

CERTIFICATION OF ENROLLMENT  
**SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1967**

54th Legislature  
1996 Regular Session

Passed by the House March 4, 1996  
Yeas 94 Nays 0

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**Speaker of the  
House of Representatives**

Passed by the Senate March 1, 1996  
Yeas 48 Nays 0

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1967** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1967

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AS AMENDED BY THE SENATE

Passed Legislature - 1996 Regular Session

State of Washington                      54th Legislature                      1995 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Romero, Robertson, R. Fisher, K. Schmidt, Tokuda, Chopp, Patterson, Regala, Hatfield, Wolfe, Cole, Dellwo, Valle and Ogden)

Read first time 03/06/95.

1            AN ACT Relating to licensing and registration crimes; amending RCW  
2 46.16.010, 46.16.160, 47.68.255, 88.02.118, and 82.32.330; adding a new  
3 section to chapter 46.68 RCW; creating a new section; prescribing  
4 penalties; and providing an effective date.

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

6            **Sec. 1.** RCW 46.16.010 and 1993 c 238 s 1 are each amended to read  
7 as follows:

8            (1) It is unlawful for a person to operate any vehicle over and  
9 along a public highway of this state without first having obtained and  
10 having in full force and effect a current and proper vehicle license  
11 and display vehicle license number plates therefor as by this chapter  
12 provided. Failure to make initial registration before operation on the  
13 highways of this state is a misdemeanor, and any person convicted  
14 thereof shall be punished by a fine of no less than three hundred  
15 thirty dollars, no part of which may be suspended or deferred. Failure  
16 to renew an expired registration before operation on the highways of  
17 this state is a traffic infraction.

18            (2) The licensing of a vehicle in another state by a resident of  
19 this state, as defined in RCW 46.16.028, evading the payment of any tax

1 or license fee imposed in connection with registration, is a gross  
2 misdemeanor punishable as follows:

3 (a) For a first offense, up to one year in the county jail and a  
4 fine equal to twice the amount of delinquent taxes and fees, no part of  
5 which may be suspended or deferred;

6 (b) For a second or subsequent offense, up to one year in the  
7 county jail and a fine equal to (~~three~~) four times the amount of  
8 delinquent taxes and fees, no part of which may be suspended or  
9 deferred;

10 (c) For fines levied under (b) of this subsection, an amount equal  
11 to the avoided taxes and fees owed shall be deposited in the vehicle  
12 licensing fraud account created in the state treasury;

13 (d) The avoided taxes and fees shall be deposited and distributed  
14 in the same manner as if the taxes and fees were properly paid in a  
15 timely fashion.

16 (3) These provisions shall not apply to farm (~~vehicle[s]~~)  
17 vehicles as defined in RCW 46.04.181 if operated within a radius of  
18 fifteen miles of the farm where principally used or garaged, farm  
19 tractors and farm implements including trailers designed as cook or  
20 bunk houses used exclusively for animal herding temporarily operating  
21 or drawn upon the public highways, and trailers used exclusively to  
22 transport farm implements from one farm to another during the daylight  
23 hours or at night when such equipment has lights that comply with the  
24 law: PROVIDED FURTHER, That these provisions shall not apply to spray  
25 or fertilizer applicator rigs designed and used exclusively for  
26 spraying or fertilization in the conduct of agricultural operations and  
27 not primarily for the purpose of transportation, and nurse rigs or  
28 equipment auxiliary to the use of and designed or modified for the  
29 fueling, repairing or loading of spray and fertilizer applicator rigs  
30 and not used, designed or modified primarily for the purpose of  
31 transportation: PROVIDED FURTHER, That these provisions shall not  
32 apply to fork lifts operated during daylight hours on public highways  
33 adjacent to and within five hundred feet of the warehouses which they  
34 serve: PROVIDED FURTHER, That these provisions shall not apply to  
35 equipment defined as follows:

