
HOUSE BILL 3306

State of Washington 59th Legislature 2006 Regular Session

By Representatives Orcutt, Roach, Curtis, Shabro, Hinkle, Nixon, McDonald, Ahern, Ericksen, Kretz, Schindler, Walsh, Woods, Cox, Bailey, McCune, Alexander, Clements, Haler, Sump, Strow, Dunn, Armstrong and Serben

Read first time 02/07/2006. Referred to Committee on Finance.

1 AN ACT Relating to the Washington state estate and transfer tax;
2 amending RCW 83.100.020, 83.100.040, 83.100.050, 83.100.060,
3 83.100.070, 83.100.090, 83.100.110, 83.100.130, 83.100.140, 83.100.150,
4 83.100.210, and 84.52.068; adding new sections to chapter 83.100 RCW;
5 creating a new section; repealing RCW 83.100.046, 83.100.047, and
6 83.100.095; repealing 2005 c 516 s 1 (uncodified); and declaring an
7 emergency.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9 **Sec. 1.** RCW 83.100.020 and 2005 c 516 s 2 are each amended to read
10 as follows:

11 As used in this chapter:

12 (1) "Decedent" means a deceased individual;

13 (2) "Department" means the department of revenue, the director of
14 that department, or any employee of the department exercising authority
15 lawfully delegated to him by the director;

16 (3) "Federal credit" means (a) for a transfer, the maximum amount
17 of the credit for state taxes allowed by section 2011 of the Internal
18 Revenue Code; and (b) for a generation-skipping transfer, the maximum

1 amount of the credit for state taxes allowed by section 2604 of the
2 Internal Revenue Code;

3 (4) "Federal return" means any tax return required by chapter 11 of
4 the Internal Revenue Code;

5 ~~((4))~~ (5) "Federal tax" means (a) for a transfer, a tax under
6 chapter 11 of the Internal Revenue Code; and (b) for a generation-
7 skipping transfer, the tax under chapter 13 of the Internal Revenue
8 Code;

9 (6) "Generation-skipping transfer" means a "generation-skipping
10 transfer" as defined and used in section 2611 of the Internal Revenue
11 Code;

12 ~~((5))~~ (7) "Gross estate" means "gross estate" as defined and used
13 in section 2031 of the Internal Revenue Code;

14 ~~((6))~~ (8) "Nonresident" means a decedent who was domiciled
15 outside Washington at his death;

16 (9) "Person" means any individual, estate, trust, receiver,
17 cooperative association, club, corporation, company, firm, partnership,
18 joint venture, syndicate, or other entity and, to the extent permitted
19 by law, any federal, state, or other governmental unit or subdivision
20 or agency, department, or instrumentality thereof;

21 ~~((7))~~ (10) "Person required to file the federal return" means any
22 person required to file a return required by chapter 11 of the Internal
23 Revenue Code, such as the personal representative of an estate; or a
24 transferor, trustee, or beneficiary of a generation- skipping transfer;
25 or a qualified heir with respect to qualified real property, as defined
26 and used in section 2032A(c) of the Internal Revenue Code;

27 ~~((8))~~ (11) "Property" means (a) for a transfer, property included
28 in the gross estate; and (b) for a generation-skipping transfer, all
29 real and personal property subject to the federal tax;

30 ~~((9))~~ (12) "Resident" means a decedent who was domiciled in
31 Washington at time of death;

32 ~~((10))~~ ~~"Taxpayer" means a person upon whom tax is imposed under~~
33 ~~this chapter, including an estate or a person liable for tax under RCW~~
34 ~~83.100.120;~~

35 ~~((11))~~ (13) "Transfer" means "transfer" as used in section 2001 of
36 the Internal Revenue Code(~~. However, "transfer" does not include a~~
37 qualified heir disposing of an interest in property qualifying for a

1 ~~deduction under RCW 83.100.046 or ceasing to use the property for~~
2 ~~farming purposes)), or a disposition or cessation of qualified use as~~
3 ~~defined and used in section 2032A(c) of the Internal Revenue Code;~~

4 ~~((12))~~ (14) "Trust" means "trust" under Washington law and any
5 ~~arrangement described in section 2652 of the Internal Revenue Code; and~~

