

1 IN THE HOUSE

BY

*Mr. Taylor*

2 HOUSE BILL NO. 86

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act requiring registration of every  
7 commercial fisherman in Alaska; levying a  
8 tax on all salmon caught or landed in the  
9 Territory of Alaska; providing for collec-  
10 tion of same; establishing procedures;  
11 defining violations; prescribing penalties;  
12 creating a Fisheries Fund within the Terri-  
13 torial Treasury; providing for appropria-  
14 tions from said fund; and declaring an  
15 emergency."

16 BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

17 Section 1. Definitions. For the purpose of this Act;

18 (a) The word "salmon" shall mean and include the  
19 following species:

20 King salmon (Oncorhynchus tshawytscha)

21 Silver salmon (Oncorhynchus kisutch)

22 Red salmon (Oncorhynchus nerka)

23 Pink salmon (Oncorhynchus gorbuscha)

24 Chum salmon (Oncorhynchus keta)

25 (b) The word "fisherman" shall mean and include any  
26 individual, trustee, receiver, firm, partnership, joint venture,  
27 syndicate, association, corporation, trust or any other group  
28 that engages in commercial fishing either personally or through  
29 paid employecs. The legal ownership of the salmon as it is

1 caught or landed in the Territory shall determine the responsi-  
2 bility for payment of tax.

3 (c) The words "Tax Commissioner" mean the Tax Commis-  
4 sioner of the Territory of Alaska, and any of his authorized  
5 deputies.

6 (d) The word "Territory" means the Territory of Alaska.

7 Sec. 2. Registration. Every fisherman subject to the pro-  
8 visions of this Act shall register prior to the beginning of  
9 fishing in any calendar year with the Tax Commissioner, giving  
10 his name and place of headquartering, or his principal place of  
11 business and such other information as the Tax Commissioner may  
12 require on forms furnished by the Tax Commissioner. Each fisher-  
13 man shall pay an annual registration fee of \$1.50 to the Tax  
14 Commissioner for purposes of administration of this Act.

15 Sec. 3. Levy of tax. Every fisherman registered under the  
16 terms of this Act shall pay, in addition to the registration fee,  
17 and in addition to all other taxes imposed by law, the follow-  
18 ing taxes based on the value of the salmon caught by any type of  
19 gear or landed by him in the Territory each year as hereinafter  
20 set forth:

21	\$	-0.00 - \$	500.00	tax free
22		501.00 -	10,000.00	at the rate of $\frac{1}{2}\%$
23		10,001.00 -	20,000.00	at the rate of $\frac{3}{4}\%$
24		20,001.00 -	30,000.00	at the rate of 1%
25		30,001.00 -	35,000.00	at the rate of $1\frac{1}{2}\%$
26		35,001.00 -	40,000.00	at the rate of $1\frac{3}{4}\%$
27		40,001.00 -	45,000.00	at the rate of 2%
28		45,001.00 -	50,000.00	at the rate of $2\frac{1}{2}\%$
29		50,001.00 -	55,000.00	at the rate of $3\frac{1}{4}\%$

1 \$55,001.00 - \$60,000.00 at the rate of 4%

2 60,001.00 - and over at the rate of 5%

3 The value of the salmon under this tax shall be the actual  
4 amount received by the fisherman, including indirect considera-  
5 tions such as fuel or supplies furnished by the processor or  
6 effects to the cash value for gear furnished, etc., or the amount  
7 a fisherman would have received if sold by him to a processor  
8 (cannery, cold storage, freezer ship, saltery, smokery, etc.)  
9 within the area where such fish were caught. Such value shall  
10 apply to the salmon herein mentioned which is procured in com-  
11 pany owned or subsidized boats operated by employees of the  
12 processor or under lease or other arrangement.

13 Sec. 4. Explanation of levy. If two or more fishermen  
14 catch or land salmon on a share basis, the gross value shall be  
15 divided among the fishermen concerned on a pro rata basis. Each  
16 fisherman shall report his proportionate share of the gross value  
17 for tax purposes.

18 If one fisherman, as defined, catches or lands salmon from  
19 two or more vessels or units of gear, taxes shall be levied on  
20 the total gross value of the combined catches.

21 Sec. 5. Taxpayer's duty as to returns, records, statements,  
22 etc; Time to pay tax; Tax Commissioner's return.

23 (a) Every fisherman subject to taxes under this Act  
24 shall make a return stating the value of all salmon caught or  
25 landed by him in the Territory during the registration year,  
26 computed as required by this Act, and such other information for  
27 the purposes of carrying out the provisions of this Act as the  
28 Tax Commissioner may by regulations prescribe. The return shall  
29 show the registration number and shall be signed by the taxpayer

1 or his authorized agent, under the penalties of perjury.

2 (b) Time and place for filing returns.

3 (1) Returns shall be made on the basis of the  
4 calendar year to the Tax Commissioner at Juneau, on or  
5 before the 15th day of January following the close of the  
6 year.

7 (2) The Tax Commissioner may grant a reasonable  
8 extension of time for filing returns, under such rules and  
9 regulations as he may prescribe.

10 (c) Time for payment. The total amount of tax im-  
11 posed by this Act shall be paid on or before the 15th day of  
12 January following the close of the calendar year.

