

Introduced: 3/7/66  
Referred: Commerce

1 IN THE SENATE

BY COMMERCE COMMITTEE

2 SENATE BILL NO. 315

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act imposing an annual tax upon pro-  
7 cessors of fish eggs or fish roe."

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

9 \* Section 1. AS 43.75.010 is amended by adding a new sub-  
10 section to read:

11 (5) All canneries, both shore-based and floating,  
12 shall pay an annual tax equal to three per cent of the  
13 value of fish eggs or fish roe processed. For the purpose  
14 of this license, the value of the fish eggs or fish roe is  
15 considered to be a dollar value equal to the average whole-  
16 sale price obtained for the finished product by Alaska  
17 canneries, freezer ships, and other floating cold storages,  
18 shore-based cold storages, and other fish processors  
19 during the calendar year. For purposes of subsection (5)  
20 only, the following definitions shall apply:

21 (A) "fish eggs or fish roe" includes the  
22 eggs or roe of any fish or shellfish, and includes  
23 vegetation or any other matter which is naturally  
24 found with or is combined with the fish eggs or roe;

25 (B) "processed" includes the acts of either  
26 physically or chemically changing the characteristics  
27 of the fish eggs or roe, including but not limited to  
28 packaging, repackaging, curing, separating, cutting,  
29 freezing, or adding any matter to the fish eggs or

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fish roe;

(C) "wholesale price" includes all receipts whether in the form of money, credits, or other valuable considerations received from the sale of the finished product without deduction for the cost of property sold, the cost of the material used, insurance costs, labor or service costs, label and labeling costs, transportation and storage costs, interest paid, taxes, losses, or any other expense.

\* Sec. 2. AS 43.75.010(a)(1) is amended to read:

(1) Salmon canneries, both shore-based and floating, shall pay an annual tax equal to six per cent of the value of the raw fish purchased or obtained for canning during the year. For the purpose of this license, the raw fish value of each kind of salmon is considered to be a dollar value equal to 50 per cent of the average wholesale price obtained for the finished product by Alaska salmon canneries during the months of August, September, October, November, and December of the license year. Salmon received by salmon canneries and diverted for purposes other than canning are valued at the average prevailing price on the fresh fish market for that fish and are subject to an annual license tax of one per cent of the value. For purposes of subsection (1) only, the following definition shall apply:

"Wholesale price" includes all receipts whether in the form of money, credits, or other valuable considerations received from the sale of the finished product without deduction for the cost of property sold, the cost of the

1 material used, insurance costs, labor or service costs,  
2 label and labeling costs, transportation and storage  
3 costs, interest paid, taxes, losses, or any other expense  
4 except cash discounts allowed on sales not to exceed one  
5 and one-half per cent, commissions actually paid to inde-  
6 pendent brokers not to exceed five per cent, and swell  
7 allowance not to exceed one-tenth of one per cent.

8 \* Sec. 3. AS 43.75.010(b) is repealed.

9 \* Sec. 4. AS 43.75.060 is amended to read:

10 Sec. 43.75.060. FISHERIES BUSINESS LICENSES. A person  
11 engaging or attempting to engage in any of the following  
12 lines of business in connection with the state's commercial  
13 fisheries shall first obtain a license.

14 (1) Shore-based cold storages and other fish  
15 processors, except salmon canneries, herring processing  
16 plants, crab canneries, and clam canneries otherwise  
17 licensed shall pay an annual license tax equal to one per  
18 cent of the value of the raw halibut, halibut livers and  
19 viscera, salmon and bottom fish, shellfish or other fishing  
20 resource except fish eggs or fish roe bought or obtained for  
21 processing through freezing, salting, or other method. The  
22 value of the raw material under secs. 60 - 90 of this  
23 chapter is the actual price paid for it, including indirect  
24 considerations such as fuel or supplies furnished by the  
25 processor or offsets to the cash value for gear furnished.  
26 The value applies to the raw material procured in company-  
27 owned or subsidized boats operated by employees of the  
28 processor or under lease or other arrangement.

29 (2) Freezer ships and other floating cold

1 storages shall pay an annual license tax equal to four per  
2 cent of the value of the raw halibut, halibut livers and  
3 viscera, salmon and bottom fish, shellfish, or other  
4 fishing resource except fish eggs or fish roe bought or  
5 obtained for processing through freezing, salting, or other  
6 method, or the taking of crab for export without such pro-  
7 cessing. The value of the raw material under secs. 60 - 90  
8 of this chapter is the actual price paid for it including  
9 indirect considerations such as fuel or supplies furnished  
10 by the processor or offsets to the cash value for gear  
11 furnished. The value applies to the raw material procured  
12 in company-owned or subsidized boats operated by employees  
13 of the processor or under lease or other arrangement.

14 \* Sec. 5. AS 43.75.060 is amended by adding a new subsection  
15 to read:

16 (3) All freezer ships and other floating cold  
17 storages, and all shore-based cold storages and other fish  
18 processors except salmon canneries, herring processing plants,  
19 crab canneries and clam canneries otherwise taxed on fish  
20 eggs or fish roe processed, shall pay an annual tax equal  
21 to three per cent of the value of fish eggs or fish roe  
22 processed. For the purpose of this license, the value of  
23 the fish eggs or fish roe is considered to be a dollar  
24 value equal to the average wholesale price obtained for the  
25 finished product by Alaska canneries, freezer ships and  
26 other floating cold storages, shore-based cold storages, and  
27 other fish processors during the calendar year. For pur-  
28 poses of subsection (3) only, the following definitions  
29 shall apply:

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(A) "fish eggs or fish roe" includes the eggs or roe of any fish or shellfish, and includes vegetation or any other matter which is naturally found with or is combined with the fish eggs or roe;

(B) "processed" includes the acts of either physically or chemically changing the characteristics of the fish eggs or roe, including but not limited to packaging, repackaging, curing, separating, cutting, freezing, or adding any matter to the fish eggs or fish roe;

(C) "wholesale price" includes all receipts whether in the form of money, credits, or other valuable considerations received from the sale of the finished product without deduction for the cost of property sold, the cost of the material used, insurance costs, labor or service costs, label and labeling costs, transportation and storage costs, interest paid, taxes, losses, or any other expense.