

Southeast Alaska Fishermen's Alliance

9369 North Douglas Highway

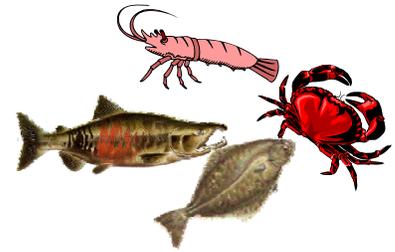
Juneau, AK 99801

Phone: 907-586-6652

Fax: 907-523-1168

Email: seafa@gci.net

Website: <http://www.seafa.org>



March 21, 2013

Senate Resources
Alaska State Legislature
State Capitol, Room 205
Juneau, AK 99801-1182

RE: Support SB 71

Dear Senator Giessel, Chair and Resource Committee Members,

Southeast Alaska Fishermen's Alliance (SEAFa) is a multi-gear/multi-species, membership based association. SEAFa supports SB 71 which addresses an issue that affects several of our members.

SB 71 will prevent the imposition of tax penalties and interest for a situation that is completely out of the tax payer's control. SB 71 aligns the date the tax is due to correspond with the date the report is due. Currently the report is due March 31st or the last day of the month following the month the State publishes the statewide prices that must be used on the return which generally is in May but the tax is due on April 1st. How do you pay a tax when you don't know what you owe and why should an individual then be punished by the imposition of penalties and interest for failure to pay on time?

Section 2 of SB 71 deletes the requirement to make equal quarterly payments and allows the commercial fisherman to pay each quarter based on their production and estimated price for that quarter. A commercial fisherman has no idea of how their season is going to go until they are done fishing - asking to pay before they fish is difficult as you don't know how much to pay nor do you have income from the fishing to pay for the taxes.

In FY 2012, 78 Resource landing tax reports were filed by 67 tax payers.

This legislation does not take away the right of the State to assess penalties or interest if a tax payer does not pay an appropriate quarterly payment based on their production.

SEAFSA supports SB 71 and hopes that the Legislature fixes this glitch in the Resource Landing Tax that penalizes law-abiding tax payers.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathy Hansen", followed by a long horizontal line extending to the right.

Kathy Hansen
Executive Director