

Introduced: 2/23/73
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 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to fisheries taxes; and providing
7 for an effective date."

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

9 * Section 1. AS 43.75.010(a)(2) is amended to read:

10 (2) Herring processing plants in the business of canning,
11 curing, salting, freezing, or making meal or oil or other processed
12 products including sale of bait herring by either processing plant or
13 bait herring fisherman shall pay an annual license tax equal to five
14 [ONE] per cent of the value of the raw herring. The value of the raw
15 material under this license is the actual price paid for the herring
16 including indirect considerations such as fuel or supplies furnished by
17 the processor or offsets to the cash value for gear furnished. This
18 value applies to herring caught in company-owned or subsidized boats op-
19 erated by employees of the processor or under lease or other agreement.

20 * Sec. 2. AS 43.75.010(a)(3) and (4) are repealed.

21 * Sec. 3. AS 43.75.060 is repealed and re-enacted to read:

22 Sec. 43.75.060. FISHERIES BUSINESS LICENSES. (a) A person
23 engaging or attempting to engage in any of the lines of business set
24 out in (b) and (c) of this section in connection with the state's com-
25 mercial fisheries shall first obtain a license.

26 (b) Shore-based cold storage and other fish processors, except
27 salmon canneries and herring processing plants otherwise licensed, shall
28 pay an annual license tax based on the value of the fish purchased or
29 obtained for processing according to the following schedule:

- 1 (1) salmon and by-products 1 per cent
- 2 (2) halibut and by-products 3 per cent
- 3 (3) sablefish and by-products 3 per cent
- 4 (4) shrimp and by-products 5 per cent
- 5 (5) crab, all species, and by-products 5 per cent
- 6 (6) scallops and by-products 5 per cent
- 7 (7) miscellaneous fish or shellfish 5 per cent

8 (c) Freezer ships and other floating cold storages shall pay an
9 annual license tax based on the value of the fish purchased or obtained
10 for processing according to the following schedule:

- 11 (1) salmon and by-products 4 per cent
- 12 (2) halibut and by-products 6 per cent
- 13 (3) sablefish and by-products 6 per cent
- 14 (4) shrimp and by-products 20 per cent
- 15 (5) crab, all species, and by-products 20 per cent
- 16 (6) scallops and by-products 10 per cent
- 17 (7) miscellaneous fish and shellfish 10 per cent

18 (d) The value of the raw material under secs. 60 - 90 of this
19 chapter is the actual price paid for it, including indirect considera-
20 tions such as fuel or supplies furnished by the processor or offsets
21 to the cash value for gear furnished. The value applies to the raw
22 material procured in company-owned or subsidized boats operated by
23 employees of the processor or under lease or other arrangement.

24 (e) In (b) of this section, "shore-based cold storages and other
25 fish processors" means those cold storages and processing plants which
26 are permanently attached to the land or have remained in the same loca-
27 tion for a period of not less than one calendar year. Any cold storage
28 or processing plant removed from the state is a floating cold storage
29 under (c) of this section from the day of removal.

1 (f) Cold storages and fish processing plants which are not shore-
2 based under (b) of this section are "floating cold storages" under (c)
3 of this section.

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

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

14 Sec. 43.75.065. FISH ROE AND MILT PROCESSORS. (a) A person
15 engaging or attempting to engage in the business of processing salmon
16 roe, salmon milt, or herring roe, including herring roe on kelp, in
17 connection with the state's commercial fisheries shall first obtain a
18 license.

19 (b) Processors of salmon roe, salmon milt, and herring roe,
20 including herring roe on kelp, shall pay an annual license tax equal
21 to 25 cents for each pound of roe or milt purchased or otherwise
22 acquired for processing.

23 (c) The person, firm, or corporation engaging or attempting to
24 engage in the business of processing of salmon roe or milt or herring
25 roe who actually and physically processes the roe or milt shall be
26 liable for and shall pay to the department the whole tax imposed by
27 this section. In determining this tax liability the person, firm, or
28 corporation may not deduct from the weight of the roe or milt processed
29 the weight of any roe or milt processed for other persons, firms, or

1 corporations, but shall include this as part of the weight upon which
2 tax is due.

3 * Sec. 5. AS 43.75.080 is amended by adding a new subsection to read:

4 (b) A floating cold storage under sec. 60(c) of this chapter shall
5 keep a record of the amount and type of fish or shellfish purchased at
6 each location that the floating cold storage operates.

7 * Sec. 6. AS 43.75.130 is amended to read:

8 Sec. 43.75.130. REFUND TO LOCAL GOVERNMENTS. Subject to
9 appropriation by law, the [THE] commissioner of revenue shall pay to
10 each organized borough and each city of the first and [,] second [, AND
11 THIRD] classes an amount equal to 10 per cent of the amount of tax
12 revenue collected in the borough or city from taxes levied by secs. 10 -
13 90 of this chapter.

14 * Sec. 7. AS 43.75.135 is amended to read:

15 Sec. 43.75.135. ADDITIONAL REFUND TO BOROUGHES AND CITIES. In
16 addition to the payment allowed in sec. 130 of this chapter, the com-
17 missioner of revenue, subject to appropriation by law, shall pay to
18 each organized borough an amount equal to 30 [10] per cent of the
19 amount of tax revenue collected in the borough from taxes levied by
20 secs. 10 - 90 of this chapter and shall pay to each city of the first
21 and [,] second [, AND THIRD] classes located in the unorganized borough
22 an amount equal to 30 [10] per cent of the amount of the tax revenue
23 collected in the city from taxes levied by secs. 10 - 90 of this
24 chapter.

25 * Sec. 8. This Act takes effect on the day after its passage and approval
26 or on the day it becomes law without approval.
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