6 (15) "Internal Revenue Code" means, for the purposes of this
7 chapter and RCW 83.110.010, the United States Internal Revenue Code of
8 1986, as amended or renumbered as of January 1, ~~((2005))~~ 2006;

9 ~~((13)) "Washington taxable estate" means the federal taxable~~
10 ~~estate, less: (a) One million five hundred thousand dollars for~~
11 ~~decedents dying before January 1, 2006; and (b) two million dollars for~~
12 ~~decedents dying on or after January 1, 2006; and (c) the amount of any~~
13 ~~deduction allowed under RCW 83.100.046; and~~

14 ~~(14) "Federal taxable estate" means the taxable estate as~~
15 ~~determined under chapter 11 of the Internal Revenue Code without regard~~
16 ~~to: (a) The termination of the federal estate tax under section 2210~~
17 ~~of the Internal Revenue Code or any other provision of law, and (b) the~~
18 ~~deduction for state estate, inheritance, legacy, or succession taxes~~
19 ~~allowable under section 2058 of the Internal Revenue Code.)~~

20 NEW SECTION. **Sec. 2.** A new section is added to chapter 83.100 RCW
21 to read as follows:

22 (1) A tax in an amount equal to the federal credit is imposed on
23 every transfer of property of a resident.

24 (2) If the transfer is subject to a similar tax imposed by another
25 state for which the federal credit is allowed, and if the tax imposed
26 by the other state is not qualified by a reciprocal provision allowing
27 the transfer to be taxed only in this state, the amount of the tax due
28 under this section shall be credited with the lesser of:

29 (a) The amount of the death tax paid the other state and credited
30 against the federal tax; or

31 (b) An amount computed by multiplying the federal credit by a
32 fraction, the numerator of which is the value of the property subject
33 to the tax imposed by the other state, and the denominator of which is
34 the value of the decedent's gross estate.

35 **Sec. 3.** RCW 83.100.040 and 2005 c 516 s 3 are each amended to read
36 as follows:

(1) A tax in an amount computed as provided in this section is imposed on every transfer of property located in Washington of every nonresident. (~~For the purposes of this section, any intangible property owned by a resident is located in Washington.~~)

~~(2) ((a) Except as provided in (b) of this subsection, the amount of tax is the amount provided in the following table:~~

If Washington Taxable		The amount of Tax Equals		Of Washington Taxable Estate Value Greater than
Estate is at least	But Less Than	Initial Tax Amount	Plus Tax Rate %	
\$0	\$1,000,000	\$0	10.00%	\$0
\$1,000,000	\$2,000,000	\$100,000	14.00%	\$1,000,000
\$2,000,000	\$3,000,000	\$240,000	15.00%	\$2,000,000
\$3,000,000	\$4,000,000	\$390,000	16.00%	\$3,000,000
\$4,000,000	\$6,000,000	\$550,000	17.00%	\$4,000,000
\$6,000,000	\$7,000,000	\$890,000	18.00%	\$6,000,000
\$7,000,000	\$9,000,000	\$1,070,000	18.50%	\$7,000,000
Above \$9,000,000		\$1,440,000	19.00%	Above \$9,000,000

~~(b) If any property in the decedent's estate is located outside of Washington, the amount of tax is the amount determined in (a) of this subsection multiplied by a fraction. The numerator of the fraction is the value of the property located in Washington. The denominator of the fraction is the value of the decedent's gross estate. Property qualifying for a deduction under RCW 83.100.046 shall be excluded from the numerator and denominator of the fraction.~~

~~(3) The tax imposed under this section is a stand-alone estate tax that incorporates only those provisions of the Internal Revenue Code as amended or renumbered as of January 1, 2005, that do not conflict with the provisions of this chapter. The tax imposed under this chapter is independent of any federal estate tax obligation and is not affected by termination of the federal estate tax)) The tax shall be computed by multiplying the federal credit by a fraction, the numerator of which is the value of the property located in Washington, and the denominator of which is the value of the decedent's gross estate.~~

(3) The transfer of the property of a nonresident is exempt from

1 the tax imposed by this section to the extent that the property of
2 residents is exempt from taxation under the laws of the state in which
3 the nonresident is domiciled.

