

Original sponsor: The Finance  
Committee

Offered: 3/19/64  
Referred: Rules

1 IN THE HOUSE BY THE SENATE FINANCE COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 411

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - SECOND SESSION

5 A BILL

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

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

11 \* Section 1. DECLARATION OF INTENT. The Legislature recog-  
12 nizes that it is burdensome for processors and fish buyers to  
13 withhold monies on payments for fish or fish products and that  
14 a voluntary system worked out by fishermen, processors and fish  
15 buyers would be preferable if a practical system can be devised.

16 \* Sec. 2. DUTIES OF LEGISLATIVE COUNCIL. The Legislative  
17 Council is directed to hold hearings at places to be determined  
18 by the Council and at times convenient to fishermen, processors  
19 and fish buyers in order to determine possible means of insuring  
20 receipt of state income taxes without resort to withholding  
21 amounts from purchase prices paid for fish and fish products.  
22 The Legislative Council shall develop any such proposals into  
23 alternative plans either in the form of bills or administrative  
24 regulations, prepare a report on the feasibility of these alter-  
25 native plans and submit the foregoing to the First Session of the  
26 Fourth State Legislature for its consideration.

27 \* Sec. 3. FAILURE OF LEGISLATURE TO ADOPT PROPOSALS. If after  
28 a review of the proposals and the report of the Legislative  
29 Council, the Legislature fails to accept or devise means of

1 insuring receipt of income taxes on income gained from fishing,  
2 deductions shall, effective April 1, 1965, be made from the pur-  
3 chase prices paid for newly harvested fish or fish products under  
4 AS 43.20.173.

5 \* Sec. 4. Sec. 3, Ch. 90, SLA 1963, is amended to read:

6 Sec. 3. This Act takes effect April [JANUARY] 1, 1965  
7 [1964].

8 \* Sec. 5. Sec. 4 of this Act is retroactive to January 1,  
9 1964.

10 \* Sec. 6. AS 43.20.173(a) is amended to read:

11 (a) The legislature is aware that under present tax  
12 administration the state has no way of insuring receipt of  
13 income taxes on income gained from fishing [, PARTICULARLY  
14 WHEN NONRESIDENT FISHERMEN ARE INVOLVED]. To insure that  
15 persons [NONRESIDENTS] gaining income from Alaska's resources  
16 pay their fair share of taxes on that income, this section is  
17 adopted.

18 \* Sec. 7. AS 43.20.173(b) is amended to read:

19 (b) Every processor or fish buyer purchasing newly  
20 harvested fish or fish products taken in Alaskan waters shall  
21 deduct and withhold from the purchase price paid to holders  
22 of [NONRESIDENT] fishing licenses, whether resident or non-  
23 resident, for newly harvested fish or fish products a tax in  
24 the amount of one per cent of that price. Every processor or  
25 fish buyer making a deduction and withholding as required by  
26 this section shall furnish to the seller a record of the tax  
27 withheld from the seller on forms furnished by the commis-  
28 sioner.

29 \* Sec. 8. This Act takes effect on the day after its passage

1 and approval or on the day it becomes law without such approval.

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