36 "Special highway construction equipment" is any vehicle which is  
37 designed and used primarily for grading of highways, paving of  
38 highways, earth moving, and other construction work on highways and  
39 which is not designed or used primarily for the transportation of

1 persons or property on a public highway and which is only incidentally  
2 operated or moved over the highway. It includes, but is not limited  
3 to, road construction and maintenance machinery so designed and used  
4 such as portable air compressors, air drills, asphalt spreaders,  
5 bituminous mixers, bucket loaders, track laying tractors, ditchers,  
6 leveling graders, finishing machines, motor graders, paving mixers,  
7 road rollers, scarifiers, earth moving scrapers and carryalls, lighting  
8 plants, welders, pumps, power shovels and draglines, self-propelled and  
9 tractor-drawn earth moving equipment and machinery, including dump  
10 trucks and tractor-dump trailer combinations which either (1) are in  
11 excess of the legal width or (2) which, because of their length, height  
12 or unladen weight, may not be moved on a public highway without the  
13 permit specified in RCW 46.44.090 and which are not operated laden  
14 except within the boundaries of the project limits as defined by the  
15 contract, and other similar types of construction equipment, or (3)  
16 which are driven or moved upon a public highway only for the purpose of  
17 crossing such highway from one property to another, provided such  
18 movement does not exceed five hundred feet and the vehicle is equipped  
19 with wheels or pads which will not damage the roadway surface.

20 Exclusions:

21 "Special highway construction equipment" does not include any of  
22 the following:

23 Dump trucks originally designed to comply with the legal size and  
24 weight provisions of this code notwithstanding any subsequent  
25 modification which would require a permit, as specified in RCW  
26 46.44.090, to operate such vehicles on a public highway, including  
27 trailers, truck-mounted transit mixers, cranes and shovels, or other  
28 vehicles designed for the transportation of persons or property to  
29 which machinery has been attached.

30 (4) The following vehicles, whether operated solo or in  
31 combination, are exempt from license registration and displaying  
32 license plates as required by this chapter:

33 (a) A converter gear used to convert a semitrailer into a trailer  
34 or a two-axle truck or tractor into a three or more axle truck or  
35 tractor or used in any other manner to increase the number of axles of  
36 a vehicle. Converter gear includes an auxiliary axle, booster axle,  
37 dolly, and jeep axle.

38 (b) A tow dolly that is used for towing a motor vehicle behind  
39 another motor vehicle. The front or rear wheels of the towed vehicle

1 are secured to and rest on the tow dolly that is attached to the towing  
2 vehicle by a tow bar.

3 **Sec. 2.** RCW 46.16.160 and 1993 c 102 s 2 are each amended to read  
4 as follows:

5 (1) The owner of a vehicle which under reciprocal relations with  
6 another jurisdiction would be required to obtain a license registration  
7 in this state or an unlicensed vehicle which would be required to  
8 obtain a license registration for operation on public highways of this  
9 state may, as an alternative to such license registration, secure and  
10 operate such vehicle under authority of a trip permit issued by this  
11 state in lieu of a Washington certificate of license registration, and  
12 licensed gross weight if applicable. The licensed gross weight may not  
13 exceed eighty thousand pounds for a combination of vehicles nor forty  
14 thousand pounds for a single unit vehicle with three or more axles.  
15 Trip permits may also be issued for movement of mobile homes pursuant  
16 to RCW 46.44.170. For the purpose of this section, a vehicle is  
17 considered unlicensed if the licensed gross weight currently in effect  
18 for the vehicle or combination of vehicles is not adequate for the load  
19 being carried. Vehicles registered under RCW 46.16.135 shall not be  
20 operated under authority of trip permits in lieu of further  
21 registration within the same registration year.

