

Original sponsor: Rules Committee  
by request of the Governor

Offered: 4/25/77  
Referred: Rules

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 83 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to commercial fisheries entry and  
7 interim-use permits; granting a deduction under the  
8 Alaska Net Income Tax Act; and providing for an effec-  
9 tive date."

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

11 \* Section 1. AS 16.43.150(g) is amended to read:

12 (g) An entry permit may not be:

13 (1) pledged, mortgaged, leased, or encumbered in any way;

14 (2) transferred with any retained right of repossession or  
15 foreclosure; or

16 (3) attached, distrained, or sold on execution of judgment or  
17 under any other process or order of any court.

18 \* Sec. 2. AS 16.43.150 is amended by adding a new subsection to read:

19 (h) Upon the death of an entry permit holder, the permanent permit  
20 shall be transferred by the commission directly to the surviving spouse  
21 by right of survivorship unless a contrary intent is manifested. When  
22 no spouse survives, the rights of the decedent pass as part of his  
23 estate.

24 \* Sec. 3. AS 16.43.170(a) is amended to read:

25 (a) Entry permits and interim-use permits [AN ENTRY PERMIT IS]  
26 transferable only through the commission as provided in this section and  
27 sec. 180 of this chapter and under regulations adopted by the commis-  
28 sion.

29 \* Sec. 4. AS 16.43.170(b) is amended to read:

1 (b) Except as provided in (c) [AND (d)] of this section, the  
2 holder of an entry permit may transfer his permit to another person or  
3 to the commission upon 60 days notice of intent to transfer under  
4 regulations adopted by the commission. No sooner than 60 days nor later  
5 than 12 months from the date of notice to the commission, the holder of  
6 an entry permit may transfer his permit. If the proposed transferee,  
7 other than the commission, can establish present ability to participate  
8 actively in the fishery, the commission shall approve the transfer and  
9 reissue the entry permit to the transferee.

10 \* Sec. 5. AS 16.43.180(a) is amended to read:

11 (a) The commission shall adopt regulations providing for the  
12 temporary transfer of entry permits and interim-use permits to alleviate  
13 hardship caused by illness, disability, or death of a permit holder so  
14 that another person may operate the transferor's vessel and gear, or  
15 another vessel and other gear if the transferor's has been destroyed or  
16 seriously damaged, for the remainder of the season, or in the case of  
17 illness or disability, for the duration of the illness or disability if  
18 that is shorter than the remainder of the season. Interim-use permits  
19 are otherwise nontransferable [AN ENTRY PERMIT WHEN SICKNESS, INJURY, OR  
20 OTHER UNAVOIDABLE HARDSHIP PREVENTS THE PERMITTEE FROM PARTICIPATING IN  
21 THE FISHERY].

22 \* Sec. 6. AS 16.43 is amended by adding a new section to read:

23 Sec. 16.43.182. ENTRY PERMIT DEDUCTIBLE AS BUSINESS EXPENSE. An  
24 entry permit purchased under this chapter is deductible as a business  
25 expense as provided in AS 43.20.031(h).

26 \* Sec. 7. AS 16.43.360 is amended by adding a new subsection to read:

27 (d) If a permit holder is charged by the state with violating a  
28 provision of this chapter or a regulation adopted under this chapter, he  
29 may not transfer, under sec. 170 of this chapter, any interim-use or

1 entry permit he may hold, until after the final adjudication or dismis-  
2 sal of the charges.

3 \* Sec. 8. AS 43.20.031 is amended by adding a new subsection to read:

4 (h) A taxpayer who purchases an entry permit under AS 16.43 in  
5 carrying on a trade or business is entitled to a deduction of the amount  
6 of the price paid during the tax year as if it were allowable under sec.  
7 162 of the Internal Revenue Code (26 U.S.C. sec. 162).

8 \* Sec. 9. AS 16.43.170(d) and 16.43.220(b) are repealed.

9 \* Sec. 10. Sections 6 and 8 of this Act are retroactive to taxable years  
10 beginning after December 31, 1976.

11 \* Sec. 11. Sections 6 and 8 of this Act take effect immediately in  
12 accordance with AS 01.10.070(c).

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