

Original sponsor: Resources Committee

Offered: 4/20/81
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 460 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 * Section 1. AS 43.75.015(b) is amended to read:

10 (b) Instead of the taxes levied by (a) of this section, a person
11 who processes [ENGAGED IN A FISHERY BUSINESS WHICH INCLUDES PROCESSING]
12 a developing commercial fish species is liable for and shall pay a tax
13 equal to

14 (1) one percent of the value of the developing commercial
15 fish species processed by a shore-based fisheries business during the
16 year; and

17 (2) three percent of the value of the developing commercial
18 fish species processed by a floating fisheries business during the
19 year.

20 * Sec. 2. AS 43.75.015(c) is amended to read:

21 (c) A person engaging or attempting to engage in a fisheries
22 business who first actually and physically processes the fishery re-
23 source, or a person who purchases a fishery resource which is frozen
24 from a person excluded by AS 43.75.017 from liability for the tax, is
25 liable for and shall pay to the department the entire tax imposed by
26 this section. In determining this tax liability, the person may not
27 deduct from the value of the fishery resources processed the value of
28 fishery resources that are canned or processed for other fisheries busi-
29 nesses, but shall include that value as part of the value of the fishery

resources processed.

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

Sec. 43.75.017. EXCLUSION FROM FISHERIES BUSINESS TAX. (a) A person is not processing a fishery resource under AS 43.75.015 when the fishery resource is frozen aboard a fishing vessel if

(1) the vessel is operated as a commercial fishing vessel under a valid commercial fishing license;

(2) the fishery resource is not processed beyond heading, gutting or cleaning, freezing and glazing; and

(3) the fishery resource which is frozen was caught by the vessel.

* Sec. 4. AS 43.75.130 is amended to read:

Sec. 43.75.130. REFUND TO LOCAL GOVERNMENTS. The commissioner of revenue shall pay

(1) to each municipality unified under AS 29.68.240 - 29.68.440, and to each city located in the unorganized borough, 50 [20] percent of the amount of tax revenue collected in the municipality from taxes levied by AS 43.75;

(2) to each city located within a borough, 25 [10] percent of the amount of tax revenue collected in the city from taxes levied by AS 43.75; and

(3) to each borough

(A) 50 [20] percent of the amount of tax revenue collected in the area of the borough outside cities from taxes levied by AS 43.75; and

(B) 25 [10] percent of the amount of tax revenue collected in cities located within the borough from taxes levied by AS 43.75.

* Sec. 5. AS 43.76.020(a) is amended to read:

1 (a) The salmon enhancement tax levied under AS 43.76.010 or 43.-
2 76.011 may be terminated by the commissioner of revenue upon majority
3 vote at an election held under AS 43.76.015 in the region in which the
4 salmon enhancement tax is levied.

5 * Sec. 6. AS 43.75.136 is repealed.

6 * Sec. 7. TRANSITION. The taxes paid for the 1980 calendar year under
7 AS 43.75 shall be shared with municipalities in accordance with AS 43.75.130
8 as that section read before its amendment by sec. 4 of this Act. The taxes
9 paid for the 1981 calendar year and for each succeeding calendar year shall
10 be shared with municipalities in accordance with AS 43.75.130 as amended by
11 sec. 4 of this Act.

12 * Sec. 8. Sections 2 and 3 of this Act are retroactive to January 1,
13 1981, and apply to tax years beginning after December 31, 1980.

14 * Sec. 9. Section 4 of this Act takes effect July 1, 1981.

15 * Sec. 10. Sections 1 - 3 and 5 - 8 of this Act take effect immediately
16 in accordance with AS 01.10.070(c).

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