4 NEW SECTION. Sec. 4. A new section is added to chapter 83.100 RCW
5 to read as follows:

6 (1) A tax in an amount equal to the federal credit is imposed on
7 every generation-skipping transfer, if real or tangible personal
8 property subject to the federal tax is located in this state or if the
9 trust has its principal place of administration in this state at the
10 time of the generation-skipping transfer.

11 (2) If the generation-skipping transfer is subject to a similar tax
12 imposed by another state for which the federal credit is allowed, the
13 amount of the tax due under this section shall be credited with the
14 lesser of:

15 (a) The amount of the tax paid to the other state and credited
16 against the federal tax; or

17 (b) An amount computed by multiplying the federal credit by a
18 fraction, the numerator of which is the value of the property subject
19 to the generation-skipping transfer tax imposed by the other state, and
20 the denominator of which is the value of all property subject to the
21 federal tax.

22 **Sec. 5.** RCW 83.100.050 and 2005 c 516 s 5 are each amended to read
23 as follows:

24 ~~(1) ((A Washington return must be filed if: (a) A federal return~~
25 ~~is required to be filed; or (b) for decedents dying prior to January 1,~~
26 ~~2006, the gross estate exceeds one million five hundred thousand~~
27 ~~dollars; or (c) for decedents dying on or after January 1, 2006, the~~
28 ~~gross estate exceeds two million dollars.~~

29 ~~(2)(a) A)~~ The person required to file a federal return shall file
30 with the department on or before the date the federal return is
31 required to be filed, including any extension of time for filing
32 ~~((under subsection (4) of this section,))~~ the federal return:

33 (a) A Washington return for the tax due under this chapter; and

34 (b) A copy of the federal return.

35 No Washington return need be filed if no federal return is
36 required.

1 ~~((b) If no federal return is required to be filed, a taxpayer~~
2 ~~shall file with the department on or before the date a federal return~~
3 ~~would have been required to be filed, including any extension of time~~
4 ~~for filing under subsection (5) of this section, a Washington return~~
5 ~~for the tax due under this chapter.~~

6 ~~(3))~~) A Washington return delivered to the department by United
7 States mail shall be considered to have been received by the department
8 on the date of the United States postmark stamped on the cover in which
9 the return is mailed, if the postmark date is within the time allowed
10 for filing the Washington return, including extensions.

11 ~~((4) In addition to the Washington return required to be filed in~~
12 ~~subsection (2) of this section, a person, if required to file a federal~~
13 ~~return, shall file with the department on or before the date the~~
14 ~~federal return, is required to be filed a copy of the federal return~~
15 ~~along with all supporting documentation.))~~ (2) If the person required
16 to file the federal return has obtained an extension of time for filing
17 the federal return, the person shall file the Washington return within
18 the same time period and in the same manner as provided for the federal
19 return. A copy of the federal extension shall be filed with the
20 department on or before the date the Washington return is due, not
21 including any extension of time for filing, or within thirty days of
22 issuance, whichever is later.

23 ~~((5) A person who is required to file a Washington return under~~
24 ~~subsection (2) of this section, but is not required to file a federal~~
25 ~~return, may obtain an extension of time for filing the Washington~~
26 ~~return as provided by rule of the department.))~~

27 **Sec. 6.** RCW 83.100.060 and 2005 c 516 s 6 are each amended to read
28 as follows:

29 (1) The taxes imposed by this chapter shall be paid by the person
30 required to file ~~((a Washington))~~ the federal return on or before the
31 date the Washington return is required to be filed under RCW
32 83.100.050, not including any extension of time for filing. Payment
33 delivered to the department by United States mail shall be considered
34 to have been received by the department on the date of the United
35 States postmark stamped on the cover in which payment is mailed, if the
36 postmark date is within the time allowed for making the payment,
37 including any extensions.

1 (2) If the person required to file the federal return has obtained
2 an extension of time for payment of the federal tax or has elected to
3 pay such tax in installments, the person may elect to pay the tax
4 imposed by this chapter within the same time period and in the same
5 manner as provided for payment of the federal tax. A copy of the
6 federal extension shall be filed on or before the date the tax imposed
7 by this chapter is due, not including any extension of time for
8 payment, or within thirty days of issuance, whichever is later.

