

UNITED FISHERMEN OF ALASKA

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March 25, 2013

Senator Cathy Geissel, Chair Senate Resources Committee State Capitol Juneau, AK 99801-1182 Email: <u>Senator.Cathy.Giessel@akleg.gov</u>

RE: Support for SB 71, PAYMENT OF FISHERY RESOURCE LANDING TAX

Dear Senator Geissel, and members of the Senate Resources Committee;

United Fishermen of Alaska (UFA) is the largest statewide commercial fishing trade association, representing 36 commercial fishing organizations participating in fisheries throughout the state and its offshore federal waters.

UFA supports SB 71, which makes changes to current statutes regarding the timing and requirement for four equal payments in estimated fisheries resource landing tax.

SB 71 would change the current timing of tax payment due date to align with the date the corresponding report is due. Currently the report is due March 31st or the last day of the month following the month in which 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. This mismatch in timing results in late payment fines and interest for well-intentioned producers, as well as confusion, frustration, and wasted time that could best be spent harvesting and processing fish to increase revenue.

The current statute includes provisions for four equal payments, but with the seasonal nature of many fisheries, and the variability in harvest, it is virtually impossible for resource landing taxpayers to accurately predict their full years harvest to calculate equal payments. SB 71 would create a fair and equitable tax system by aligning the date of the tax with the report.

Thank you for your consideration.

Sincerely,

Julianne Curry Executive Director

CC: Senator Peter Micciche