

NEW SECTION. Sec. 3. Section 2 of this act shall take effect September 1, 1989.

Passed the House March 8, 1989.

Passed the Senate April 7, 1989.

Approved by the Governor April 27, 1989.

Filed in Office of Secretary of State April 27, 1989.

## CHAPTER 193

[House Bill No. 1690]

### MOTOR VEHICLE FUEL TAX—EXEMPTIONS

AN ACT Relating to the motor vehicle fuel tax; amending RCW 82.36.230, 82.38.030, and 82.42.030; adding a new section to chapter 82.36 RCW; repealing RCW 82.36.302; and declaring an emergency.

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

Sec. 1. Section 82.36.230, chapter 15, Laws of 1961 as last amended by section 2, chapter 156, Laws of 1971 ex. sess. and RCW 82.36.230 are each amended to read as follows:

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

To claim any exemption from taxes under this section on account of ~~((the exportation))~~ sales by a licensed distributor of motor vehicle fuel ~~((by a distributor other than deliveries in his own equipment, such distributor shall execute an export certificate in such form as shall be furnished by the director, containing a statement, made by some person having actual knowledge of the fact of exportation, that the motor vehicle fuel has been exported from the state, and giving such details with reference to such~~

shipment as the director may require. All export certificates must be completed and filed with the director within three months of the end of the calendar month in which the shipments to which they relate were made, unless the state, territory or country of destination would not be prejudiced with respect to its collection of taxes thereon if the certificate is not filed within such time. The director may, in cases where it is believed no useful purpose would be served by filing of an export certificate, waive the certificate. ~~PROVIDED, That the director for good cause shall have the right to rescind the previous authorization for waiver of the export certificate. Failure to file the certificate within the time required by this section shall not preclude the distributor from filing a claim for refund on motor vehicle fuel exported as provided in RCW 82.36.310 or otherwise in chapter 82.36 RCW, with such information as the director may require to support the validity of such claim))~~ for export, the purchaser shall obtain from the selling distributor, and such selling distributor must furnish the purchaser, an invoice giving such details of the sale for export as the director may require, copies of which shall be furnished the department and the entity of the state or foreign jurisdiction of destination which is charged by the laws of that state or foreign jurisdiction with the control or monitoring, or both, of the sales or movement of motor vehicle fuel in that state or foreign jurisdiction.

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

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

The director may at any time require of any distributor any information (~~he~~) the director deems necessary to determine the validity of the claimed exemption, and failure to supply such data will constitute a waiver

of all right to the exemption claimed. The director is hereby empowered with full authority to promulgate rules and regulations and to prescribe forms to be used by distributors in reporting to the director so as to prevent evasion of the tax imposed by this chapter.

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

**NEW SECTION.** Sec. 2. A new section is added to chapter 82.36 RCW to read as follows:

Sales of motor vehicle fuel to qualified foreign diplomatic and consular missions and their qualified personnel, made under rules prescribed by the director, are exempt from the tax imposed under this chapter if the foreign government represented grants an equivalent exemption to missions and personnel of the United States performing similar services in the foreign country. Only those foreign diplomatic and consular missions and their personnel which are determined by the United States department of state as eligible for the tax exemption, may claim this exemption under rules prescribed by the director.

Sec. 3. Section 4, chapter 175, Laws of 1971 ex. sess. as last amended by section 30, chapter 49, Laws of 1983 1st ex. sess. and RCW 82.38.030 are each amended to read as follows:

(1) There is hereby levied and imposed upon special fuel users a tax at the rate computed in the manner provided in RCW 82.36.025 per gallon or each one hundred cubic feet of compressed natural gas measured at standard pressure and temperature on the use of special fuel in any motor vehicle operated upon the highways of this state during the fiscal year for which such rate is applicable.

(2) The tax shall be collected by the special fuel dealer and shall be paid over to the department as hereinafter provided: (a) With respect to all special fuel delivered by a special fuel dealer into supply tanks of motor vehicles or into storage facilities used for the fueling of motor vehicles at unbonded service stations in this state; or (b) in all other transactions where the purchaser is not the holder of a valid special fuel license issued pursuant to this chapter allowing the purchase of untaxed special fuel, except sales of special fuel for export. To claim an exemption on account of sales by a licensed special fuel dealer for export, the purchaser shall obtain from the selling special fuel dealer, and such selling special fuel dealer must furnish the purchaser, an invoice giving such details of the sale for export as the director may require, copies of which shall be furnished the department and the entity of the state or foreign jurisdiction of destination which is charged

by the laws of that state or foreign jurisdiction with the control or monitoring or both, of the sales or movement of special fuel in that state or foreign jurisdiction.

