

Introduced: 3/30/81  
Referred: Resources and Finance

1 IN THE HOUSE

BY MALONE

2 HOUSE BILL NO. 422

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act amending the fisheries business tax; and  
7 providing for an effective date."

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

9 \* Section 1. AS 43.75.015 is repealed and reenacted to read:

10 Sec. 43.75.015. FISHERIES BUSINESS TAX. (a) The purchaser of a  
11 fisheries resource is liable for and shall pay a tax on the value of  
12 each of the following fisheries resources which he purchases during the  
13 year at the following rates:

14 (1) one percent of the value of a developing commercial fish  
15 species; and

16 (2) three percent of the value of a fish species other than  
17 a developing commercial fish species.

18 (b) A person engaging or attempting to engage in a fisheries  
19 business who first purchases the fishery resource is liable for and  
20 shall pay to the department the entire tax imposed by this section. In  
21 determining this tax liability, the person may not deduct from the  
22 value of the fishery resources which he purchases the value of fishery  
23 resources that are canned or processed for other fisheries businesses,  
24 but shall include that value as part of the value of the fishery  
25 resources on which the tax is to be paid.

26 \* Sec. 2. AS 43.75.030(a) is amended to read:

27 (a) A person subject to the tax shall file a return stating the  
28 value of fisheries resources purchased by him [PROCESSED] during the  
29 license year, computed as required by this chapter, and any [SUCH]

1 other information as the department prescribes by regulation. The  
2 return shall show the fisheries business license number of the taxpayer  
3 and shall be signed by the taxpayer or his authorized agent, under  
4 penalty of perjury. If a receiver, trustee, or assign is operating the  
5 property or business, he shall file the return for the person. A tax  
6 due on the basis of such a return shall be collected in the same manner  
7 as if collected from the person of whose business he has custody and  
8 control.

9 \* Sec. 3. AS 43.75.055 is amended to read:

10 Sec. 43.75.055. SECURITY FOR COLLECTION OF TAXES. Each applicant  
11 for a license under this chapter shall, in or with his application,  
12 state under oath the amount of each of the fisheries products which he  
13 expects to purchase [PRODUCE] during the license year. The applicant  
14 shall further state the extent of lienable real property owned by the  
15 applicant in the state against which the tax may be collected and other  
16 information with respect to description, location and value of the  
17 property which the department prescribes. If the lienable value of the  
18 property is not equal to three times the amount of the tax for which  
19 the applicant will probably be liable under this section, the depart-  
20 ment may not issue the license until the applicant files with the  
21 department a surety bond approved by the attorney general in a penal  
22 sum equal to twice the probable amount of the tax for which the appli-  
23 cant will be liable, conditioned upon payment of the tax in full when  
24 due, with interest if not paid before delinquency. However, if the  
25 applicant purchases salmon for export from Alaska in the round and the  
26 applicant is not the owner of lienable real property in the state of  
27 a value of at least \$50,000, the amount of the bond is \$50,000 [UNLESS  
28 THE APPLICANT IS THE OWNER OF LIENABLE REAL PROPERTY IN THE STATE OF A  
29 VALUE OF AT LEAST \$50,000,] and the bond must be conditioned upon

1 payment to the fisherman of the full purchase price for the salmon and  
2 the payment of the tax in full when due. The department may waive the  
3 bond requirement if the applicant posts other security in the form of  
4 collateral acceptable to the department or prepays the estimated tax.

5 \* Sec. 4. AS 43.75.100 is amended to read:

6 Sec. 43.75.100. TAX IMPOSED ON TAKING OF FISHERY RESOURCE. (a)  
7 A person taking [, PURCHASING,] or otherwise acquiring a fishery  
8 resource covered by this chapter which has not been subject to the tax  
9 imposed in AS 43.75.015 is subject to the tax levied in AS 43.75.015 on  
10 the value of the fishery resource sold if the person

11 (1) transports the fishery resource to a point outside the  
12 taxing jurisdiction of the state for subsequent processing or sale to a  
13 fisheries business outside the taxing jurisdiction of the state; or

14 (2) sells the fishery resource to a fisheries business  
15 outside the taxing jurisdiction of the state.

16 (b) A person whose liability for a tax is established by this  
17 section shall pay the same rate of tax that a person purchasing a  
18 fishery resource [IN THE FISHERIES BUSINESS] would pay on the value of  
19 the fishery resource under AS 43.75.015.

20 \* Sec. 5. AS 43.75.110 is amended to read:

21 Sec. 43.75.110. DUTY OF TAXPAYER AND PAYMENT OF TAX. A person  
22 subject to taxes under AS 43.75.100 - 43.75.110 [AS 43.75.100 - 43.75.-  
23 120] shall make a return stating the value of fisheries resources taken  
24 [, PURCHASED,] or otherwise acquired during the license year for sale  
25 or transport to fisheries businesses outside of the taxing jurisdiction  
26 of the state computed as required by AS 43.75.100 - 43.75.110 [AS 43.-  
27 75.100 - 43.75.120], and other information to carry out the provisions  
28 of AS 43.75.100 - 43.75.110 [AS 43.75.100 - 43.75.120] as may be  
29 prescribed by the department. The return shall contain the license

1 number and shall be signed by the taxpayer or his authorized agent,  
2 under penalty of perjury. If a receiver, trustee, or assign is operat-  
3 ing the property or business of a person subject to the tax under  
4 AS 43.75.100 - 43.75.110, he shall make the return for the person. A  
5 tax due on the basis of that [SUCH] return shall be collected in the  
6 same manner as if collected from the person of whose business he has  
7 custody and control. The requirements for time and place of payment of  
8 tax, and the obligation to keep records and make the records available  
9 to the commissioner of revenue are the same as those prescribed in  
10 AS 43.75.011 - 43.75.050.

11 \* Sec. 6. AS 43.75.140(3) is amended to read:

12 (3) "fisheries business" means a person who purchases  
13 [ENGAGES IN PROCESSING] fisheries resources [FOR SALE BY FREEZING,  
14 COOKING, SALTING, OR OTHER METHOD AND INCLUDES BUT IS NOT LIMITED TO  
15 CANNERIES, COLD STORAGES, FREEZER SHIPS, AND PROCESSING PLANTS];

16 \* Sec. 7. AS 43.75.140(5) and (6) are repealed.

17 \* Sec. 8. This Act takes effect January 1, 1982.