9 ~~((3) A person who is required to file a Washington return under
10 RCW 83.100.050, but is not required to file a federal return, may
11 obtain an extension of time for payment of the Washington tax or elect
12 to pay such tax in installments as provided by rule of the department.~~

13 ~~(4) The periods of limitation in RCW 83.100.130 and 83.100.095
14 shall extend an additional three years beyond the due date of the last
15 scheduled installment payment authorized under this section.))~~

16 **Sec. 7.** RCW 83.100.070 and 2005 c 516 s 7 are each amended to read
17 as follows:

18 (1) ~~((For periods before January 2, 1997,))~~ Any tax due under this
19 chapter which is not paid by the due date under RCW 83.100.060(1) shall
20 bear interest at the rate of twelve percent per annum from the date the
21 tax is due until the date of payment.

22 (2) Interest imposed under this section for periods after January
23 1, 1997, shall be computed at the rate as computed under RCW
24 82.32.050(2). The rate so computed shall be adjusted on the first day
25 of January of each year.

26 (3)(a) If the Washington return is not filed when due under RCW
27 83.100.050 and the person required to file the ~~((Washington))~~ federal
28 return ~~((under RCW 83.100.050))~~ voluntarily reports the filing and
29 files both the ~~((Washington return))~~ state and federal estate tax
30 returns with the department ~~((before the department notifies the person~~
31 ~~in writing that the department has determined that the person has not~~
32 ~~filed a Washington return))~~, no penalty is imposed on the person
33 required to file the ~~((Washington))~~ federal return.

34 (b) If the Washington return is not filed when due under RCW
35 83.100.050 and the person required to file the ~~((Washington))~~ federal
36 return ~~((under RCW 83.100.050))~~ does not file a return with the
37 department before the department notifies the person in writing that

1 the department has determined that the person has not filed a
2 ((Washington)) state estate tax return, the person required to file the
3 ((Washington)) federal return shall pay, in addition to interest, a
4 penalty equal to five percent of the tax due for each month after the
5 date the return is due until filed. However, in no instance may the
6 penalty exceed the lesser of twenty-five percent of the tax due or one
7 thousand five hundred dollars.

8 (c) If the department finds that a return due under this chapter
9 has not been filed by the due date, and the delinquency was the result
10 of circumstances beyond the control of the responsible person, the
11 department shall waive or cancel any penalties imposed under this
12 chapter with respect to the filing of such a tax return. The
13 department shall adopt rules for the waiver or cancellation of the
14 penalties imposed by this section.

15 **Sec. 8.** RCW 83.100.090 and 2005 c 516 s 8 are each amended to read
16 as follows:

17 ((Notwithstanding the periods of limitation in RCW 83.100.095 and
18 83.100.130:))

19 (1) If the person required to file the ((Washington)) federal
20 return ((under RCW 83.100.050)) files an amended federal return, that
21 person shall immediately file with the department an amended Washington
22 return with a copy of the amended federal return. If the amended
23 Washington return requires payment of an additional tax under this
24 chapter, the tax shall be paid in accordance with RCW 83.100.060 and
25 interest shall be paid in accordance with RCW 83.100.070.

26 (2) Upon any adjustment in, or final determination of, the amount
27 of federal tax due, the person required to file the ((Washington))
28 federal return ((under RCW 83.100.050)) shall notify the department in
29 writing within ((one hundred twenty)) sixty days after the adjustment
30 or final determination. If the adjustment or final determination
31 requires payment of an additional tax under this chapter, the tax shall
32 be paid in accordance with RCW 83.100.060 and interest shall be paid in
33 accordance with RCW 83.100.070.

