



UNITED FISHERMEN OF ALASKA

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May 27, 2016

Representative Steve Thompson, Chair
House Finance Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801

RE: Concerns with HB 4006 – Fisheries Taxes

Dear Chairman Thompson and committee members,

United Fishermen of Alaska (UFA) continues to hold our position that any new or increased taxes on the fishing industry must be part of a comprehensive fiscal solution, as included in our 2015 resolution that is previously submitted as [HB251 Backup UFA.pdf](#). We do not see a comprehensive fiscal solution at this time and until that happens we oppose singling industries out.

UFA has the following additional comments on some concepts that are in HB 4006 or have been considered in previous versions of the legislation:

UFA opposes the removal of CFEC permit fee maximum caps.

UFA opposes an increase on canned salmon tax - we support keeping this tax at the current 4.5%. Canned salmon is often produced in extreme excess simply to keep fishermen fishing in times of very large runs. This particular tax could actually cause less fish to be processed during these years of large runs, reducing revenue to the state.

UFA supports keeping developing fisheries at the current 1% tax rate, as in HB 4006. We opposed an increase on taxes on developing fisheries to 4% that was included in an amended version of fisheries tax legislation in other bills. We are amenable to an increase to 2% at most in developing fisheries as included in the original legislation.

UFA is the statewide commercial fishing trade association, representing 34 commercial fishing organizations participating in fisheries throughout the state and its offshore federal waters.

Thank you for your consideration,

Jerry McCune
President

Mark Vinsel
Executive Administrator