22 (2) Each trip permit shall authorize the operation of a single  
23 vehicle at the maximum legal weight limit for such vehicle for a period  
24 of three consecutive days commencing with the day of first use. No  
25 more than three such permits may be used for any one vehicle in any  
26 period of thirty consecutive days, except that in the case of a  
27 recreational vehicle as defined in RCW 43.22.335, no more than two trip  
28 permits may be used for any one vehicle in a one-year period. Every  
29 permit shall identify, as the department may require, the vehicle for  
30 which it is issued and shall be completed in its entirety and signed by  
31 the operator before operation of the vehicle on the public highways of  
32 this state. Correction of data on the permit such as dates, license  
33 number, or vehicle identification number invalidates the permit. The  
34 trip permit shall be displayed on the vehicle to which it is issued as  
35 prescribed by the department.

36 (3) Vehicles operating under authority of trip permits are subject  
37 to all laws, rules, and regulations affecting the operation of like  
38 vehicles in this state.

1 (4) Prorate operators operating commercial vehicles on trip permits  
2 in Washington shall retain the customer copy of such permit for four  
3 years.

4 (5) (~~Blank~~) Trip permits may be obtained from field offices of  
5 the department of transportation, Washington state patrol, department  
6 of licensing, or other agents appointed by the department. For each  
7 permit issued, there shall be collected a filing fee as provided by RCW  
8 46.01.140, an administrative fee of eight dollars, and an excise tax of  
9 one dollar. If the filing fee amount of one dollar prescribed by RCW  
10 46.01.140 is increased or decreased after January 1, 1981, the  
11 administrative fee shall be adjusted to compensate for such change to  
12 insure that the total amount collected for the filing fee,  
13 administrative fee, and excise tax remain at ten dollars. These fees  
14 and taxes are in lieu of all other vehicle license fees and taxes. No  
15 exchange, credits, or refunds may be given for trip permits after they  
16 have been purchased.

17 (6) The department may appoint county auditors or businesses as  
18 agents for the purpose of selling trip permits to the public. County  
19 auditors or businesses so appointed may retain the filing fee collected  
20 for each trip permit to defray expenses incurred in handling and  
21 selling the permits.

22 (7) A violation of or a failure to comply with any provision of  
23 this section is a gross misdemeanor.

24 (8) The department of licensing may adopt rules as it deems  
25 necessary to administer this section.

26 (9) All administrative fees and excise taxes collected under the  
27 provisions of this chapter shall be forwarded by the department with  
28 proper identifying detailed report to the state treasurer who shall  
29 deposit the administrative fees to the credit of the motor vehicle fund  
30 and the excise taxes to the credit of the general fund. Filing fees  
31 will be forwarded and reported to the state treasurer by the department  
32 as prescribed in RCW 46.01.140.

33 **Sec. 3.** RCW 47.68.255 and 1993 c 238 s 2 are each amended to read  
34 as follows:

35 A person who is required to register an aircraft under this chapter  
36 and who registers an aircraft in another state or foreign country  
37 evading the Washington aircraft excise tax is guilty of a gross  
38 misdemeanor. For a second or subsequent offense, the person convicted

1 is also subject to a fine equal to four times the amount of avoided  
2 taxes and fees, no part of which may be suspended or deferred. Excise  
3 taxes owed and fines assessed shall be deposited in the manner provided  
4 under RCW 46.16.010(2).

5 **Sec. 4.** RCW 88.02.118 and 1993 c 238 s 4 are each amended to read  
6 as follows:

7 It is a gross misdemeanor punishable as provided under chapter  
8 9A.20 RCW for any person owning a vessel subject to taxation under  
9 chapter 82.49 RCW to register a vessel in another state to avoid  
10 Washington state vessel excise tax required under chapter 82.49 RCW or  
11 to obtain a vessel dealer's registration for the purpose of evading  
12 excise tax on vessels under chapter 82.49 RCW. For a second or  
13 subsequent offense, the person convicted is also subject to a fine  
14 equal to four times the amount of avoided taxes and fees, no part of  
15 which may be suspended or deferred. Excise taxes owed and fines  
16 assessed shall be deposited in the manner provided under RCW  
17 46.16.010(2).

