

Offered: 3/21/84
Referred: Resources and
Finance

Original sponsors: Zharoff and
Grussendorf

BY THE HOUSE SPECIAL
COMMITTEE ON FISHERIES

1 IN THE HOUSE

2

CS FOR HOUSE BILL NO. 518 (Fisheries)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act establishing a fisheries business tax cred-
7 it."

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

9 * Section 1. AS 43.75 is amended by adding new sections to read:

10 Sec. 43.75.018. FISHERIES BUSINESS TAX CREDIT. (a) A cannery
11 or fisheries business is entitled to a credit of not more than 50
12 percent of the cannery's or business's tax liability under AS 43.75.-
13 015 for capital expenditures related to a shore-based cannery or a
14 shore-based fisheries business facility in the state made during the
15 tax year if an application for the credit is approved by the depart-
16 ment.

17 (b) A cannery or fisheries business may claim a credit under (a)
18 of this section for a maximum period of five consecutive years. An
19 applicant for the credit may elect to begin the five-year period with
20 any tax year from 1984 through 1988.

21 (c) The portion of a capital expenditure that exceeds the amount
22 eligible for a credit under (a) of this section during a single tax
23 year may not be carried back to a prior taxable year, but may be
24 claimed as a credit under (a) of this section for a subsequent tax
25 year within the five-year period elected under (b) of this section.
26 In no event may tax credits be approved for more than 100 percent of a
27 capital expenditure.

28 (d) The department may not approve a tax credit under (a) of
29 this section if the property for which the capital expenditure was

1 made was the subject of a previous capital expenditure by another
2 taxpayer for whom a corresponding tax credit under (a) of this section
3 has been approved.

4 (e) The department shall adopt regulations providing for the
5 application for a credit under (a) of this section and for the review
6 and approval or disapproval of an application.

7 (f) The department shall approve or disapprove an application
8 for a credit under this section not later than 60 days after receiving
9 the application.

10 Sec. 43.75.019. TAX CREDIT REPORT. Not later than the 60th
11 legislative day of each regular legislative session the Department of
12 Revenue, in conjunction with the Department of Commerce and Economic
13 Development, shall submit to the legislature a report on the fisheries
14 business tax credit program under AS 43.75.018. The report shall
15 describe the expenditures for which a credit was claimed during the
16 previous tax year and, if possible, the increase in employment and
17 processing capacity by the canneries and fisheries businesses for whom
18 the credit was approved. Reporting under this section shall begin
19 with the second regular session of the Fourteenth Alaska Legislature.

20 * Sec. 2. AS 43.75.130 is amended by adding a new subsection to read:

21 (b) For purposes of this section, tax revenue collected under
22 AS 43.75.015 from a person entitled to a credit under AS 43.75.018
23 shall be calculated as if the person's tax had been collected without
24 applying the credit.

25 * Sec. 3. AS 43.75.018, 43.75.019 and 43.75.130(b) are repealed
26 June 30, 1993.