

RESOLUTION 19-48

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY SUPPORTING CONTINUATION OF SHARED FISHERIES TAX PROGRAMS AND OPPOSING LEGISLATION INTRODUCED BY THE GOVERNOR REPEALING THE SHARING OF FISHERIES TAX PROGRAM TAXES WITH QUALIFYING MUNICIPALITIES

WHEREAS, the State of Alaska collects various taxes and fees on businesses engaged in the fishing and fish processing activities in Alaska; and

WHEREAS, under provisions of AS 43.75.130 the State provides a “Refund to local governments” of Fisheries Business and License Taxes of up to 50% of taxes collected to municipalities where fishery resources are processed; and

WHEREAS, under provisions of AS 43.77.060 the State provides for “Revenue Sharing” with municipalities of the Fisheries Resource Landing Tax of up to 50% of taxes collected on floating fisheries where fishery products are landed; and

WHEREAS, these two Fisheries Tax programs are a means of taxing fishing economic activity and reflects the partnership between State and municipalities in providing services that support the fishing industry in Alaska; and

WHEREAS, municipalities receiving these Shared Fisheries Taxes provide services like education, water, waste water collection and treatment, road maintenance, docks, ports, boat harbors, fire protection, police services, emergency medical services, electricity, and building inspections in support of the fishing industry; and

WHEREAS, these Shared Fisheries Taxes are significant general fund revenues that municipalities rely on as part of their tax base to provide municipal services that benefit residents and the fishing industry; for example, the Aleutians East Borough is anticipating collection of \$2.2 million in FY19, which represents approximately 28% of the Borough’s budgeted general fund revenues; and

WHEREAS, proposed legislation House Bill 65 and its companion bill Senate Bill 63 in the 31st Legislature would repeal the provisions in the Shared Fisheries Taxes that share these State-collected taxes with qualified municipalities that support the fishing industry; and; and

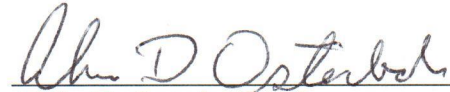
WHEREAS, the legislation would shift more costs for services like education to municipalities while at the same time reducing general tax revenue by in effect reducing municipal tax bases.

NOW THEREFORE, BE IT RESOLVED, that the Aleutians East Borough supports the continuation of the Fisheries Business and License Tax and Fisheries Resource Landing Tax

programs as currently operated to share proscribed taxes collected with qualifying municipalities; and

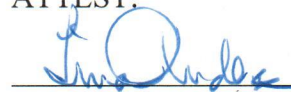
NOW THEREFORE, BE IT FURTHER RESOLVED, the Aleutians East Borough opposes passage of House Bill 65 and Senate Bill 63 that would repeal the sharing of State collected Fisheries Business and License Tax and Fisheries Resource Landing Tax with qualifying municipalities.

PASSED AND ADOPTED by the Aleutians East Borough on this 14th day of March, 2019.



Alvin D. Osterback, Mayor

ATTEST:



Tina Anderson, Clerk