

SEC. 2. No probate proceedings shall be necessary to establish the right of said surviving spouse to withdraw said deposits upon the filing of said affidavit: *Provided, however,* Whenever an administrator is appointed in an estate where a withdrawal of deposits has been had in compliance with this act, the spouse so withdrawing said deposits shall account for the same to the administrator.

Probate not required.

Proviso.

Passed the House February 8, 1943.

Passed the Senate March 8, 1943.

Approved by the Governor March 18, 1943.

CHAPTER 144.

[H. B. 177.]

EXCISE TAX ON MOTOR VEHICLES AND TRAILERS.

AN ACT relating to revenue and taxation; providing for an excise tax upon certain motor vehicles and trailers in lieu of property taxes thereon, and for the allocation of revenues derived therefrom; limiting the county property tax levy for support of the common schools; prescribing certain duties of certain state and county officers and their appointees, and others; creating the Motor Vehicle Excise Fund; making an appropriation; declaring certain acts to constitute a gross misdemeanor; repealing chapter 228 of the Laws of 1937, as amended by sections 1 and 2, chapter 206, Laws of 1939 (section 6312-101 to 6312-114, inclusive, Remington's Revised Statutes); and providing when and in what manner this act shall take effect.

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

SECTION 1. Unless otherwise indicated by the context of this act, the term "motor vehicle" shall mean and include all motor vehicles, trailers and semi-trailers 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 the term shall not include (a)

"Motor vehicle" defined.

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| Exceptions. | stages or auto-freight trucks or their trailers operated as common carriers for the conveyance of passengers or freight for hire between fixed termini and over regular routes, (b) vehicles carrying exempt licenses, (c) 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, or (d) motor vehicles or their trailers used entirely upon private property. The term "Commission" or "Tax Commission" shall mean the Tax Commission of the State of Washington. |
| Definitions: "Commission". | The term "person" shall include a firm, partnership, or corporation. |
| "Person". | |
| Excise tax on motor vehicles. | SEC. 2. An excise tax is hereby imposed for the privilege of using in the State of Washington any motor vehicle, except those operated under dealer's licenses. The annual amount of such excise shall be one and one-half per cent (1½%) of the fair market value of such vehicle: <i>Provided, however,</i> That in no case shall the minimum tax be less than one dollar (\$1). |
| Per cent. | |
| Minimum tax. | |
| Dealers' tax. | SEC. 3. Every dealer in motor vehicles, for the privilege of using any motor vehicle eligible to be used under a set of dealer's license plates, shall pay an excise tax of two dollars (\$2), and such tax shall be collected upon the issuance of each original set of dealer's license plates, and also a similar tax shall be collected upon the issuance of each set of dealer's duplicate license plates, which taxes shall be in addition to any tax otherwise payable under this act. |
| Amount. | |
| Schedule to be prepared. | SEC. 4. The Tax Commission and association of County Assessors of the state shall prepare and, on or before November 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 act. Such schedule shall be based upon such information as may be available to them per- |
| Basis for schedule. | |

taining 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 section 2 of this act. In determining such fair market value, the Commission and County Assessors may use any guidebook, report or compendium of recognized standing in the automotive industry. Such 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.

Vehicles to be classified.

Guide to classification.

SEC. 5. Whenever a person shall apply to the County Auditor for a license for a motor vehicle which does not appear upon such schedule, such applicant shall be required to apply to the County Assessor of his or its county for computation of the amount of excise tax due. Upon any such application the Assessor shall appraise the vehicle at its fair market value from such automotive guidebooks or listings or other information as he may have available and ascertain the amount of excise tax by applying to such appraisal the rate of one and one-half per cent ($1\frac{1}{2}\%$) and thereupon the applicant shall be given a certificate showing the excise tax payable under this act.

Appraisal of vehicles not listed.

Assessor to appraise.

SEC. 6. The excise tax hereby imposed shall be due and payable to the County Auditor at the time of registration of a motor vehicle. Whenever an application is made to the Auditor for a license for a motor vehicle he shall then and there collect, in addition to the amount of the license fee, the amount of the excise tax imposed by this act, and no dealer's license or license plates, and no license or license

Tax payable on registration.

Calendar
year tax
period.

Fractional
year proviso.

Minimum
tax in
any case.

