

HOUSE BILL NO. 25

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES SEATON, Wilson

Introduced: 1/10/05

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the sharing of fisheries business tax revenue with municipalities;**
2 **and providing for an effective date."**

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

4 *** Section 1.** AS 43.75.130(a) is amended to read:

5 (a) **Subject to appropriation by the legislature and to** [EXCEPT AS
6 PROVIDED IN] (d) of this section, the commissioner shall pay

7 (1) to each unified municipality and to each city located in the
8 unorganized borough, 50 percent of the amount of tax revenue collected **during a**
9 **fiscal year by the department under this chapter on the value of fishery resources**
10 **that are either processed** in the municipality **or sold to a buyer in the municipality**
11 **but not processed in the state** [FROM TAXES LEVIED UNDER THIS CHAPTER];

12 (2) to each city located within a borough, 25 percent of the amount of
13 tax revenue collected **during a fiscal year by the department under this chapter on**
14 **the value of fishery resources that are either processed** in the city **or sold to a**

1 **buyer in the city but not processed in the state** [FROM TAXES LEVIED UNDER
2 THIS CHAPTER]; and

3 (3) to each borough

4 (A) 50 percent of the amount of tax revenue collected **during a**
5 **fiscal year by the department under this chapter on the value of fishery**
6 **resources that are either processed** in the area of the borough outside cities
7 **or sold to a buyer in the area of the borough outside cities but not**
8 **processed in the state** [FROM TAXES LEVIED UNDER THIS CHAPTER];
9 and

10 (B) 25 percent of the amount of tax revenue collected **during a**
11 **fiscal year by the department under this chapter on the value of fishery**
12 **resources that are either processed** in cities located within the borough **or**
13 **sold to a buyer in cities located within the borough but not processed in**
14 **the state** [FROM TAXES LEVIED UNDER THIS CHAPTER].

15 * **Sec. 2.** AS 43.75.130(d) is amended to read:

16 (d) Notwithstanding the provisions of (a)(2) and (a)(3)(B) of this section, the
17 commissioner shall pay

18 (1) to each city that is located in a borough incorporated after June 16,
19 1987, the following percentages of the tax revenue collected in the city from taxes
20 levied under this chapter:

21 (A) 45 percent of the taxes collected **by the department under**
22 **this chapter on the value of fishery resources that are either processed in**
23 **the city or sold to a buyer in the city but not processed in the state** during
24 the **fiscal** [CALENDAR] year in which the borough is incorporated;

25 (B) 40 percent of the taxes collected **by the department under**
26 **this chapter on the value of fishery resources that are either processed in**
27 **the city or sold to a buyer in the city but not processed in the state** during
28 the first **fiscal** [CALENDAR] year after the **fiscal** [CALENDAR] year in
29 which the borough is incorporated;

30 (C) 35 percent of the taxes collected **by the department under**
31 **this chapter on the value of fishery resources that are either processed in**

1 the city or sold to a buyer in the city but not processed in the state during
 2 the second **fiscal** [CALENDAR] year after the **fiscal** [CALENDAR] year in
 3 which the borough is incorporated; and

4 (D) 30 percent of the taxes collected by the department under
 5 this chapter on the value of fishery resources that are either processed in
 6 the city or sold to a buyer in the city but not processed in the state during
 7 the third **fiscal** [CALENDAR] year after the **fiscal** [CALENDAR] year in
 8 which the borough is incorporated; and

9 (2) to each borough that is incorporated after June 16, 1987, the
 10 following percentages of the tax revenue collected in the cities located within the
 11 borough from taxes levied under this chapter:

12 (A) 5 percent of the taxes collected by the department under
 13 this chapter on the value of fishery resources that are either processed in
 14 cities located within the borough or sold to a buyer in cities located within
 15 the borough but not processed in the state during the **fiscal** [CALENDAR]
 16 year in which the borough is incorporated;

17 (B) 10 percent of the taxes collected by the department under
 18 this chapter on the value of fishery resources that are either processed in
 19 cities located within the borough or sold to a buyer in cities located within
 20 the borough but not processed in the state during the first **fiscal**
 21 [CALENDAR] year after the **fiscal** [CALENDAR] year in which the borough
 22 is incorporated;

23 (C) 15 percent of the taxes collected by the department under
 24 this chapter on the value of fishery resources that are either processed in
 25 cities located within the borough or sold to a buyer in cities located within
 26 the borough but not processed in the state during the second **fiscal**
 27 [CALENDAR] year after the **fiscal** [CALENDAR] year in which the borough
 28 is incorporated; and

29 (D) 20 percent of the taxes collected by the department under
 30 this chapter on the value of fishery resources that are either processed in
 31 cities located within the borough or sold to a buyer in cities located within

1 the borough but not processed in the state during the third **fiscal**
 2 [CALENDAR] year after the **fiscal** [CALENDAR] year in which the borough
 3 is incorporated.

4 * **Sec. 3.** AS 43.75.137 is amended to read:

5 **Sec. 43.75.137. Additional refund. Subject to appropriation by the**
 6 **legislature** [TO THE EXTENT THAT APPROPRIATIONS ARE AVAILABLE FOR
 7 THE PURPOSE, AND NOTWITHSTANDING THE REQUIREMENT OF
 8 AS 37.07.080(e) THAT APPROVAL OF THE OFFICE OF MANAGEMENT AND
 9 BUDGET IS REQUIRED], an amount equal to 50 percent of the tax revenue that is
 10 collected **during a fiscal year** under this chapter from fisheries businesses and **that** is
 11 not subject to division with a municipality under AS 43.75.130 shall be **paid by**
 12 [TRANSMITTED EACH FISCAL YEAR, WITHOUT THE APPROVAL OF THE
 13 OFFICE OF MANAGEMENT AND BUDGET, BY THE DEPARTMENT TO] the
 14 Department of Commerce, Community, and Economic Development [FOR
 15 DISBURSAL] to eligible municipalities under AS 29.60.450.

16 * **Sec. 4.** This Act takes effect July 1, 2005.