(3) The tax shall be paid over to the department by the special fuel user as hereinafter provided with respect to the taxable use of special fuel upon which the tax has not previously been imposed.

It is expressly provided that delivery of special fuel may be made without collecting the tax otherwise imposed, when such deliveries are made by a bonded special fuel dealer to special fuel users who are authorized by the department as hereinafter provided, to purchase fuel without payment of tax to the bonded special fuel dealer.

Sec. 4. Section 3, chapter 10, Laws of 1967 ex. sess. as amended by section 4, chapter 25, Laws of 1982 1st ex. sess. and RCW 82.42.030 are each amended to read as follows:

The provision of RCW 82.42.020 imposing the payment of an excise tax on each gallon of aircraft fuel sold, delivered or used in this state shall not apply to aircraft fuel sold for export, nor to aircraft fuel used for the following purposes: (1) The operation of aircraft when such use is by any air carrier or supplemental air carrier operating under a certificate of public convenience and necessity under the provisions of the Federal Aviation Act of 1958, Public Law 85-726, as amended; (2) the operation of aircraft for testing or experimental purposes; (3) the operation of aircraft when such operation is for the training of crews in Washington state for purchasers of aircraft who are certified air carriers; and (4) the operation of aircraft in the operations of a local service commuter: PROVIDED, That the director's determination as to a particular activity for which aircraft fuel is used as being an exemption under this section, or otherwise, shall be final.

To claim an exemption on account of sales by a licensed distributor of aircraft fuel for export, the purchaser shall obtain from the selling distributor, and such selling distributor must furnish the purchaser, an invoice giving such details of the sale for export as the director may require, copies of which shall be furnished the department and the entity of the state or foreign jurisdiction of destination which is charged by the laws of that state or foreign jurisdiction with the control or monitoring or both, of the sales or movement of aircraft fuel in that state or foreign jurisdiction.

**NEW SECTION.** Sec. 5. Section 59, chapter 145, Laws of 1967 ex. sess. and RCW 82.36.302 are each repealed.

**NEW SECTION.** Sec. 6. 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 April 15, 1989.

Passed the Senate April 5, 1989.

Approved by the Governor April 27, 1989.

Filed in Office of Secretary of State April 27, 1989.

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## CHAPTER 194

[House Bill No. 1776]

### VOLUNTEER FIREFIGHTERS' RELIEF AND PENSION FUNDS

AN ACT Relating to the volunteer firefighters' administrative fund; amending RCW 41.24.030; adding a new section to chapter 41.24 RCW; creating a new section; providing an effective date; and declaring an emergency.

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

Sec. 1. Section 3, chapter 261, Laws of 1945 as last amended by section 4, chapter 296, Laws of 1986 and RCW 41.24.030 are each amended to read as follows:

(1) There is created in the state treasury a trust fund for the benefit of the ~~((firemen))~~ firefighters of the state covered by this chapter, which shall be designated the volunteer ~~((firemen's))~~ firefighters' relief and pension principal fund and shall consist of:

~~((1))~~ (a) All bequests, fees, gifts, emoluments, or donations given or paid to the principal fund.

~~((2))~~ (b) An annual fee for each member of its fire department to be paid by each municipal corporation for the purpose of affording the members of its fire department with protection from death or disability as herein provided as follows:

~~((a))~~ (i) Three dollars for each volunteer or part-paid member of its fire department;

~~((b))~~ (ii) A sum equal to one-half of one percent of the annual salary attached to the rank of each full-paid member of its fire department, prorated for 1970 on the basis of services prior to March 1, 1970.

~~((3))~~ (c) Where a municipal corporation has elected to make available to the members of its fire department the retirement provisions as herein provided, an annual fee of thirty dollars for each of its ~~((firemen))~~ firefighters electing to enroll therein, ten dollars of which shall be paid by the municipality and twenty dollars of which shall be paid by the ~~((fireman))~~ firefighter.

~~((4))~~ (d) Forty percent of all moneys received by the state from taxes on fire insurance premiums shall be paid into the state treasury and credited to the administrative fund.

~~((5))~~ (e) The state investment board, upon request of the state treasurer shall invest such portion of the amounts credited to the principal fund