Taxable
only once
in year.

plates for a motor vehicle shall be issued unless and until such tax is paid in full. The excise tax hereby imposed shall be collected for each calendar year: *Provided*, That upon motor vehicles licensed for the first time in this state after March 31st of any year the excise tax imposed by this act for such year shall be reduced by one-fourth ($\frac{1}{4}$) thereof, upon vehicles licensed for the first time in this state after June 30th of any year the excise tax shall be reduced by one-half ($\frac{1}{2}$) thereof and upon vehicles licensed for the first time in this state after September 30th of any year the excise tax shall be reduced by three-fourths ($\frac{3}{4}$) thereof: *Provided*, That the minimum excise tax shall in no case be less than one dollar (\$1). No additional tax shall be imposed under this act upon any vehicle upon the transfer of ownership thereof if the tax imposed by section 2 hereof with respect to such vehicle has already been paid for the year or fraction of a year in which transfer of ownership occurs.

SEC. 7. The taxes imposed by sections 2 and 3 of this act are in addition to all other licenses and taxes otherwise imposed.

Unlawful to
issue license
without
collecting
tax.

Penalty.

SEC. 8. It shall be unlawful for the County Auditor or any other person to issue a dealer's license or dealer's license plates or a license or identification plates with respect to any motor vehicle without collecting, with the required license fee, the amount of the excise tax due thereon under the provisions of this act. Any violation of this section shall constitute a gross misdemeanor.

Auditor to
give receipt.

SEC. 9. The County Auditor shall give to each person paying the excise tax under section 2 of this act a receipt therefor which shall sufficiently designate and identify the vehicle with respect to which such tax is paid, and a receipt shall be given to any person paying the excise tax under section 3 of this act. Any such receipt may be incorporated in the

receipt given for the motor vehicle license fee or dealer's license fee so paid.

SEC. 10. The County Auditor shall regularly, when remitting license fee receipts, pay over and account to the State Treasurer for the excise taxes collected under the provisions of this act, all of which excise tax revenue shall upon receipt thereof be credited by the State Treasurer to a fund which is hereby created to be known as the Motor Vehicle Excise Fund.

Tax to be remitted regularly.

Fund.

SEC. 11. Whenever any person has paid a motor vehicle license fee, and together therewith has paid an excise tax imposed under the provisions of this act, and the State Director of Licenses shall determine that said person is entitled to a refund of the entire amount of said license fee as provided by law, then said person shall also be entitled to a refund of the entire excise tax collected under the provisions of this act. In case the Director of Licenses shall determine that any person is entitled to a refund of only a part of the license fee so paid, such person 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 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 Tax Commission shall determine in the manner generally provided in this act 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 said amount. No refund of excise tax shall be allowed under the first or second sentences of this section unless application for a refund of license fee is filed with the Director of Licenses within the

Refunds; whole or part.

Claim for refund of excess paid.

Time limit for claiming refunds.

period provided by law, and no such refund shall be allowed under the third sentence of this section unless filed with the Tax Commission within ninety (90) days after such claimed excessive excise tax was paid. The State Treasurer is hereby authorized and directed to make the refunds herein provided for and shall mail or deliver the same to the person entitled thereto.

Treasurer authorized to make refunds.

First tax due in 1944.

SEC. 12. The first tax to be collected under sections 2 and 3 of this act shall be for the calendar year 1944 and the duties imposed upon the various state and county officers by this act shall be performed within such time or times as to give effect to this section. No motor vehicle shall be listed and assessed for *ad valorem* taxation in the year 1943 or any succeeding year, for taxes of the year 1944 or any succeeding year, so long as this act remains in effect, and any such assessment heretofore made in 1943 is hereby directed to be cancelled.

Ad valorem taxation barred.

License Director may appoint agents.

SEC. 13. Any duties required by this act to be performed by the County Auditor may be performed by any other person designated by the State Director of Licenses and authorized by said Director to receive motor vehicle license fees and issue receipt therefor.

Apportionment of fund.

SEC. 14. On February 1, 1944, and on the first day of each month thereafter, the State Treasurer shall make the following apportionment and distribution of all moneys in the Motor Vehicle Excise Fund: Five per cent (5%) thereof shall be credited and transferred to the State General Fund; fifteen per cent (15%) thereof shall be paid to cities and towns in the proportions and for the purposes hereinafter set forth; and eighty per cent (80%) thereof shall be credited and transferred to the State School Equalization Fund. The amount so payable to cities and towns shall be apportioned among the several cities and towns within the state ratably, on the

Apportionment to cities and towns.