18 **Sec. 5.** RCW 82.32.330 and 1995 c 197 s 1 are each amended to read  
19 as follows:

20 (1) For purposes of this section:

21 (a) "Disclose" means to make known to any person in any manner  
22 whatever a return or tax information;

23 (b) "Return" means a tax or information return or claim for refund  
24 required by, or provided for or permitted under, the laws of this state  
25 which is filed with the department of revenue by, on behalf of, or with  
26 respect to a person, and any amendment or supplement thereto, including  
27 supporting schedules, attachments, or lists that are supplemental to,  
28 or part of, the return so filed;

29 (c) "Tax information" means (i) a taxpayer's identity, (ii) the  
30 nature, source, or amount of the taxpayer's income, payments, receipts,  
31 deductions, exemptions, credits, assets, liabilities, net worth, tax  
32 liability deficiencies, overassessments, or tax payments, whether taken  
33 from the taxpayer's books and records or any other source, (iii)  
34 whether the taxpayer's return was, is being, or will be examined or  
35 subject to other investigation or processing, (iv) a part of a written  
36 determination that is not designated as a precedent and disclosed  
37 pursuant to RCW 82.32.410, or a background file document relating to a

1 written determination, and (v) other data received by, recorded by,  
2 prepared by, furnished to, or collected by the department of revenue  
3 with respect to the determination of the existence, or possible  
4 existence, of liability, or the amount thereof, of a person under the  
5 laws of this state for a tax, penalty, interest, fine, forfeiture, or  
6 other imposition, or offense: PROVIDED, That data, material, or  
7 documents that do not disclose information related to a specific or  
8 identifiable taxpayer do not constitute tax information under this  
9 section. Except as provided by RCW 82.32.410, nothing in this chapter  
10 shall require any person possessing data, material, or documents made  
11 confidential and privileged by this section to delete information from  
12 such data, material, or documents so as to permit its disclosure;

13 (d) "State agency" means every Washington state office, department,  
14 division, bureau, board, commission, or other state agency;

15 (e) "Taxpayer identity" means the taxpayer's name, address,  
16 telephone number, registration number, or any combination thereof, or  
17 any other information disclosing the identity of the taxpayer; and

18 (f) "Department" means the department of revenue or its officer,  
19 agent, employee, or representative.

20 (2) Returns and tax information shall be confidential and  
21 privileged, and except as authorized by this section, neither the  
22 department of revenue nor any other person may disclose any return or  
23 tax information.

24 (3) The foregoing, however, shall not prohibit the department of  
25 revenue from:

26 (a) Disclosing such return or tax information in a civil or  
27 criminal judicial proceeding or an administrative proceeding:

28 (i) In respect of any tax imposed under the laws of this state if  
29 the taxpayer or its officer or other person liable under Title 82 RCW  
30 is a party in the proceeding; or

31 (ii) In which the taxpayer about whom such return or tax  
32 information is sought and another state agency are adverse parties in  
33 the proceeding;

34 (b) Disclosing, subject to such requirements and conditions as the  
35 director shall prescribe by rules adopted pursuant to chapter 34.05  
36 RCW, such return or tax information regarding a taxpayer to such  
37 taxpayer or to such person or persons as that taxpayer may designate in  
38 a request for, or consent to, such disclosure, or to any other person,  
39 at the taxpayer's request, to the extent necessary to comply with a



1 request for information or assistance made by the taxpayer to such  
2 other person: PROVIDED, That tax information not received from the  
3 taxpayer shall not be so disclosed if the director determines that such  
4 disclosure would compromise any investigation or litigation by any  
5 federal, state, or local government agency in connection with the civil  
6 or criminal liability of the taxpayer or another person, or that such  
7 disclosure would identify a confidential informant, or that such  
8 disclosure is contrary to any agreement entered into by the department  
9 that provides for the reciprocal exchange of information with other  
10 government agencies which agreement requires confidentiality with  
11 respect to such information unless such information is required to be  
12 disclosed to the taxpayer by the order of any court;