13 (d) Records by the taxpayer. Every fisherman covered  
14 by this Act shall keep such records, render under oath such  
15 statements, make such returns, and comply with such rules and  
16 regulations, as the Tax Commissioner may from time to time pre-  
17 scribe.

18 (e) Whenever in the judgment of the Tax Commissioner  
19 it is necessary, he may require any fisherman, by notice served  
20 upon him, to make a return, render under oath such statements,  
21 or keep and display to him or his authorized deputy such records  
22 as he deems sufficient to show the amount such person is liable  
23 for as tax under this Act. If any fisherman fails to make and  
24 file a return at the time prescribed by law or by regulations  
25 made under authority of law, or makes, willfully or otherwise,  
26 a false or fraudulent return, the Tax Commissioner shall make  
27 the return from his own knowledge and from such information as  
28 he can obtain through testimony and otherwise. Any return so  
29 made and subscribed by the Tax Commissioner shall be prima facie

1 good and sufficient for all legal purposes.

2     Sec. 6. Violations and penalties; deficiency in tax and  
3 interest thereon; lien.

4           (a) Failure to file returns, to obtain a license,  
5 submit information or pay tax. Any fisherman required under this  
6 Act to pay any tax, or required to make a return, keep or dis-  
7 play any records, or supply any information, for the purposes of  
8 the computation, assessment, or collection of any tax imposed by  
9 this Act, who willfully fails to obtain such license, pay such  
10 tax, make such return, keep or display such records, or supply  
11 such information, at the time or times required by law or regu-  
12 lations, shall, in addition to other penalties provided by law,  
13 be guilty of a misdemeanor, and, upon conviction thereof, be  
14 fined not more than \$1,000.00, or imprisoned for not more than  
15 one year, or both, together with the cost of prosecution.

16           (b) Perjury. Any fisherman who willfully makes and  
17 subscribes a return which he does not believe to be true and  
18 correct as to every material matter shall be guilty of a felony,  
19 and, upon conviction thereof, shall be subject to the penalties  
20 prescribed for perjury under the laws of the Territory of Alaska.

21           (c) Failure to file return. In case of any failure  
22 to make and file a return required by this Act within the time  
23 prescribed by law or prescribed by the Tax Commissioner in pur-  
24 suance of law, unless it is shown that such failure is due to  
25 reasonable cause and not due to willful neglect, there shall be  
26 added to the tax: 5 percent if the failure is for not more than  
27 30 days, with an additional 5 percent for each additional 30  
28 days or fraction thereof during which such failure continues,  
29 not exceeding 25 percent in the aggregate. The amount so added,

1 to any tax shall be collected at the same time and in the same  
2 manner and as a part of the tax, unless the tax has been paid  
3 before discovery of the neglect, in which case the amount so  
4 added shall be collected in the same manner as the tax.

5 (d) Negligence. If any part of any deficiency in the  
6 tax is due to negligence, or intentional disregard of rules and  
7 regulations but without intent to defraud, 5 percent of the  
8 total amount of the deficiency (in addition to such deficiency)  
9 shall be assessed, collected and paid in the same manner as if  
10 it were a deficiency, except that paragraph (f) relating to  
11 interest on deficiencies shall not be applicable.

12 (e) Fraud. If any part of any deficiency in the tax  
13 is due to fraud with intent to evade tax, then 50 percent of the  
14 total amount of the deficiency (in addition to such deficiency)  
15 shall be assessed and collected.

16 (f) Interest. Interest upon the amount determined as  
17 a deficiency in the tax shall be assessed at the same time as  
18 the deficiency, shall be paid upon notice and demand by the Tax  
19 Commissioner, and shall be collected as a part of the tax, at  
20 the rate of 6 percent per annum from the time prescribed for  
21 payment of the tax to the date the deficiency is paid.

22 (g) Liens. All taxes levied or provided or accruing  
23 under the provisions of this Act, and the penalties and interest  
24 thereon, are hereby declared to be a lien prior, paramount and  
25 superior to all other liens, mortgages, hypothecations, con-  
26 veyances and assignments, upon all the real and personal pro-  
27 perty of the fisherman liable therefor; Provided, however, that  
28 the special remedy provided for the recovery of taxes, as herein  
29 set forth, shall not be deemed exclusive of any other remedy,

1 civil or criminal, or both, now provided by law for the recovery  
2 of license taxes.

3       Sec. 7. Fisheries fund established. There is hereby  
4 created a special "Fisheries Fund" in the Territorial Treasury,  
5 which shall be used exclusively to maintain, improve and extend  
6 the salmon resources of the Territory by means of biological  
7 research, watershed improvement, fish propagation, and stocking.

8       Said fund shall be made up of the following monies, which  
9 shall be deposited therein:

10           (a) All revenue collected under this Act.

11           (b) Interest earned upon any monies in the fund.

12       Sec. 8. Disbursements from fund. The Legislature of the  
13 Territory shall appropriate at its sessions such monies, as it  
14 may deem proper, from the "Fisheries Fund" that have been col-  
15 lected during the previous biennium.

16       Sec. 9. Saving clause. If any provisions of this Act, or  
17 the application thereof to any person or circumstances is held  
18 invalid, the remainder of the Act and such application to persons  
19 or circumstances shall not be affected thereby.

20       Sec. 10. Emergency clause. An emergency is hereby de-  
21 clared to exist and this Act shall take effect immediately upon  
22 its passage and approval.