basis of population, according to the latest Federal census: *Provided*, That the State Treasurer shall ascertain as of the first day of January of the year 1944 and each year thereafter whether, subsequent to the latest regular Federal decennial census, any official estimate of the population of any city or town in this state has been made by the Federal Bureau of Census, and if any such estimate has been made the latest of such estimates for any such city or town shall be used in apportioning instead of the population shown in such regular census, and the apportionment so ascertained as of the first day of January of each year shall be used by the Treasurer throughout that calendar year. When so apportioned, the amount payable to each such city and town shall be transmitted to the City Treasurer thereof, and shall be utilized by such city or town for the purposes of police and fire protection and the preservation of the public health therein, and not otherwise: *Provided, however*, That in case it be adjudged that revenue derived from the excise tax imposed by this act cannot lawfully be apportioned or distributed to cities or towns, then and in that case all moneys directed by this section to be apportioned and distributed to cities and towns shall be credited and transferred to the State General Fund.

Latest official census bureau estimate to be used.

Transmittal.

Purposes for which used.

Proviso.

SEC. 15. The county tax required by section 2, chapter 226, Laws of 1937 (section 4936, Remington's Revised Statutes) to be levied annually in an amount sufficient to produce five cents per pupil per attendance day shall not in any case exceed nine-tenths (.9) of one (1) mill on each dollar (\$1) of assessed valuation of property in the several counties. Revenues derived from the excise imposed under this act shall be apportioned from the State School Equalization Fund to counties entitled thereto for common school support in the same manner, at the same time and upon the same basis as said State

Limitation of county tax.

Distribution of school equalization fund.

Appropriation.

School Equalization Fund is required to be apportioned to counties under said section 2 (4936). There is hereby appropriated from the Motor Vehicle Excise Fund the sum of four hundred fifty thousand dollars (\$450,000), or so much thereof as may be necessary for the purpose of making the apportionments and distributions of revenue from the excise taxes provided by this act to the State General Fund and to cities and towns as provided in section 14 hereof.

Repeal:
Effective
Nov. 30, 1943,
at midnight.

SEC. 16. Effective at 12:00 o'clock, midnight, November 30, 1943, chapter 228, Laws of 1937, as amended by sections 1 and 2, chapter 206, Laws of 1939, or as the same may be hereafter further amended, (sections 6312-101 to 6312-114, inclusive, Remington's Revised Statutes) is hereby repealed:

Proviso.

Provided, however, That all proceedings for the assessment or levy or collection of any tax remaining incomplete at the time such repeal becomes effective may be completed pursuant to the provisions of this act or any other law then existing and applicable thereto:

Proviso.

And, Provided further, That in so far as the same conflict with any provisions of chapter 228, Laws of 1937, as amended by sections 1 and 2, chapter 206, Laws of 1939, while said chapter 228, as so amended, is in force, the provisions of said chapter 228, as so amended, except as to the assessment and taxation of dealer's stocks, shall be held and adjudged to control and take precedence over the provisions of this act.

Saving
clause.

SEC. 17. If any provision of this act relating either to the apportionment or allocation of the revenue derived from the excise tax thereby imposed, or to any appropriation made by this act, be adjudged unconstitutional, such adjudication shall not be held to render unconstitutional or ineffectual the remaining portions of said act or any part thereof:

Proviso.

Provided, however, That except as otherwise hereinabove provided by this section, if any section or

part of a section of this act be adjudged unconstitutional, this entire act shall thereupon be and become inoperative and of no force or effect whatsoever.

SEC. 18. This act is necessary for the immediate support of the state government and its existing institutions and shall take effect immediately. Effective immediately.

Passed the House February 16, 1943.

Passed the Senate March 6, 1943.

Approved by the Governor March 18, 1943.

CHAPTER 145.

[H. B. 69.]

COUNTY BUDGETS.

AN ACT relating to the budget system for making and controlling county estimates, providing for hearings thereon and the fixing of tax levies therefor and amending section 1, chapter 99, Laws of 1941 (section 3997-4, Remington's Revised Statutes).

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

SECTION 1. That section 4 of chapter 164, Laws of 1923 as amended by section 1, chapter 99, Laws of 1941 (section 3997-4, Remington's Revised Statutes), be and the same is hereby amended to read as follows: Amendments.

Section 4. On the first Monday in October in each year the County Commissioners shall meet at the time and place designated in said notice, whereat any taxpayer may appear and be heard for or against any part of such budget. Such hearings may be continued from day to day until concluded but not to exceed a total of five days. The officials in charge of the several offices, departments, services and institutions shall, at the time the estimates for their respective offices, departments, services or institu-

Time for hearing on budget.
Taxpayers may be heard.
Hearings may be continued.
Officials to be called.