34 ((3) If the department determines the amended Washington return,
35 adjustment, or final determination requires payment of an additional
36 tax under this chapter, the department may assess against the taxpayer
37 an additional amount found to be due within one year of receipt of the

1 amended Washington return or written notice as required by this
2 section, or at any time if no amended Washington return is filed or
3 notice is provided as required by this section. The execution of a
4 written waiver at the request of the department by the person required
5 to file the Washington return under RCW 83.100.050 may extend this
6 limitation. Interest shall be added to the amount of tax assessed by
7 the department in accordance with RCW 83.100.070. The department shall
8 notify the taxpayer by mail of the additional amount, and the
9 additional amount shall become due and shall be paid within thirty days
10 from the date of the notice, or within such further time as the
11 department may provide.

12 (4) If the department determines the amended Washington return,
13 adjustment, or final determination requires the refund of overpaid tax,
14 penalties, or interest under this chapter, the department shall refund
15 the amount of the overpayment with interest in accordance with RCW
16 83.100.130. The person required to file the Washington return under
17 RCW 83.100.050 shall provide the department with any additional
18 information or supporting documents necessary to determine if a refund
19 is due. The execution of a written waiver to extend the period for
20 assessment under subsection (3) of this section shall extend the time
21 for making a refund, if prior to the expiration of the waiver period an
22 application for refund of the taxes is made by the person required to
23 file the Washington return under RCW 83.100.050, or the department
24 discovers a refund is due.))

25 **Sec. 9.** RCW 83.100.110 and 2005 c 516 s 9 are each amended to read
26 as follows:

27 (1) Unless any tax due under this chapter is sooner paid in full,
28 it shall be a lien upon the property subject to the tax for a period of
29 ten years from the date of the transfer or the generation-skipping
30 transfer, except that any part of the property which is used for the
31 payment of claims against the property or expenses of its
32 administration, allowed by any court having jurisdiction thereof, shall
33 be divested of the lien. Liens created under this subsection shall be
34 qualified as follows:

35 (a) Any part of the property subject to the tax which is sold to a
36 bona fide purchaser shall be divested of the lien and the lien shall be
37 transferred to the proceeds of the sale; and

1 (b) The lien shall be subordinate to any mortgage or deed of trust
2 on the property pursuant to an order of court for payment of claims
3 against the property or expenses of administration. The lien shall
4 attach to any proceeds from the sale of the property in excess of the
5 obligations secured by the mortgage or deed of trust and the expenses
6 of sale, including a reasonable charge by the trustee and by his or her
7 attorney where the property has been sold by a nonjudicial trustee's
8 sale pursuant to chapter 61.24 RCW, and including court costs and any
9 attorneys' fees awarded by the superior court of the county in which
10 the property is sold at sheriff's sale pursuant to a judicial
11 foreclosure of the mortgage or deed of trust.

12 (2) If the person required to file the (~~Washington~~) federal
13 return (~~under RCW 83.100.050~~) has obtained an extension of time for
14 payment of the tax or has elected to pay such tax in installments, the
15 tax lien under this section shall be extended as necessary to prevent
16 its expiration prior to twelve months following the expiration of any
17 such extension or the installment.

18 (3) The tax lien shall be extended as necessary to prevent its
19 expiration prior to twelve months following the conclusion of
20 litigation of any question affecting the determination of the amount of
21 tax due if a lis pendens has been filed with the auditor of the county
22 in which the property is located.

23 **Sec. 10.** RCW 83.100.130 and 2005 c 516 s 10 are each amended to
24 read as follows:

25 (1) (~~If, upon receipt of an application by a taxpayer for a~~
26 ~~refund, or upon examination of the returns or records of any~~
27 ~~taxpayer,)~~ Whenever the department determines that (~~within the~~
28 ~~statutory period for assessment of taxes, penalties, or interest~~
29 ~~prescribed by RCW 83.100.095)~~ a person required to file the
30 (~~Washington~~) federal return (~~under RCW 83.100.050~~) has overpaid the
31 tax due under this chapter, the department shall refund the amount of
32 the overpayment, together with interest (~~as provided in subsection (2)~~
33 ~~of this section)~~ at the then existing rate under RCW 83.100.070(1).
34 If the application for refund, with supporting documents, is filed
35 within one hundred twenty days after an adjustment or final
36 determination of federal tax liability, the department shall pay
37 interest until the date the refund is mailed. If the application for

1 refund, with supporting documents, is filed after one hundred twenty
2 days after the adjustment or final determination, the department shall
3 pay interest only until the end of the one hundred twenty-day period.

