insurance payable upon the death of the decedent and other insurance payable upon the death of the decedent, the forty thousand dollars exemption shall first be taken from the fraternal benefit society insurance and if the same does not equal forty thousand dollars, then the balance of the forty thousand shall be prorated among other policies.

The inheritance tax upon the proceeds of any insurance policy shall be a lien upon the proceeds of such policy in the hands or possession of the estate of the deceased insured or in the hands or possession of any other beneficiary under such policy to whom such proceeds may have been paid: PROVIDED, That when proceeds of insurance payable upon death, or receivable by a beneficiary other than the executor or representative, the executor or representative shall recover from such beneficiary the tax due upon such proceeds of such policy or policies. The ((supervisor)) director shall have power to release such lien with respect to all or any part of such proceeds if he be satisfied that the collection of the tax will not thereby be jeopardized.

Nothing in the inheritance tax provisions of this title shall prevent the payment by any insurance company, association or society of the proceeds of any policy upon the death of a decedent to the person entitled thereto, except where prior to such payment the ((supervisor)) director has notified the company that the state is claiming a lien thereon payment shall be deferred until the tax has been paid.

Sec. 15. Section 13, chapter 292, Laws of 1961 as amended by section 149, chapter 81, Laws of 1971 and RCW 83.24.020 are each amended to read as follows:

Any person who may feel aggrieved by the determination of the department of revenue as provided for in RCW 83.24.010 may file a petition with the superior court of the county wherein the decedent resided, which petition 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 to give the court jurisdiction. The court shall thereupon set a day for hearing said petition and a copy thereof, together with a notice of the time and place of such hearing, shall be served by the petitioner or his attorney upon the ((supervisor of the inheritance tax division)) director and on each person interested in said property at least twenty days before the date of

hearing, if served personally, and if served by publication the service shall be the same as the service of summons by publication in civil action. The court shall hear said matter upon the relation of the parties, the testimony of witnesses and evidence produced in open court, and, if it shall be found that the property is not subject to any tax, the court shall make and enter an order determining that fact, but, if it shall appear that the whole or any part of said property is subject to a tax, the same shall be appraised and the tax levied and collected as in other cases. An adjudication by the superior court, as herein provided, shall be conclusive as to the lien of said tax, subject to the right of appeal to the supreme court or the court of appeals as allowed by the laws of the state.

Sec. 16. Section 83.28.030, chapter 15, Laws of 1961 and RCW 83.28-.030 are each amended to read as follows:

Upon the completion of the investigation by the ((supervisor)) director he shall file his findings with the clerk of the superior court in the matter of the estate of the decedent, showing the value of the estate and the amount of inheritance tax chargeable against or a lien upon such interest, acquired by virtue of said probate proceedings or by any transfer within the meaning of the inheritance tax provisions of this title, to any person, institution or corporation acquiring any property by virtue of said probate proceedings, or by any transfer within the meaning of the inheritance tax provisions of this title, and shall find the total amount of tax due the state of Washington, which shall be a claim against the estate and a lien upon all the property of the estate until same is paid.

Sec. 17. Section 83.28.060, chapter 15, Laws of 1961 and RCW 83.28-.060 are each amended to read as follows:

At any time prior to the making of such order any person interested in such proceeding may file objections in writing with the clerk of the superior court, and serve a copy thereof upon the ((supervisor)) director, and the same shall be noted for trial before the court and a hearing had thereon as provided for hearings in probate matters.

Sec. 18. Section 83.28.070, chapter 15, Laws of 1961 and RCW 83.28-.070 are each amended to read as follows:

Upon the hearing of said objections, the court shall make such order as to it may seem meet and proper in the premises: PROVIDED, That for the purposes of said hearing the report of the ((supervisor)) director shall be presumed to be correct and it shall be the duty of the objector or objectors to proceed in support of said objection or objections.

Sec. 19. Section 15, chapter 292, Laws of 1961 and RCW 83.32.020 are each amended to read as follows:

The said ((supervisor)) director or agent at the time and place in said citation named, or at such time and place to which he may adjourn said hearing, shall proceed to examine said person or persons, and such witnesses

as he may subpoena before him and for the purpose of said hearing, and for the purpose of ascertaining any facts concerning the taxability of said transfer or any taxes due on account of such transfer, said ~~((supervisor))~~ director or agent shall have the powers of a superior court to issue subpoenas compelling the attendance of witnesses before him and to administer oaths and take the evidence of such witnesses under oath concerning such property and the value thereof, and concerning such transfer.

Sec. 20. Section 16, chapter 292, Laws of 1961 and RCW 83.32.030 are each amended to read as follows:

Said ~~((supervisor))~~ director or agent shall enter his findings and conclusions in relation to said transfer and said tax, fix and determine the amount of inheritance tax, if any, due the state of Washington, and file his findings in which shall be set forth the amount of inheritance tax due the state of Washington, with the clerk of the superior court of such county.

Sec. 21. Section 83.32.050, chapter 15, Laws of 1961 as amended by section 150, chapter 81, Laws of 1971 and RCW 83.32.050 are each amended to read as follows:

Should the court determine that the property described in the findings is subject to the lien of the said tax and that said property has been transferred within the meaning of the inheritance provisions of this title, the court shall afford affirmative relief to the state in said action and a 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.

