

BY THE RESOURCES COMMITTEE

1 IN THE HOUSE

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HOUSE JOINT RESOLUTION NO. 93

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTEENTH LEGISLATURE - SECOND SESSION

5

Relating to the seizure and forced sale

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of Alaska commercial fisheries limited

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entry permits by the Internal Revenue

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Service.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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WHEREAS the Alaska commercial fisheries limited entry program was

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established in 1973 to promote the conservation and sustained yield manage-

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ment of Alaska's fishery resources and to promote the economic health and

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stability of the commercial fishing industry in the state; and

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WHEREAS a fisherman is required to have a commercial fisheries limited

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entry permit in order to fish in a limited entry fishery in the state; and

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WHEREAS a limited entry permit is a required tool of trade for an

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Alaska commercial fisherman; and

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WHEREAS Alaska commercial fishermen are often dependent upon their

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ability to fish in a limited entry fishery as the primary means of earning

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a living; and

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WHEREAS the families and communities of Alaska commercial fishermen

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are also dependent upon the earnings of those fishermen that participate in

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limited entry fisheries; and

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WHEREAS state law provides that limited entry permits are merely use

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privileges subject to revocation without compensation, are not property

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subject to claims of creditors, and are not generally subject to forced

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transfer by order of a court; and

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WHEREAS the Internal Revenue Service proposes to force the sale of

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eight limited entry permits on March 29, 1990; and

1       WHEREAS each of these limited entry permits was granted to an Alaska  
2 fisherman because the fisherman was more dependent on the fishery than  
3 other applicants; and

4       WHEREAS the Internal Revenue Service intends to sell the limited entry  
5 permits at less than their market value; and

6       WHEREAS the legal authority of the Internal Revenue Service to seize  
7 and force the sale of limited entry permits has not been confirmed by a  
8 court; and

9       WHEREAS legal issues surrounding the forced sale of the limited entry  
10 permits will further depress the prices that prospective buyers will be  
11 willing to pay for the permits at the sale; and

12       WHEREAS the Internal Revenue Service has other less destructive means  
13 available to collect tax obligations, including seizure of assets, attach-  
14 ment of earnings, and negotiated payment plans, that would not result in  
15 undue hardship on the taxpayer or require the forced sale of limited entry  
16 permits; and

17       WHEREAS the Internal Revenue Service's seizure and forced sale of  
18 limited entry permits, a required tool of the trade for commercial fisher-  
19 men in Alaska, threatens to deprive commercial fishermen of their means of  
20 earning a living and paying their taxes;

21       BE IT RESOLVED that the Alaska State Legislature recognizes the duty  
22 of all citizens to pay their tax obligations, but condemns the proposed  
23 forced sale of Alaska commercial fisheries limited entry permits by the  
24 Internal Revenue Service and respectfully requests the Internal Revenue  
25 Service to pursue alternative means to collect tax obligations of Alaska  
26 commercial fishermen; and be it

27       FURTHER RESOLVED that the governor is requested to oppose the proposed  
28 forced sale of Alaska commercial fisheries limited entry permits by the  
29 Internal Revenue Service by all lawful means; and be it

1           **FURTHER RESOLVED** that the Alaska delegation in Congress is requested  
2 to take appropriate and expeditious action to prevent the forced sale of  
3 Alaska commercial fisheries limited entry permits and to eliminate this  
4 threat to the livelihood of Alaska commercial fishermen.

5           **COPIES** of this resolution shall be sent to the Honorable George Bush,  
6 President of the United States; the Honorable Dan Quayle, Vice-President of  
7 the United States and President of the U.S. Senate; the Honorable Thomas S.  
8 Foley, Speaker of the U.S. House of Representatives; the Honorable Fred T.  
9 Goldberg, Jr., Commissioner of the Internal Revenue Service, U.S. Depart-  
10 ment of the Treasury; and to the Honorable Ted Stevens and the Honorable  
11 Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Repre-  
12 sentative, members of the Alaska delegation in Congress.