

AMENDMENT #1

OFFERED IN THE HOUSE
TO: CSHB 111(FIN)

BY REPRESENTATIVE WILSON

1 Page 1, line 8, following "production;": *(title amendment)*
2 Insert "relating to the fisheries business tax and the fishery resource landing tax;"
3

4 Page 34, following line 5:

5 Insert new bill sections to read:

6 **** Sec. 28.** AS 43.75.015(a) is amended to read:

7 (a) A person engaged in a fisheries business is liable for and shall pay the tax
8 levied by this section on the value of each of the following fisheries resources
9 processed during the year at the rate set out after each:

10 (1) salmon canned at a shore-based fisheries business - 5.5 [FOUR
11 AND ONE-HALF] percent;

12 (2) salmon processed by a shore-based fisheries business, except
13 salmon for which the tax is due under (1) of this subsection, and all other fisheries
14 resources processed by a shore-based fisheries business - four [THREE] percent;

15 (3) fisheries resources processed by a floating fisheries business - six
16 [FIVE] percent.

17 *** Sec. 29.** AS 43.75.015(b) is amended to read:

18 (b) Instead of the taxes levied by (a) of this section, a person who processes a
19 developing commercial fish species is liable for and shall pay a tax equal to

20 (1) one percent of the value of the developing commercial fish species
21 processed by a shore-based fisheries business during the year; and

22 (2) four [THREE] percent of the value of the developing commercial
23 fish species processed by a floating fisheries business during the year.

1 * **Sec. 30.** AS 43.75.015(d) is amended to read:

2 (d) Instead of the taxes levied under (a) or (b) of this section, a person who
3 processes a fishery resource under a direct marketing fisheries business license is
4 liable for and shall pay a tax equal to

5 (1) one percent of the value of the developing commercial fish species
6 processed during the year; and

7 (2) **four** [THREE] percent of the value of a commercial fish species
8 not subject to (1) of this subsection.

9 * **Sec. 31.** AS 43.75.130(a) is amended to read:

10 (a) **The amount of tax revenue equal to one percent of the value of each**
11 **fishery taxed under this chapter shall be deposited into the general fund.** Except
12 as provided in (d) of this section, **and not including the revenue equal to one**
13 **percent of the value of each fishery taxed under this chapter and deposited in the**
14 **general fund under this subsection,** the commissioner shall pay

15 (1) to each unified municipality and to each city located in the
16 unorganized borough, 50 percent of the amount of tax revenue collected in the
17 municipality from taxes levied under this chapter;

18 (2) to each city located within a borough, 25 percent of the amount of
19 tax revenue collected in the city from taxes levied under this chapter; and

20 (3) to each borough

21 (A) 50 percent of the amount of tax revenue collected in the
22 area of the borough outside cities from taxes levied under this chapter; and

23 (B) 25 percent of the amount of tax revenue collected in cities
24 located within the borough from taxes levied under this chapter.

25 * **Sec. 32.** AS 43.77.010 is amended to read:

26 **Sec. 43.77.010. Landing tax.** A person who engages or attempts to engage in a
27 floating fisheries business in the state and who owns a fishery resource that is not
28 subject to AS 43.75 but that is brought into the jurisdiction of, and first landed in, this
29 state is liable for and shall pay a landing tax on the value of the fishery resource. The
30 amount of the landing tax is

31 (1) for a developing commercial fish species, as defined under

1 AS 43.75.290, one percent of the value of the fishery resource at the place of landing;

2 (2) for a fish species other than a developing commercial fish species,
3 **four** [THREE] percent of the value of the fishery resource at the place of the landing.

