

(i) Is exempt from federal income taxes under section 501(c) of the internal revenue code or is operated by an organization exempt from federal income taxes under section 501(c) of the internal revenue code;

(ii) Uses or distributes food and food products exempt under this section and section 2 of this 1982 act and food coupons solely for the feeding of the poor and infirm;

(iii) Does not offer for sale, sell, transfer, barter, or make any charge for food and food products exempt under this section or section 2 of this 1982 act or food coupons; and

(iv) Provides access to its food and meal programs without regard to race, creed, color, national origin, sex, or handicap.

(b) "Food coupon" means a coupon issued by a food bank which entitles the recipient to obtain food or food products from a vendor without making any other payment.

Sec. 2. Section 29, chapter 35, Laws of 1982 1st ex. sess. and RCW 82-12.— are each amended to read as follows:

(1) The provisions of this chapter shall not apply in respect to the use of food or food products:

(a) Purchased with food stamps or food coupons;

(b) By a food bank; or

(c) By persons receiving the food or food products from a food bank.

(2) As used in this section, "food bank" and "food coupon" have the meanings given in RCW 82.08.— (section 1 of this 1982 act).

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. This act applies to taxable activities occurring on or after May 1, 1982.

Passed the House June 27, 1982.

Passed the Senate June 27, 1982.

Approved by the Governor July 16, 1982.

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

CHAPTER 4

[House Bill No. 1245]

TIMBER TAX—TIMBER HARVESTED ON PUBLIC LANDS

AN ACT Relating to equalization of timber taxes on public and private property; amending section 3, chapter 294, Laws of 1971 ex. sess. and RCW 84.33.030; amending section 1, chapter 347, Laws of 1977 ex. sess. as last amended by section 1, chapter 148, Laws of 1981 and RCW 84.33.071; amending section 1, chapter 146, Laws of 1981 and RCW 84-33.073; creating a new section; providing an effective date; and declaring an emergency.

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

Section 1. Section 3, chapter 294, Laws of 1971 ex. sess. and RCW 84.33.030 are each amended to read as follows:

For purposes of this chapter:

(1) "Timber county" means any county within which timber is located.

(2) "Timber" means forest trees, standing or down, on privately or publicly owned land, and except as provided in RCW 84.33.170 includes Christmas trees.

Sec. 2. Section 1, chapter 347, Laws of 1977 ex. sess. as last amended by section 1, chapter 148, Laws of 1981 and RCW 84.33.071 are each amended to read as follows:

(1) Upon every person engaging within this state in business as a harvester of timber; as to such persons the amount of tax imposed with respect to such business shall be equal to the stumpage value of timber harvested for sale or for commercial or industrial use multiplied by the appropriate rate as follows:

For timber harvested between October 1, 1974 and June 30, 1983, inclusive, six and one-half percent.

(2) For purposes of this section:

(a) "Harvester" means every person who from his own (~~privately owned~~) land or from the (~~privately owned~~) land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services fells, cuts or takes timber for sale or for commercial or industrial use. It does not include persons performing under contract the necessary labor or mechanical services for a harvester.

(b) "Timber" means forest trees, standing or down, on privately or publicly owned land, and except as provided in RCW 84.33.170 includes Christmas trees.

(c) "Stumpage value of timber" means the appropriate stumpage value shown on tables to be prepared by the department of revenue pursuant to subsection (3) of this section.

(d) Timber shall be considered harvested at the time when in the ordinary course of business the quantity thereof by species is first definitely determined. The amount harvested shall be determined by the Scribner Decimal C Scale or other prevalent measuring practice adjusted to arrive at substantially equivalent measurements, as approved by the department of revenue.

(3) The department of revenue shall designate areas containing timber having similar growing, harvesting and marketing conditions to be used as units for the preparation and application of stumpage values. Each year on or before December 31 for use the following January through June 30, and on or before June 30 for use the following July through December 31, the department shall prepare tables of stumpage values of each species or sub-classification of timber within such units, which values shall be the amount

that each such species or subclassification would sell for at a voluntary sale made in the ordinary course of business for purposes of immediate harvest. Such stumpage values, expressed in terms of a dollar amount per thousand board feet or other unit measure, shall be determined from (a) gross proceeds from sales on the stump of similar timber of like quality and character at similar locations, and in similar quantities, or from (b) gross proceeds from sales of logs adjusted to reflect only the portion of such proceeds attributable to value on the stump immediately prior to harvest, or from a combination of (a) and (b), and shall be determined in a manner which makes reasonable and adequate allowances for age, size, quality, costs of removal, accessibility to point of conversion, market conditions and all other relevant factors. Upon application from any person who plans to harvest damaged timber, the stumpage values for which have been materially reduced from the values shown in the applicable tables due to damage resulting from fire, blow down, ice storm, flood or other sudden unforeseen cause, the department shall revise such tables for any area in which such timber is located and shall specify any additional accounting or other requirements to be complied with in reporting and paying such tax. The preliminary area designations and stumpage value tables and any revisions thereof shall be subject to review by the ways and means committees of the house and senate prior to finalization. Tables of stumpage values shall be signed by the director or his designee and authenticated by the official seal of the department. A copy thereof shall be mailed to anyone who has submitted to the department a written request therefor.

