

Fisheries Business Tax (AS 43.75) and Fisheries Landing Tax (AS 43.77)

What it Does

- Increases the current tax rates by one percentage point (currently these are between 3% and 5%)
- The entire tax increase is exempted from municipal revenue sharing (the rest is shared 50/50)
- Removes the \$3,000 “cap” on annual CFEC entry permit fees
- Developing fisheries are exempted from the increase

How it Differs from Regular Session Bill

- Original bill increased rate for one developing fishery category
- Entry permit fee change was added in committee

Fisheries Business Tax (AS 43.75) and Fisheries Landing Tax (AS 43.77)

How Much Does it Raise?

- About \$18 million / year from the tax change, plus
- About \$2 million / year from the CFEC fee change

How Does it Impact Alaskans?

- The price of fish is generally set by the commodity market, and likely won't absorb this increase
- This tax, although paid by processors, is typically backed out of payments made to harvesters. So in effect, the fisherman pays this tax