No fee shall be charged against the state, the department of revenue or the ~~((supervisor))~~ director by any officer in this state in any proceeding taken under the inheritance tax provisions of this title, nor shall any bond or undertaking be required in any such proceeding.

The orders, decrees, and judgments, fixing tax or determining that no tax is due, shall have the force and effect of judgments in civil actions, and the state or any interested party may appeal to the supreme court or the court of appeals.

The lien of a judgment rendered as provided by this section shall be and remain a lien from the date of entry thereof for six years unless sooner paid, irrespective of the provisions of RCW 83.04.010, as amended.

Sec. 22. Section 20, chapter 292, Laws of 1961 as amended by section 2, chapter 132, Laws of 1971 ex. sess. and RCW 83.40.020 are each amended to read as follows:

The executor or administrator of every decedent whose estate may be subject to the federal estate tax or to the inheritance tax laws of the state of Washington, shall file ~~((in the office of the supervisor of the inheritance tax division))~~ with the director within nine months after the death of such decedent, if such death occurred subsequent to December 31, 1970 and within

fifteen months after the death of such decedent, if such death occurred on or prior to December 31, 1970, one copy of the federal estate tax return and inventory provided for in the federal estate tax act, and in like manner, one copy of all supplemental or amended returns and inventories filed with the federal government.

Sec. 23. Section 21, chapter 292, Laws of 1961 and RCW 83.40.030 are each amended to read as follows:

Said executor or administrator shall also file (~~in the office of the supervisor of the inheritance tax division~~) with the director a copy of the corrected inventory and appraisal of the estate and the total amount of federal estate tax thereon, as finally determined by the federal government.

Sec. 24. Section 83.44.110, chapter 15, Laws of 1961 as amended by section 22, chapter 292, Laws of 1961 and RCW 83.44.110 are each amended to read as follows:

An executor, administrator or trustee shall not be discharged from liability for such inheritance tax, nor shall a decree of distribution be entered, nor said estate, nor any part of said estate, be distributed until a receipt showing that the inheritance tax is paid, or written waiver executed by the (~~supervisor~~) director showing that the estate is not subject to inheritance tax, or written acknowledgment by the (~~supervisor~~) director that provision for payment of the tax has been made to his satisfaction, is filed with the clerk of the court, or the court having jurisdiction over such estate shall have determined as herein provided that such estate is not liable to pay an inheritance tax.

NEW SECTION. Sec. 25. There is added to chapter 84.04 RCW a new section to read as follows:

"Department" means the department of revenue of the state of Washington.

NEW SECTION. Sec. 26. There is added to chapter 84.04 RCW a new section to read as follows:

The state "board of equalization" means the department of revenue of the state of Washington.

NEW SECTION. Sec. 27. The following acts or parts of acts are each repealed:

(1) Section 19, chapter 26, Laws of 1967 ex. sess. and RCW 11.08.005; and

(2) Section 84.04.110, chapter 15, Laws of 1961, section 16, chapter 26, Laws of 1967 ex. sess. and RCW 84.04.110.

NEW SECTION. Sec. 28. 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 House February 21, 1979.

Passed the Senate March 8, 1979.

Approved by the Governor March 23, 1979.

Filed in Office of Secretary of State March 23, 1979.

CHAPTER 108

[House Bill No. 754]

WORKERS' COMPENSATION BENEFITS—ADJUSTMENTS

AN ACT Relating to the adjustment of workers' compensation benefits; and amending section 2, chapter 286, Laws of 1975 1st ex. sess. as amended by section 2, chapter 202, Laws of 1977 ex. sess. and RCW 51.32.075.

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

Section 1. Section 2, chapter 286, Laws of 1975 1st ex. sess. as amended by section 2, chapter 202, Laws of 1977 ex. sess. and RCW 51.32.075 are each amended to read as follows:

~~((Effective July 1 of each year,))~~ The compensation or death benefits payable pursuant to the provisions of this chapter(;) for temporary total disability, permanent total disability, or death arising out of injuries or occupational diseases shall be adjusted as follows:

(1) On July 1, 1979, there shall be an adjustment for those whose right to compensation was established on or after July 1, 1971, and before July 1, ((1975, an initial)) 1979. The adjustment shall be determined by multiplying the amount of compensation to which they are entitled by a fraction, the denominator of which shall be the maximum amount of compensation payable for the fiscal year in which such person's right to compensation was established, and the numerator of which shall be the maximum amount of compensation payable on ((September 21, 1977)) July 1, 1979.

(2) In addition to the adjustment established by subsection (1) of this section, there shall be another adjustment on July 1, 1980, for those whose right to compensation was established on or after July 1, ((1975)) 1971, and before July 1, ((1977, an initial adjustment)) 1980, which shall be determined by multiplying the amount of compensation to which they are entitled by a fraction, the denominator of which shall be the maximum amount of compensation payable for the fiscal year in which such person's right to compensation was established, and the numerator of which shall be the maximum amount of compensation payable on ((September 21, 1977)) July 1, 1980.

Passed the House February 22, 1979.

Passed the Senate March 2, 1979.

Approved by the Governor March 26, 1979.

Filed in Office of Secretary of State March 26, 1979.