



ALASKA STATE LEGISLATURE

Representative Bryce Edgmon

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HB 182 SPONSOR STATEMENT: EXTENDING FISHERY RESOURCE LANDING TAX CREDIT

"An Act extending the fishery resource landing tax credit for certain taxpayers that harvest fishery resources under the provisions of a community development quota; providing for an effective date by amending the effective date of secs. 16 and 23, ch. 61, SLA 2014; and providing for an effective date."

HB 182 will extend the termination date of the fishery resource landing tax credit to December 31, 2030. Under AS 43.77.040, the taxpayer's contributions through this program are directed towards nonprofit corporations incorporated in the state of Alaska for the following purposes:

- scholarships for study in the state in the disciplines of fisheries management;
- training in the state for employment in the seafood industry;
- and making contributions of capital in the form of loans or grants to construct or improve transportation facilities such as docks and other facilities in the state at which fisheries products are canned, frozen or otherwise processed for industry;
- awarding grants for research projects relating to Alaska fisheries

The intent of these tax credits is to encourage CDQ programs to contribute to nonprofits that provide jobs and training in Western Alaska. In their 2021 Indirect Expenditure Report, the Legislative Finance Division states that the legislative intent of these credits has been met and recommends continuation of the program. The estimated revenue impact for FY2015- FY2019 was an average of \$653,917.40 and no revenue was foregone by the state. This tax credit program continues serving its purpose by attracting donations each year to Alaska nonprofit corporations that are dedicated to continually improving our fisheries and economic opportunities for Alaskans.

With this bill, I look forward to extending the CDQ tax credit program that has provided significant benefits to the fisheries and people of Western Alaska.