

ALASKA STATE LEGISLATURE

JOINT LEGISLATIVE TASK FORCE

EVALUATING ALASKA'S SEAFOOD INDUSTRY

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Senator Jesse Bjorkman
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Senator Bert Stedman



Representative Bryce Edgmon
Representative Louise Stutes
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Senate Bill 135

Fish Tax Revenue Sharing with Municipalities

Sectional Analysis (Version A)

- Sec 1: Intent Language: that the bill is targeted for maintenance and improvements to local harbor facilities.
- Sec 2: AS 43.75.130(a) relating to the fisheries business tax program, amends the state-local revenue percentage splits in favor of local governments as follows:
1. For unified municipalities, and each city located within the unorganized borough: from 50% to 60%
 2. Each borough, from 50% to 60%;
 3. Each city within a borough, from 25% to 35%;
- Sec 3: AS 43.75.130(a) is a legal drafting conforming section for when section 1 above sunsets in 2035, and reverts back to the current statutory revenue split.
- Sec 4: AS 43.75.130(d) relating to the fisheries business tax program, specifically to cities within boroughs created after June 16, 1987, amends the percentage splits in favor of the city as follows:
1. During the year of incorporation, from 45% 55%;
 2. During the 1st year after, from 40% to 50%;
 3. During the 2nd year after, from 35% to 45%;
 4. During the 3rd year after, from 30% 40%.
- Then to each borough created after June 16, 1987, adjusting the percentage splits in favor of the borough as follows:
1. During the year of incorporation, from 5% to 7.5%;
 2. During the 1st year after, from 10% to 15%;
 3. During the 2nd year after, from 15% to 25%;
 4. During the 3rd year after, from 20% to 30%.
- Sec 5: AS 43.75.130(d) is a legal drafting conforming section for when section 4 above sunsets in 2035, and reverts back to the current statutory revenue split.

- Sec 6: AS 43.75.137 relating to significant effects from fisheries business activities in a municipality, amends the allowable additional refund of fisheries business tax revenue from 50% to 75%.
- Sec 7: AS 43.75.137 is a legal drafting conforming section for when section 6 above sunsets in 2035, and reverts back to the current statutory revenue split.
- Sec 8: AS 43.75.150 is a new section requiring municipalities receiving fisheries business tax revenues to provide the legislature an annual report on how the monies are being spent in support of harbor maintenance or other infrastructure activities supporting the seafood sector. The report can be filed jointly with existing reporting requirements for the Fishery Resource Landing Tax program under AS 43.77.
- Sec 9: AS 43.77.060(a) relating to the Fishery Resource Landing Tax, amends the state-local revenue percentage splits in favor of local governments as follows:
1. For unified municipalities, and each city located within the unorganized borough, from 50% to 75%
 2. Each city within a borough, from 25% to 35%;
 3. Each borough, from 50% to 75%;
- Sec. 10: AS 43.77.060(a) is a legal drafting conforming section for when section 9 above sunsets in 2035, and reverts back to the current statutory revenue split.
- Sec 11: AS 43.77.060(b) relating to the Fisheries Resource Landing Tax program, specifically to cities within boroughs created after January 1, 1994, amends the percentage splits in favor of the city as follows:
1. During the year of incorporation, from 45% 55%;
 2. During the 1st year after, from 40% to 50%;
 3. During the 2nd year after, from 35% to 50%;
 4. During the 3rd year after, from 30% 50%.
- Then to each borough created after January 1, 1994, adjusting the percentage splits in favor of the borough as follows:
5. During the year of incorporation, from 5% to 10%;
 6. During the 1st year after, from 10% to 20%;
 7. During the 2nd year after, from 15% to 25%;
 8. During the 3rd year after, from 20% to 35%.
- Sec 12: AS 43.77.060(a) is a legal drafting conforming section for when section 11 above sunsets in 2035, and reverts back to the current statutory revenue split.
- Sec 13: AS 43.77.060(d) relating to significant effects from fisheries business activities in a municipality, amends the allowable additional refund of fisheries resource landing tax revenue from 50% to 75%.
- Sec. 14: AS 43.77.060(d) is a legal drafting conforming section for when section 13 above sunsets in 2035, and reverts back to the current statutory revenue split.
- Sec 15: AS 43.77.060(f) is a new section requiring municipalities receiving fisheries resource landing tax revenues to provide the legislature an annual report on how the monies are being spent in support of harbor maintenance or other infrastructure investment supporting the seafood sector.

- Sec. 16: Applicability section pertaining to tax years beginning 2025.
- Sec. 17: Effective dates for Sections 8 and 15 (reporting requirements) being February 1, 2026
- Sec. 18: Effective dates for the repealing sections are July 1, 2035.
- Sec. 19: Effective dates for the remainder of the bill is January 1, 2026.