4 ~~(2) ((Interest refunded under this section for periods before~~
5 ~~January 2, 1997, shall be computed at the rate provided in RCW~~
6 ~~83.100.070(1). Interest refunded under this section for periods after~~
7 ~~January 1, 1997, through December 31, 1998, shall be computed on a~~
8 ~~daily basis at the rate as computed under RCW 82.32.050(2) less one~~
9 ~~percentage point.)) Interest allowed for periods after December 31,~~
10 ~~1998, shall be computed at the rate as computed under RCW 82.32.050(2).~~
11 ~~((Except as provided in subsection (1) of this section,)) Interest~~
12 ~~shall be refunded from the date of overpayment until the date the~~
13 ~~refund is mailed. The rate so computed shall be adjusted on the first~~
14 ~~day of January of each year.~~

15 ~~((3) Except as otherwise provided in subsection (4) of this~~
16 ~~section and RCW 83.100.090, no refund shall be made for taxes,~~
17 ~~penalties, or interest paid more than four years prior to the beginning~~
18 ~~of the calendar year in which the refund application is made or an~~
19 ~~examination of records is complete.~~

20 ~~(4) The execution of a written waiver under RCW 83.100.095 shall~~
21 ~~extend the time for making a refund if, prior to the expiration of the~~
22 ~~waiver period, an application for refund is made by the taxpayer or the~~
23 ~~department discovers a refund is due.~~

24 ~~(5) An application for refund shall be on a form prescribed by the~~
25 ~~department and shall contain any information and supporting documents~~
26 ~~the department requires.))~~

27 **Sec. 11.** RCW 83.100.140 and 2005 c 516 s 11 are each amended to
28 read as follows:

29 Any person required to file the ~~((Washington))~~ federal return who
30 willfully fails to file a Washington return when required by this
31 chapter or who willfully files a false return commits a gross
32 misdemeanor as defined in Title 9A RCW and shall be punished as
33 provided in Title 9A RCW for the perpetration of a gross misdemeanor.

34 **Sec. 12.** RCW 83.100.150 and 2005 c 516 s 12 are each amended to
35 read as follows:

36 (1) The department may collect the estate tax imposed under ~~((RCW))~~

1 section 2 of this act and RCW 83.100.040, including interest and
2 penalties, and shall represent this state in all matters pertaining to
3 the same, either before courts or in any other manner. At any time
4 after the Washington return is due, the department may file its
5 findings regarding the amount of the tax (~~computed as provided in RCW~~
6 ~~83.100.040~~), the federal credit, the person required to file the
7 (~~Washington~~) federal return (~~under RCW 83.100.050~~), and all persons
8 having an interest in property subject to the tax with the clerk of the
9 superior court in the matter of the estate of the decedent or, if no
10 probate or administration proceedings have been commenced in any court
11 of this state, of the superior court for the county in which the
12 decedent was a resident, if the resident was a domiciliary, or, if the
13 decedent was a nondomiciliary, of any superior court which has
14 jurisdiction over the property. Such a court first acquiring
15 jurisdiction shall retain jurisdiction to the exclusion of every other
16 court.

17 (2) The department may collect the generation-skipping transfer tax
18 under section 4 of this act, including interest and penalties, and
19 shall represent this state in all matters pertaining to the same,
20 either before courts or in any other manner. At any time after the
21 Washington return is due, the department may file its findings
22 regarding the amount of the tax, the federal credit, the person
23 required to file the federal return, and all persons having an interest
24 in property subject to the tax with the clerk of the superior court in
25 the matter of the trust or the estate of the decedent, if any, or, if
26 no trust, probate or administration proceedings have been commenced in
27 any court of this state, of any superior court which has jurisdiction
28 over the property. Such a court first acquiring jurisdiction shall
29 retain jurisdiction to the exclusion of every other court.