13 (c) Disclosing the name of a taxpayer with a deficiency greater  
14 than five thousand dollars and against whom a warrant under RCW  
15 82.32.210 has been either issued or filed and remains outstanding for  
16 a period of at least ten working days. The department shall not be  
17 required to disclose any information under this subsection if a  
18 taxpayer: (i) Has been issued a tax assessment; (ii) has been issued  
19 a warrant that has not been filed; and (iii) has entered a deferred  
20 payment arrangement with the department of revenue and is making  
21 payments upon such deficiency that will fully satisfy the indebtedness  
22 within twelve months;

23 (d) Disclosing the name of a taxpayer with a deficiency greater  
24 than five thousand dollars and against whom a warrant under RCW  
25 82.32.210 has been filed with a court of record and remains  
26 outstanding;

27 (e) Publishing statistics so classified as to prevent the  
28 identification of particular returns or reports or items thereof;

29 (f) Disclosing such return or tax information, for official  
30 purposes only, to the governor or attorney general, or to any state  
31 agency, or to any committee or subcommittee of the legislature dealing  
32 with matters of taxation, revenue, trade, commerce, the control of  
33 industry or the professions;

34 (g) Permitting the department of revenue's records to be audited  
35 and examined by the proper state officer, his or her agents and  
36 employees;

37 (h) Disclosing any such return or tax information to a peace  
38 officer as defined in RCW 9A.04.110 or county prosecuting attorney, for  
39 official purposes. The disclosure may be made only in response to a

1 search warrant, subpoena, or other court order, unless the disclosure  
2 is for the purpose of criminal tax enforcement. A peace officer or  
3 county prosecuting attorney who receives the return or tax information  
4 may disclose that return or tax information only for use in the  
5 investigation and a related court proceeding, or in the court  
6 proceeding for which the return or tax information originally was  
7 sought;

8 (i) Disclosing any such return or tax information to the proper  
9 officer of the internal revenue service of the United States, the  
10 Canadian government or provincial governments of Canada, or to the  
11 proper officer of the tax department of any state or city or town or  
12 county, for official purposes, but only if the statutes of the United  
13 States, Canada or its provincial governments, or of such other state or  
14 city or town or county, as the case may be, grants substantially  
15 similar privileges to the proper officers of this state;

16 ((+i)) (j) Disclosing any such return or tax information to the  
17 Department of Justice, the Bureau of Alcohol, Tobacco and Firearms of  
18 the Department of the Treasury, the Department of Defense, the United  
19 States Customs Service, the Coast Guard of the United States, and the  
20 United States Department of Transportation, or any authorized  
21 representative thereof, for official purposes;

22 ((+j)) (k) Publishing or otherwise disclosing the text of a  
23 written determination designated by the director as a precedent  
24 pursuant to RCW 82.32.410;

25 ((+k)) (l) Disclosing, in a manner that is not associated with  
26 other tax information, the taxpayer name, entity type, business  
27 address, mailing address, revenue tax registration numbers, standard  
28 industrial classification code of a taxpayer, and the dates of opening  
29 and closing of business. This subsection shall not be construed as  
30 giving authority to the department to give, sell, or provide access to  
31 any list of taxpayers for any commercial purpose; or

32 ((+l)) (m) Disclosing such return or tax information that is also  
33 maintained by another Washington state or local governmental agency as  
34 a public record available for inspection and copying under the  
35 provisions of chapter 42.17 RCW or is a document maintained by a court  
36 of record not otherwise prohibited from disclosure.

