



LAWS OF ALASKA

1967

Source

Chapter No.

SB 169 am H

84

AN ACT

Relating to the liability of primary packers for taxes; insuring their collection; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 43.75.010(a)(1) is amended to read:

(1) Salmon canneries, both shore-based and floating, shall pay an annual tax equal to three per cent of the value of the raw fish purchased or obtained for canning during the year. For the purpose of this license, the raw fish value of each kind of salmon is considered to be a dollar value equal to the average wholesale price obtained for the finished product by Alaska salmon canneries during the months of August, September, October, November, and December of the last five years immediately preceding the license year. Salmon received by salmon canneries and diverted for purposes other than canning are valued at the average prevailing price on the fresh fish market for that fish and are subject to an annual license tax of one per cent of the value.

* Sec. 2. AS 43.75.010 is amended by adding a new subsection to read:

(c) The person, firm, or corporation engaging or attempting to engage in the above lines of business who actually and physically cans or processes the above fishery resources shall be liable for and shall pay to the department the whole tax imposed by this section. In determining this tax liability the person, firm, or corporation shall not deduct from the value of the raw fishery resources canned or processed the value of any raw fishery resources canned or processed for other persons, firms, or corporations, but shall include this as a part of the value of the raw product obtained for

canning or processing.

* Sec. 3. AS 43.75.060 is amended by adding a new subsection to read:

(5) The person, firm, or corporation engaging or attempting to engage in the above lines of business who actually and physically processes the above fishery resources shall be liable for and shall pay to the department the whole tax imposed by this section. In determining this tax liability the person, firm, or corporation shall not deduct from the value of the raw fishery resources processed the value of any raw fishery resources processed for other persons, firms, or corporations, but shall include this as a part of the value of the raw product obtained for processing.

* Sec. 4. AS 43.75 is amended by adding a new section to Art. 1 to read:

Sec. 43.75.055. SECURITY FOR COLLECTION OF TAXES. Each applicant for a license under this chapter shall in or with his application state under oath the amount of each of the products which he expects to produce during the license year. The applicant shall further state the extent of lienable real property owned by the applicant in the state against which the tax may be collected and other information with respect to description, location and value of the property which the department prescribes. If the lienable value of the property is not equal to three times the amount of the tax for which the applicant will probably be liable under this section, the department shall not issue the license until the applicant files with the department a surety bond approved by the attorney general in a penal sum equal to twice the probable amount of the tax for which the applicant will be liable, conditioned upon payment of the tax in full when due, with interest if not paid before delinquency. The department may waive the bond requirement if the applicant posts other security in the form of collateral acceptable to the department.

* Sec. 5. AS 43.75 is amended by adding a new section to Art. 2 to read:

Sec. 43.75.095. SECURITY FOR COLLECTION OF TAXES. Each applicant for a license under this chapter shall in or with his application state under oath the amount of each of the products which he expects to produce during the license year. The applicant shall further state the extent of lienable real property owned by the applicant in the state against which the tax may be collected and other information with respect to description, location and value of the property which the department prescribes. If the lienable value of the property is not equal to three times the amount of the tax for which the applicant will probably be liable under this section, the department shall not issue the license until the applicant files with the department a surety bond approved by the attorney general in a penal sum equal to twice the probable amount of the tax for which the applicant will be liable, conditioned upon payment of the tax in full when due, with interest if not paid before delinquency. However, if the

applicant purchases salmon for export from Alaska in the round, the amount of the bond shall be \$50,000 unless the applicant is the owner of lienable real property in the state of a value of at least \$50,000, and the bond shall be conditioned upon payment to the fisherman of the full purchase price for the salmon and the payment of the tax in full when due. The department may waive the bond requirement if the applicant posts other security in the form of callateral acceptable to the department or prepays the estimated tax.

* Sec. 6. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.