

# Washington Law Review

---

Volume 26  
Number 4 *Annual Meeting of the Washington  
State Bar Association*

---

11-1-1951

## Report of Committee for Revision of Inheritance and Gift Tax Law

Richard S. Munter

Follow this and additional works at: <https://digitalcommons.law.uw.edu/wlr>

---

### Recommended Citation

Richard S. Munter, State Bar Journal, *Report of Committee for Revision of Inheritance and Gift Tax Law*, 26 Wash. L. Rev. & St. B.J. 267 (1951).

Available at: <https://digitalcommons.law.uw.edu/wlr/vol26/iss4/8>

This State Bar Journal is brought to you for free and open access by the Law Reviews and Journals at UW Law Digital Commons. It has been accepted for inclusion in Washington Law Review by an authorized editor of UW Law Digital Commons. For more information, please contact [lawref@uw.edu](mailto:lawref@uw.edu).

handle it, and the lawyers themselves who are sufficiently interested in this program would have to request it. They will eventually get these records.

The first one—I will let this record speak for itself, and there will be some introduction given by the program, very short, a sentence or two, and in some of these records that we have played and which have been listened to by your representatives on the various committees, there are occasional statements which may need some clarification of them. These are deleted to meet any state laws so as to be good in any state.

I think this is a fair example. This is "Wheels," a program which is a fair sample. We have others, and I will just read you the names of the others which I have listed, and then we will go on with this program if you are ready. They are "Wheels," "Unauthorized Practice," "In Your Office," "Criminal Law," "Contracts," "Legal Aid," "Checking-Banking"—they seem to have a reasonable connection—"Buying a House," "Inheritance Tax," "The Trial," "Soldier-Seller," "Divorce," and the last one does not convey very much information from the title; the program is "You Cannot Escape It." Well, you can think of a lot of things that you cannot escape, death and taxes, and that is mostly what it is about.

REPORT OF COMMITTEE FOR REVISION  
OF INHERITANCE AND GIFT TAX LAW  
BY RICHARD S. MUNTER

The present members of the Committee for Revision of Inheritance and Gift Tax Law were appointed November 21, 1950. As in the past, the committee worked closely with Mr. Victor R. Graves and other representatives of The Corporate Trustees' Association of Washington. Because other affairs prevented Mr. Harold E. Fraser and Mr. L. R. Bonneville (the Spokane and Tacoma members of the committee) from participating during February, the committee called upon and was ably assisted by Mr. F. D. Metzger of Tacoma and Mr. Laurance S. Carlson of Seattle.

In addition to inheritance and gift tax subjects, the Board of Governors requested the committee to consider the impact which the decision of the Supreme Court of the United States in *Mullane v. Central Hanover Bank and Trust Co.*, 94 L. Ed. 865, might have on

the validity of decrees of distribution in probate proceedings. The committee took no action on this problem because of the inclusion in the new rules adopted by the Washington Supreme Court of Rule 41 of the Rules on Pleading, Practice and Procedure. Under this rule notice similar to that approved by the United States Supreme Court is now required.

For reasons which included the imminence of the legislative session, the consensus of the committee was to sponsor no changes in the Inheritance and Gift Tax Law. However, representatives of the Inheritance Tax Division were contacted and the committee was assured of an opportunity to work with the Division on any inheritance or gift tax amendments which it might sponsor. A large number of amendments were in fact introduced at the request of the Inheritance Tax Division. Unfortunately, the division was unable to prepare them until after the legislature was in session, and they were not made available to the committee until late January or February. This was undoubtedly due to the press of the official duties of division representatives, and the committee is pleased to report that it received from such representatives, at all subsequent conferences and hearings, every courtesy and consideration.

A majority of the division amendments were introduced as House Bill 302. Some of the changes proposed were considered satisfactory by the committee. A great many others to which the committee objected were revised to the committee's satisfaction through a number of conferences with division representatives, and through joint recommendations made by the committee, representatives of the Corporate Trustees' Association and Division representatives at a hearing before the House Committee on Revenue and Taxation to which the bill had been referred. Also at this hearing, the views of all three groups were voiced on all significant points of disagreement. As a result, the Committee on Revenue and Taxation rewrote the bill and it emerged as Substitute House Bill 302. In the substitute bill nearly every major objection to the original bill was met and many of its features constituted in the view of the committee improvements in the law. Substitute House Bill 302 after passing the House, died in the Senate Judiciary Committee.

The remaining amendments proposed by the division involved the property previously taxed exemption and powers of appointment, both highly complicated and difficult subjects. Time did not permit

the committee to give more than cursory attention to these proposals. The bill on property previously taxed passed the House but died in the Senate Rules Committee. The powers of appointment amendments were the only ones which became law, they being adopted as Chapter 185 of the 1951 Session Laws. The new powers of appointment sections are complicated and may produce administrative difficulties and hardships. They are, however, intended to make it clear that the tax (inheritance or gift) is applicable only to the transaction by which the power is created, and, although the tax may be measured by the exercise of the power, that a second tax is not imposed by reason of such exercise.

## REPORT OF COMMITTEE ON LEGAL SERVICES

### TO THE ARMED FORCES

BY GEORGE H. REVELLE

I have felt that being a new committee to the Bar in a sense, and there being some questions among some of the lawyers as to its work, and a doubt as to its knowledge, that I should bring that report to your attention here so that if any benefit can come from you in the convention to change the committee's operation, the opportunity is offered.

The committee appointed pursuant to the request of the American Bar Association began proceedings by an examination of the procedures used during World War II, procedures used by other integrated bar associations and procedures suggested by the parent committee of the American Bar Association.

We adopted the general plan of operating through committees of the local bar associations appointed by the local associations for that purpose. Purpose, policy and procedure were established therefore as filed in the office of the State Bar Association.

Briefly the purpose of the committee was to be sure that the members of the armed forces, both who were serving in this state on leave, or are acquainted with death and loss in another state, and those of this state who are serving throughout the world, that they have the means of reaching legal services when they need them. The work of the committee is so that members of the armed services who were residents of the state of Washington, who have never had any contact with a lawyer and need one, go to a legal officer in the service, and