

1 IN THE HOUSE

BY KOPONEN

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HOUSE BILL NO. 359

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act imposing a tax on transfers of limited entry permits; and providing for an effective date."

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

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* Section 1. AS 43 is amended by adding a new chapter to read:

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CHAPTER 72. LIMITED ENTRY PERMIT TRANSFER TAX.

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Sec. 43.72.010. TRANSFER TAX IMPOSED. There is imposed a limited entry transfer tax upon each transfer of a limited entry permit under AS 16.43.170. The tax is at the rate of one percent of the selling price of the entry permit. Payment of the tax imposed by this section is the obligation of the seller of the permit.

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Sec. 43.72.020. COLLECTION OF TAX. (a) The tax shall be paid to and collected by the commission. A limited entry permit subject to the tax may not be transferred by the commission under AS 16.43 until the tax has been paid. In a case in which the tax is not due on a transfer, the permit may not be transferred until suitable notation of the exception has been made by the commission.

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(b) The commissioner of administration shall separately account for all proceeds of the tax deposited into the general fund under (a) of this section.

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(c) The legislature may annually appropriate an amount estimated to be received from the tax levied and collected under this chapter during the fiscal year

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(1) for the operating expenses of the division of fisheries rehabilitation, enhancement, and development (AS 16.05.092);

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1 (2) to the Alaska Seafood Marketing Institute (AS 16.51);
2 (3) as a grant to an organization established to improve
3 the enforcement of laws intended to curtail illegal harvest of ana-
4 dromous fish in the United States Exclusive Economic Zone and the high
5 seas outside the United States Exclusive Economic Zone.

6 Sec. 43.72.030. ADMINISTRATION OF TAX. (a) The commission
7 shall prescribe procedures for collection of the tax.

8 (b) The commission shall provide by regulation for cases where
9 the selling price of a limited entry permit is not separately stated
10 or is not ascertainable at the time of conveyance, and for payment of
11 the tax at a time when the selling price is ascertained, in which case
12 suitable security may be required for payment of the tax.

13 Sec. 43.72.040. PROVISIONS INAPPLICABLE. The tax does not apply
14 to the transfer of

15 (1) an interim-use permit;
16 (2) a limited entry permit to the commission;
17 (3) a limited entry permit to the state or the Alaska
18 Commercial Fishing and Agriculture Bank as a result of foreclosure of
19 a loan made under AS 16.10.300 - 16.10.370, AS 44.81.210(a)(20), or
20 44.81.230 - 44.81.250;

21 (4) a limited entry permit by the Department of Commerce
22 and Economic Development under AS 16.10.337 or by the Alaska Commer-
23 cial Fishing and Agriculture Bank under AS 44.81.250;

24 (5) a limited entry permit from one spouse to the other
25 under the terms of a divorce decree or in fulfillment of a property
26 settlement agreement; or

27 (6) a limited entry permit by inheritance.

28 Sec. 43.72.100. DEFINITIONS. In AS 43.72.010 - 43.72.100

29 (1) "commission" means the Commercial Fisheries Entry

1 Commission;

2 (2) "selling price" means the consideration, including
3 money or anything of value, paid or delivered or contracted to be paid
4 or delivered in return for the transfer of a limited entry permit;

5 (3) "tax" means the limited entry permit transfer tax
6 imposed by AS 43.72.010.

7 * Sec. 2. This Act takes effect January 1, 1990.