

Introduced: 2/11/63
Referred: Resources
and Finance

BY RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

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HOUSE BILL NO. 54

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRD LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act pertaining to withholding Alaska
7 income tax liability of persons taking fish
8 or fish products; and providing for an
9 effective date."

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

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* Section 1. AS 43.20 is amended by adding a new section to
12 read:

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Sec. 43.20.173. COLLECTION OF INCOME TAX AT SOURCE

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FOR FISH AND FISH PRODUCTS. (a) The legislature is aware
15 that under present tax administration the state has no way
16 of insuring receipt of income taxes on income gained from
17 fishing, particularly when nonresident fishermen are in-
18 volved. To insure that nonresidents gaining income from
19 Alaska's resources pay their fair share of taxes on that
20 income, this section is adopted.

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(b) Every processor or fish buyer purchasing newly

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harvested fish or fish products taken in Alaskan waters shall
23 deduct and withhold from the purchase price paid to holders
24 of nonresident fishing licenses for newly harvested fish or
25 fish products a tax in the amount of one percent of that
26 price. Every processor or fish buyer making a deduction and
27 withholding as required by this Act shall furnish to the
28 seller a record of the tax withheld from the seller on forms
29 furnished by the commissioner.

1 (c) Every processor or fish buyer who purchases newly
2 harvested fish or fish products taken in Alaskan waters, re-
3 gardless of the place where payment is made, shall be liable
4 for the payment of the tax required to be deducted and with-
5 held under this section, and shall not be liable to any
6 individual for the amount of such payment. The amount with-
7 held shall become due and payable quarterly for each calendar
8 quarter on or before the last day of the month next following
9 the calendar quarter for which taxes have accrued.

10 (d) There is a rebuttable presumption that all newly
11 harvested fish or fish products sold in Alaska were taken in
12 Alaskan waters. The commissioner may alter the presumption
13 by regulation in circumstances where its application would
14 not produce a close accord with the actual location of the
15 taking; such as the off-shore Halibut Fishery.

16 (e) "Newly harvested fish or fish products" as used in
17 this section means all fish or fish products which have not
18 previously been sold to any fish buyer or processor.

19 * Sec. 2. AS 43.20.180 is amended to read:

20 Sec. 43.20.180. CREDITS AGAINST TAX. The amounts
21 [AMOUNT] deducted and withheld as taxes [TAX] under secs.
22 170 and 173 of this chapter during a calendar year are [IS]
23 allowed as credits [A CREDIT] to the taxpayer against the
24 tax imposed by this chapter.

25 * Sec. 3. This Act takes effect January 1, 1964.
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