

27-LS0576R

Bullard

1/25/12

FOR HCRA

CS FOR HOUSE BILL NO. 184()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVES PEGGY WILSON, Thompson

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the sharing of tax revenue from the fisheries business tax and
2 fishery resource landing tax with municipalities and to municipal reports relating to the
3 shared tax revenue; and providing for an effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 LEGISLATIVE INTENT. It is the intent of the legislature that municipalities use the
8 additional revenue distributed under this Act to help maintain and improve their harbor
9 facilities.

10 * **Sec. 2.** AS 43.75.130(a) is amended to read:

11 (a) Subject to appropriation by the legislature, and except as provided in
12 (d) of this section, the commissioner shall pay

13 (1) to each unified municipality and to each city located in the
14 unorganized borough, 75 [50] percent of the amount of tax revenue collected in the

1 municipality from taxes levied under this chapter;

2 (2) to each city located within a borough, 37.5 [25] percent of the
3 amount of tax revenue collected in the city from taxes levied under this chapter; and

4 (3) to each borough

5 (A) 75 [50] percent of the amount of tax revenue collected in
6 the area of the borough outside cities from taxes levied under this chapter; and

7 (B) 37.5 [25] percent of the amount of tax revenue collected in
8 cities located within the borough from taxes levied under this chapter.

9 * **Sec. 3.** AS 43.75.130(d) is amended to read:

10 (d) Notwithstanding the provisions of (a)(2) and (a)(3)(B) of this section, and
11 subject to appropriation by the legislature, the commissioner shall pay

12 (1) to each city that is located in a borough incorporated after June 16,
13 1987, the following percentages of the tax revenue collected in the city from taxes
14 levied under this chapter:

15 (A) 67.5 [45] percent of the taxes collected during the calendar
16 year in which the borough is incorporated;

17 (B) 60 [40] percent of the taxes collected during the first
18 calendar year after the calendar year in which the borough is incorporated;

19 (C) 52.5 [35] percent of the taxes collected during the second
20 calendar year after the calendar year in which the borough is incorporated; and

21 (D) 45 [30] percent of the taxes collected during the third
22 calendar year after the calendar year in which the borough is incorporated; and

23 (2) to each borough that is incorporated after June 16, 1987, the
24 following percentages of the tax revenue collected in the cities located within the
25 borough from taxes levied under this chapter:

26 (A) 7.5 [5] percent of the taxes collected during the calendar
27 year in which the borough is incorporated;

28 (B) 15 [10] percent of the taxes collected during the first
29 calendar year after the calendar year in which the borough is incorporated;

30 (C) 22.5 [15] percent of the taxes collected during the second
31 calendar year after the calendar year in which the borough is incorporated; and

(D) 30 [20] percent of the taxes collected during the third calendar year after the calendar year in which the borough is incorporated.

* **Sec. 4.** AS 43.75.130(g) is amended to read:

(g) In this section, "tax revenue collected" means the revenue collected by the department from taxes levied under this chapter on the value of fishery resources that are either (1) processed in a municipality; or (2) first landed in a municipality and exported from the state without being processed in the state;

"tax revenue collected" includes the amount credited against taxes under AS 43.75.018.

* **Sec. 5.** AS 43.75.137 is amended to read:

Sec. 43.75.137. Additional refund. Subject to appropriation by the legislature [TO THE EXTENT THAT APPROPRIATIONS ARE AVAILABLE FOR THE PURPOSE, AND NOTWITHSTANDING THE REQUIREMENT OF AS 37.07.080(e) THAT APPROVAL OF THE OFFICE OF MANAGEMENT AND BUDGET IS REQUIRED], an amount equal to 75 [50] percent of the tax revenue that is collected under this chapter from fisheries businesses and that is not subject to division with a municipality under AS 43.75.130 shall be paid by [TRANSMITTED EACH FISCAL YEAR, WITHOUT THE APPROVAL OF THE OFFICE OF MANAGEMENT AND BUDGET, BY THE DEPARTMENT TO] the Department of Commerce, Community, and Economic Development [FOR DISBURSAL] to eligible municipalities under AS 29.60.450.

* **Sec. 6.** AS 43.75 is amended by adding a new section to article 3 to read:

Sec. 43.75.150. Municipal reports to the legislature. (a) Not more than 10 days after the convening of each regular legislative session, a municipality that receives tax revenue under AS 43.75.130 - 43.75.137 shall prepare and submit to the legislature a report that describes

(1) how those funds were used by the municipality in the previous fiscal year; and

(2) any harbor maintenance or improvement projects that were funded in whole or in part by the tax revenue collected under AS 43.75.130 - 43.75.137.

(b) The report required under (a) of this section may be made jointly with the

1 report required under AS 43.77.060(f).

2 * **Sec. 7.** AS 43.77.060(a) is amended to read:

3 (a) Subject to appropriation by the legislature and except as provided in (b) of
4 this section, the commissioner shall pay to each

5 (1) unified municipality and to each city located in the unorganized
6 borough, 75 [50] percent of the amount of tax revenue collected from taxes levied
7 under this chapter on the fishery resource landed in the municipality and accounted for
8 under AS 43.77.050(b);

9 (2) city located within a borough, 37.5 [25] percent of the amount of
10 the tax revenue collected from taxes levied under this chapter on fishery resources
11 landed in the city and accounted for under AS 43.77.050(b); and

12 (3) borough

13 (A) 75 [50] percent of the amount of the tax revenue collected
14 from taxes levied under this chapter on fishery resources landed in the area of
15 the borough outside cities and accounted for under AS 43.77.050(b); and

16 (B) 37.5 [25] percent of the amount of the tax revenue collected
17 from taxes levied under this chapter on fishery resources landed in cities
18 located within the borough and accounted for under AS 43.77.050(b).

19 * **Sec. 8.** AS 43.77.060(d) is amended to read:

20 (d) Subject to appropriation by the legislature [TO THE EXTENT THAT
21 APPROPRIATIONS ARE AVAILABLE FOR THE PURPOSE, AND
22 NOTWITHSTANDING THE REQUIREMENT OF AS 37.07.080(e) THAT
23 APPROVAL OF THE OFFICE OF MANAGEMENT AND BUDGET IS
24 REQUIRED], an amount equal to 75 [50] percent of the tax revenue that is collected
25 under this chapter and that is not subject to division with a municipality under (a) - (c)
26 of this section shall be paid by [TRANSMITTED EACH FISCAL YEAR,
27 WITHOUT THE APPROVAL OF THE OFFICE OF MANAGEMENT AND
28 BUDGET, BY THE DEPARTMENT TO] the Department of Commerce, Community,
29 and Economic Development [FOR DISBURSAL] to eligible municipalities under
30 AS 29.60.450.

31 * **Sec. 9.** AS 43.77.060 is amended by adding a new subsection to read:

1 (f) Not more than 10 days after the convening of each regular legislative
2 session, a municipality that receives tax revenue under this section shall prepare and
3 submit to the legislature a report that describes how those funds were used by the
4 municipality in the previous fiscal year and that details any harbor maintenance or
5 improvement projects that were funded in whole or in part by that tax revenue. The
6 report may be made jointly with the report required under AS 43.75.150.

7 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 APPLICABILITY. This Act applies to tax revenue collected by the Department of
10 Revenue under AS 43.75 and AS 43.77 for the 2012 tax year and subsequent tax years.

11 * **Sec. 11.** Sections 6 and 9 of this Act take effect February 1, 2013.

12 * **Sec. 12.** Except as provided in sec. 11 of this Act, this Act takes effect January 1, 2013.