

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version HB 184  
 Fiscal Note Number \_\_\_\_\_  
 ( ) Publish Date \_\_\_\_\_

Identifier (file name)	HB184-DOR-TAX-01-25-12	Dept. Affected	Revenue
Title	Refund of Fish Business Tax to Munis	Appropriation	Taxation and Treasury
		Allocation	Tax Division
Sponsor	Rep. P. Wilson		
Requester	Request of the Governor	OMB Component Number	2476

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS							
Full-time							
Part-time							
Temporary							

<b>CHANGE IN REVENUES</b>	<b>(15,000.0)</b>	<b>(15,000.0)</b>	<b>(15,000.0)</b>	<b>(15,000.0)</b>	<b>(15,000.0)</b>	<b>(15,000.0)</b>	<b>(15,000.0)</b>
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**Estimated SUPPLEMENTAL (FY12) operating costs** 0.0 (separate supplemental appropriation required,  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY13) costs** 0.0 (separate capital appropriation required,  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Initial version

Prepared by Tim Cottongim, Revenue Audit Supervisor I  
 Division Tax  
 Approved by Alicia Egan  
Legislative Liaison

Phone (907) 465-3695  
 Date/Time 1/24/12 9:04 AM  
 Date \_\_\_\_\_

## FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. HB 184

### Analysis

#### Bill Language:

Under current law, 50% of fisheries business taxes collected (without regard to all credits) may be appropriated to the organized city and/or borough in which processing activity takes place. If processing activity occurs outside an organized city and/or borough or the product is exported unprocessed from the state, 50% of the tax collected is transferred to DCCED for allocation to eligible municipalities under AS 29.60.450.

Under current law, 50% of fishery resource landing taxes collected (without regard to education and A.W. "Winn" Brindle credits) may be appropriated to the organized city and/or borough in which the fishery resource is first landed. If first landing occurs outside an organized city and/or borough, 50% of the tax collected is transferred to DCCED for allocation to eligible municipalities under AS 29.60.450.

HB 184 increases the percentage of fisheries business and fishery resource landing taxes that are shared with organized cities and boroughs from 50% to 75%. The bill increases the amount transferred to DCCED for resources processed (fisheries business) or first landed (fishery resource landing) outside an organized city and/or borough from 50% to 75%. HB 184 also authorizes appropriation of 75% of fisheries business taxes collected on fishery resources exported unprocessed from the state back to the organized city and/or borough where the fishery resource is first landed.

With the exception of the CDQ credit, all tax credits claimed against the fisheries business and fishery resource landing taxes reduce the states share and not the municipal share. Under HB 184 as currently written, if total tax credits claimed by a taxpayer exceed 25% of the gross tax collected for activities in a given community, there would be insufficient taxes collected from that taxpayer to meet the 75% share percentage going to that community. The shortfall would need to be paid for using other general fund tax receipts.

#### Revenues:

Impacts to annual general funds are based on current year gross tax collections and forecasts contained in the Fall 2011 Revenue Sources Book.

#### Expenditures:

Although provisions of this bill require enhancement to forms and our tax database system, those changes are minor and could be implemented with existing state resources.