

Introduced: 3/7/67
Referred: Resources
and Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 169

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the liability of primary packers
7 for taxes; insuring their collection; and providing
8 for an effective date."

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

10 * Section 1. AS 43.75.010(a)(1) is amended to read:

11 (1) Salmon canneries, both shore-based and floating, shall
12 pay an annual tax equal to three [SIX] per cent of the value of the
13 raw fish purchased or obtained for canning during the year. For the
14 purpose of this license, the raw fish value of each kind of salmon is
15 considered to be a dollar value equal to [50 PER CENT OF] the average
16 wholesale price obtained for the finished product by Alaska salmon
17 canneries during the months of August, September, October, November,
18 and December of the last five years immediately preceding the license
19 year. Salmon received by salmon canneries and diverted for purposes
20 other than canning are valued at the average prevailing price on the
21 fresh fish market for that fish and are subject to an annual license
22 tax of one per cent of the value.

23 * Sec. 2. AS 43.75.010 is amended by adding a new subsection to read:

24 (c) The person, firm, or corporation engaging or attempting to
25 engage in the above lines of business who actually and physically cans
26 or processes the above fishery resources shall be liable for and shall
27 pay to the department the whole tax imposed by this section. In deter-
28 mining this tax liability the person, firm, or corporation shall not
29 deduct from the value of the raw fishery resources canned or processed

1 the value of any raw fishery resources canned or processed for other
2 persons, firms, or corporations, but shall include this as a part of
3 the value of the raw product obtained for canning or processing.

4 * Sec. 3. AS 43.75.060 is amended by adding a new subsection to read:

5 (5) The person, firm, or corporation engaging or attempting
6 to engage in the above lines of business who actually and physically
7 processes the above fishery resources shall be liable for and shall
8 pay to the department the whole tax imposed by this section. In deter-
9 mining this tax liability the person, firm, or corporation shall not
10 deduct from the value of the raw fishery resources processed the value
11 of any raw fishery resources processed for other persons, firms, or
12 corporations, but shall include this as a part of the value of the raw
13 product obtained for processing.

14 * Sec. 4. AS 43.75 is amended by adding a new section to Art. 1 to read:

15 Sec. 43.75.055. SECURITY FOR COLLECTION OF TAXES. Each applicant
16 for a license under this chapter shall in or with his application state
17 under oath the amount of each of the products which he expects to
18 produce during the license year. The applicant shall further state
19 the extent of lienable real property owned by the applicant in the
20 state against which the tax may be collected and other information with
21 respect to description, location and value of the property which the
22 department prescribes. If the lienable value of the property is not
23 equal to three times the amount of the tax for which the applicant will
24 probably be liable under this section, the department shall not issue
25 the license until the applicant files with the department a surety bond
26 approved by the attorney general in a penal sum equal to twice the
27 probable amount of the tax for which the applicant will be liable,
28 conditioned upon payment of the tax in full when due, with interest
29 if not paid before delinquency. The department may waive the bond

1 requirement if the applicant posts other security in the form of col-
2 lateral acceptable to the department.

3 * Sec. 5. AS 43.75 is amended by adding a new section to Art. 2 to read:

4 Sec. 43.75.095. SECURITY FOR COLLECTION OF TAXES. Each applicant
5 for a license under this chapter shall in or with his application state
6 under oath the amount of each of the products which he expects to pro-
7 duce during the license year. The applicant shall further state the
8 extent of lienable real property owned by the applicant in the state
9 against which the tax may be collected and other information with respect
10 to description, location and value of the property which the department
11 prescribes. If the lienable value of the property is not equal to
12 three times the amount of the tax for which the applicant will probably
13 be liable under this section, the department shall not issue the license
14 until the applicant files with the department a surety bond approved by
15 the attorney general in a penal sum equal to twice the probable amount
16 of the tax for which the applicant will be liable, conditioned upon
17 payment of the tax in full when due, with interest if not paid before
18 delinquency. The department may waive the bond requirement if the
19 applicant posts other security in the form of collateral acceptable to
20 the department or prepays the estimated tax.

21 * Sec. 6. This Act takes effect on the day after its passage and approval
22 or on the day it becomes law without approval.