30 **Sec. 13.** RCW 83.100.210 and 2005 c 516 s 15 are each amended to
31 read as follows:

32 ~~((1) The following provisions of chapter 82.32 RCW have full force~~
33 ~~and application with respect to the taxes imposed under this chapter~~
34 ~~unless the context clearly requires otherwise: RCW 82.32.110,~~
35 ~~82.32.120, 82.32.130, 82.32.320, and 82.32.340. The definitions in~~
36 ~~this chapter have full force and application with respect to the~~

1 ~~application of chapter 82.32 RCW to this chapter unless the context~~
2 ~~clearly requires otherwise.~~

3 ~~(2))~~ The department may enter into closing agreements as provided
4 in RCW 82.32.350 and 82.32.360.

5 NEW SECTION. **Sec. 14.** The following acts or parts of acts are
6 each repealed:

7 (1) RCW 83.100.046 (Deduction--Property used for farming--
8 Requirements, conditions) and 2005 c 514 s 1201 & 2005 c 516 s 4;

9 (2) RCW 83.100.047 (Marital deduction, qualified domestic trust--
10 Election--Other deductions taken for income tax purposes disallowed)
11 and 2005 c 516 s 13;

12 (3) RCW 83.100.095 (Examination by department of returns, other
13 information--Assessment of additional tax, interest) and 2005 c 516 s
14 14; and

15 (4) 2005 c 516 s 1 (uncodified).

16 **Sec. 15.** RCW 84.52.068 and 2005 c 514 s 1104 are each amended to
17 read as follows:

18 (1) A portion of the proceeds of the state property tax levy shall
19 be deposited into the student achievement fund as provided in this
20 section.

21 (2)(a) The amount of the deposit shall be based upon the average
22 number of full-time equivalent students in the school districts during
23 the previous school year as reported to the office of the
24 superintendent of public instruction by August 31st of the previous
25 school year.

26 (b) ~~((For the 2004-2005 through 2007-2008 school years, an annual~~
27 ~~amount equal to two hundred fifty four dollars per full-time equivalent~~
28 ~~student in all school districts shall be deposited in the student~~
29 ~~achievement fund.~~

30 ~~(c) For the 2008-2009 school year, an annual amount equal to two~~
31 ~~hundred sixty five dollars per full-time equivalent student in all~~
32 ~~school districts shall be deposited in the student achievement fund.~~

33 ~~(d) For the 2009-2010 school year, an annual amount equal to two~~
34 ~~hundred seventy seven dollars per full-time equivalent student in all~~
35 ~~school districts shall be deposited in the student achievement fund.~~

1 ~~(e) For the 2010-2011 school year and each year thereafter, an~~
2 ~~annual amount equal to two hundred seventy-eight dollars per full-time~~
3 ~~equivalent student in all school districts shall be deposited in the~~
4 ~~student achievement fund)) For the 2005-06 school year, an amount equal~~
5 ~~to three hundred dollars per full-time equivalent student in all school~~
6 ~~districts shall be deposited in the student achievement fund.~~

7 (c) For the 2006-07 school year, an amount equal to three hundred
8 seventy-five dollars per full-time equivalent student in all school
9 districts shall be deposited in the student achievement fund.

10 (d) For the 2007-08 school year, an amount equal to four hundred
11 fifty dollars per full-time equivalent student in all school districts
12 shall be deposited in the student achievement fund.

13 (e) For each subsequent school year, the amount deposited per full-
14 time equivalent student shall be adjusted for inflation.

15 (f) The school district annual amounts shall be deposited based on
16 the monthly apportionment schedule as defined in RCW 28A.510.250. The
17 office of the superintendent of public instruction shall notify the
18 department of the monthly amounts to be deposited into the student
19 achievement fund to meet the apportionment schedule.

20 (3) For the purposes of this section, "inflation" means the
21 percentage change in the implicit price deflator for the United States
22 for each fiscal year as published by the federal bureau of labor
23 statistics.

24 NEW SECTION. Sec. 16. This act applies to the estates of
25 decedents dying on or after the effective date of this act. This act
26 does not affect any existing right acquired or liability or obligation
27 incurred under the sections amended or repealed in this act or under
28 any rule or order adopted under those sections, nor does it affect any
29 proceeding instituted under those sections.

30 NEW SECTION. Sec. 17. This act is necessary for the immediate
31 preservation of the public peace, health, or safety, or support of the
32 state government and its existing public institutions, and takes effect
33 immediately.

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