37 (4)(a) The department may disclose return or taxpayer information  
38 to a person under investigation or during any court or administrative  
39 proceeding against a person under investigation as provided in this

1 subsection (4). The disclosure must be in connection with the  
2 department's official duties relating to an audit, collection activity,  
3 or a civil or criminal investigation. The disclosure may occur only  
4 when the person under investigation and the person in possession of  
5 data, materials, or documents are parties to the return or tax  
6 information to be disclosed. The department may disclose return or tax  
7 information such as invoices, contracts, bills, statements, resale or  
8 exemption certificates, or checks. However, the department may not  
9 disclose general ledgers, sales or cash receipt journals, check  
10 registers, accounts receivable/payable ledgers, general journals,  
11 financial statements, expert's workpapers, income tax returns, state  
12 tax returns, tax return workpapers, or other similar data, materials,  
13 or documents.

14 (b) Before disclosure of any tax return or tax information under  
15 this subsection (4), the department shall, through written  
16 correspondence, inform the person in possession of the data, materials,  
17 or documents to be disclosed. The correspondence shall clearly  
18 identify the data, materials, or documents to be disclosed. The  
19 department may not disclose any tax return or tax information under  
20 this subsection (4) until the time period allowed in (c) of this  
21 subsection has expired or until the court has ruled on any challenge  
22 brought under (c) of this subsection.

23 (c) The person in possession of the data, materials, or documents  
24 to be disclosed by the department has twenty days from the receipt of  
25 the written request required under (b) of this subsection to petition  
26 the superior court of the county in which the petitioner resides for  
27 injunctive relief. The court shall limit or deny the request of the  
28 department if the court determines that:

29 (i) The data, materials, or documents sought for disclosure are  
30 cumulative or duplicative, or are obtainable from some other source  
31 that is more convenient, less burdensome, or less expensive;

32 (ii) The production of the data, materials, or documents sought  
33 would be unduly burdensome or expensive, taking into account the needs  
34 of the department, the amount in controversy, limitations on the  
35 petitioner's resources, and the importance of the issues at stake; or

36 (iii) The data, materials, or documents sought for disclosure  
37 contain trade secret information that, if disclosed, could harm the  
38 petitioner.

1 (d) The department shall reimburse reasonable expenses for the  
2 production of data, materials, or documents incurred by the person in  
3 possession of the data, materials, or documents to be disclosed.

4 (e) Requesting information under (b) of this subsection that may  
5 indicate that a taxpayer is under investigation does not constitute a  
6 disclosure of tax return or tax information under this section.

7 (5) Any person acquiring knowledge of any return or tax information  
8 in the course of his or her employment with the department of revenue  
9 and any person acquiring knowledge of any return or tax information as  
10 provided under subsection (3)(f), (g), (h), ~~((or))~~ (i), or (j) of this  
11 section, who discloses any such return or tax information to another  
12 person not entitled to knowledge of such return or tax information  
13 under the provisions of this section, ~~((shall upon conviction be  
14 punished by a fine not exceeding one thousand dollars and,))~~ is guilty  
15 of a misdemeanor. If the person guilty of such violation is an officer  
16 or employee of the state, such person shall forfeit such office or  
17 employment and shall be incapable of holding any public office or  
18 employment in this state for a period of two years thereafter.

19 NEW SECTION. **Sec. 6.** A new section is added to chapter 46.68 RCW  
20 to read as follows:

21 The vehicle licensing fraud account is created in the state  
22 treasury. From penalties and fines imposed under RCW 46.16.010,  
23 47.68.255, and 88.02.118, an amount equal to the taxes and fees owed  
24 shall be deposited into the account. Moneys in the account may be  
25 spent only after appropriation. Expenditures from the account may be  
26 used only for vehicle license fraud enforcement and collections by the  
27 Washington state patrol and the department of revenue.

28 NEW SECTION. **Sec. 7.** The department of licensing shall develop a  
29 method of accepting applications and issuing trip permits by electronic  
30 means. The department shall present a progress report to the  
31 legislative transportation committee by December 15, 1996.

32 NEW SECTION. **Sec. 8.** Sections 1 through 6 of this act take effect  
33 January 1, 1997.

--- END ---