4 * Sec. 33. AS 43.77.060(a) is amended to read:

5 (a) **The amount of tax revenue equal to one percent of the value of each**
6 **fishery taxed under this chapter shall be deposited into the general fund.** Subject
7 to appropriation by the legislature and except as provided in (b) of this section, **and**
8 **not including the revenue equal to one percent of the value of each fishery taxed**
9 **under this chapter and deposited in the general fund under this subsection,** the
10 commissioner shall pay to each

11 (1) unified municipality and to each city located in the unorganized
12 borough, 50 percent of the amount of tax revenue collected from taxes levied under
13 this chapter on the fishery resource landed in the municipality and accounted for under
14 AS 43.77.050(b);

15 (2) city located within a borough, 25 percent of the amount of the tax
16 revenue collected from taxes levied under this chapter on fishery resources landed in
17 the city and accounted for under AS 43.77.050(b); and

18 (3) borough

19 (A) 50 percent of the amount of the tax revenue collected from
20 taxes levied under this chapter on fishery resources landed in the area of the
21 borough outside cities and accounted for under AS 43.77.050(b); and

22 (B) 25 percent of the amount of the tax revenue collected from
23 taxes levied under this chapter on fishery resources landed in cities located
24 within the borough and accounted for under AS 43.77.050(b).

25 * Sec. 34. AS 43.77.060(b) is amended to read:

26 (b) **The amount of tax revenue equal to one percent of the value of each**
27 **fishery taxed under this chapter shall be deposited into the general fund.**
28 Notwithstanding the provisions of (a)(2) and (a)(3)(B) of this section, and subject to
29 appropriation by the legislature, **and not including the revenue equal to one percent**
30 **of the value of each fishery taxed under this chapter and deposited in the general**
31 **fund under this subsection,** the commissioner shall pay to each

1 (1) city that is located in a borough incorporated after January 1, 1994,
2 the following percentages of the tax revenue collected from taxes levied under this
3 chapter on fishery resources landed in the city and accounted for under
4 AS 43.77.050(b):

5 (A) 45 percent of the tax revenue collected during the calendar
6 year in which the borough is incorporated;

7 (B) 40 percent of the tax revenue collected during the first
8 calendar year after the calendar year in which the borough is incorporated;

9 (C) 35 percent of the tax revenue collected during the second
10 calendar year after the calendar year in which the borough is incorporated; and

11 (D) 30 percent of the tax revenue collected during the third
12 calendar year after the calendar year in which the borough is incorporated; and

13 (2) borough that is incorporated after January 1, 1994, the following
14 percentages of the tax revenue collected from taxes levied under this chapter on
15 fishery resources landed in the cities located within the borough and accounted for
16 under AS 43.77.050(b):

17 (A) five percent of the tax revenue collected during the
18 calendar year in which the borough is incorporated;

19 (B) 10 percent of the tax revenue collected during the first
20 calendar year after the calendar year in which the borough is incorporated;

21 (C) 15 percent of the tax revenue collected during the second
22 calendar year after the calendar year in which the borough is incorporated; and

23 (D) 20 percent of the tax revenue collected during the third
24 calendar year after the calendar year in which the borough is incorporated."
25

26 Renumber the following bill sections accordingly.

27
28 Page 37, line 17:

29 Delete "sec. 29"

30 Insert "sec. 36"

31

- 1 Page 37, line 18:
- 2 Delete "sec. 29"
- 3 Insert "sec. 36"
- 4
- 5 Page 37, line 27:
- 6 Delete "sec. 29"
- 7 Insert "sec. 36"
- 8
- 9 Page 37, line 29:
- 10 Delete "sec. 29"
- 11 Insert "sec. 36"
- 12
- 13 Page 37, lines 29 - 30:
- 14 Delete "sec. 29"
- 15 Insert "sec. 36"
- 16
- 17 Page 38, line 23:
- 18 Delete "sec. 29"
- 19 Insert "sec. 36"
- 20
- 21 Page 38, line 26:
- 22 Delete "sec. 29"
- 23 Insert "sec. 36"
- 24
- 25 Page 38, line 29:
- 26 Delete "sec. 29"
- 27 Insert "sec. 36"
- 28
- 29 Page 39, line 10:
- 30 Delete "30, 36, and 37"
- 31 Insert "37, 43, and 44"

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2 Page 39, line 14:

3 Delete "secs. 38 and 39"

4 Insert "secs. 45 and 46"