(4) On or before the sixtieth day after the date of final adoption of any stumpage value tables, any harvester may appeal to the board of tax appeals for a revision of stumpage values for an area determined pursuant to subsection (3) of this section.

(5) There are hereby created in the state treasury a state timber tax account A and a state timber tax reserve account in the state general fund and any interest earned on the investment of cash balances shall be deposited in these accounts. The revenues from the tax imposed by subsection (1) of this section on timber harvested from privately owned land shall be deposited in state timber tax account A and state timber tax reserve account as follows:

YEAR OF COLLECTION	ACCOUNT A	RESERVE ACCOUNT
1973 and thereafter	100%	0%

The revenues from the tax imposed by subsection (1) of this section on timber harvested from publicly owned land shall be deposited in the state general fund.

(6) The tax imposed under this section shall be computed with respect to timber harvested each calendar quarter and shall be due and payable in quarterly installments and remittance therefor shall be made on or before

the last day of the month next succeeding the end of the quarterly period in which the tax accrued. The taxpayer on or before such date shall make out a return, upon such forms and setting forth such information as the department of revenue may require, showing the amount of the tax for which he is liable for the preceding quarterly period, and shall sign and transmit the same to the department of revenue, together with a remittance for such amount.

(7) The taxes imposed by this section shall be in addition to any taxes imposed upon the same persons pursuant to one or more of sections RCW 82.04.230 to 82.04.290, inclusive, and RCW 82.04.440, and none of such sections shall be construed to modify or interact with this section in any way, except RCW 82.04.450 and (~~(82.04.490)~~) 82.32.045 shall not apply to the taxes imposed by this section.

(8) Any harvester incurring less than ten dollars tax liability under this section in any calendar quarter shall be excused from the payment of such tax, but may be required by the department of revenue to file a return even though no tax may be due.

Sec. 3. Section 1, chapter 146, Laws of 1981 and RCW 84.33.073 are each amended to read as follows:

As used in RCW 84.33.073 and 84.33.074, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "Small harvester" means every person who from his own (~~(privately owned)~~) land or from the (~~(privately owned)~~) land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, fells, cuts, or takes timber for sale or for commercial or industrial use in an amount not exceeding five hundred thousand board feet in a calendar quarter and not exceeding one million board feet in a calendar year. It does not include persons performing under contract the necessary labor or mechanical services for a harvester, and it does not include harvesters of forest products classified by the department of revenue as special forest products including Christmas trees, posts, shake boards and bolts, and shingle blocks.

(2) "Timber" means forest trees, standing or down, on privately or publicly owned land.

(3) "Harvesting and marketing costs" means only those costs directly associated with harvesting the timber from the land and delivering it to the buyer and may include the costs of disposing of logging residues but it does not include any other costs which are not directly and exclusively related to harvesting and marketing of the timber such as costs of permanent roads or costs of reforesting the land following harvest.

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. This 1982 amendatory act shall not be construed to affect timber contracts in effect on the effective date of this 1982 amendatory act.

Passed the House June 27, 1982.

Passed the Senate June 27, 1982.

Approved by the Governor July 16, 1982.

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

CHAPTER 5

[House Bill No. 1248]

PUBLIC UTILITIES—GAS DISTRIBUTION BUSINESSES—TAX INCREASED

AN ACT Relating to public utility taxation; amending section 82.16.020, chapter 15, Laws of 1961 as last amended by section 5, chapter 35, Laws of 1982 1st ex. sess. and RCW 82.16.020; providing an effective date; and declaring an emergency.

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

Section 1. Section 82.16.020, chapter 15, Laws of 1961 as last amended by section 5, chapter 35, Laws of 1982 1st ex. sess. and RCW 82.16.020 are each amended to read as follows:

(1) There is levied and there shall be collected from every person a tax for the act or privilege of engaging within this state in any one or more of the businesses herein mentioned. The tax shall be equal to the gross income of the business, multiplied by the rate set out after the business, as follows:

(a) Railroad, express, railroad car, water distribution, light and power, telephone and telegraph businesses: Three and six-tenths percent;

(b) Gas distribution business: Three and six-tenths percent;

(c) Urban transportation business: Six-tenths of one percent;

(d) Vessels under sixty-five feet in length, except tugboats, operating upon the waters within the state: Six-tenths of one percent;

(e) Motor transportation and tugboat businesses, and all public service businesses other than ones mentioned above: One and eight-tenths of one percent.

(2) 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 tax payable under subsection (1) of this section.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state