

BY THE RESOURCES COMMITTEE

1 IN THE SENATE

2

SENATE JOINT RESOLUTION NO. 82

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

Relating to the seizure and forced sale

6

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
11 established in 1973 to promote the conservation and sustained yield manage-
12 ment of Alaska's fishery resources and to promote the economic health and
13 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
15 entry permit in order to fish in a limited entry fishery in the state, thus
16 a limited entry permit is an essential tool of the trade for an Alaska
17 commercial fisherman; and

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WHEREAS Alaska commercial fishermen are often dependent upon their
19 ability to fish in a limited entry fishery as the primary means of earning
20 a living; and

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WHEREAS the families and communities of Alaska commercial fishermen
22 are also dependent upon the earnings of those fishermen that participate in
23 limited entry fisheries; and

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WHEREAS AS 16.43.150 provides that limited entry permits are merely
25 use privileges subject to revocation without compensation, are not property
26 subject to claims of creditors, and are not generally subject to forced
27 transfer by order of a court; and

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WHEREAS the Internal Revenue Service proposes to sell on March 29,
29 1990, eight limited entry permits held by seven fishermen; and

1 WHEREAS each of these limited entry permits was granted to the permit
2 holder during the original issuance of limited entry permits because the
3 fisherman was more dependent on the fishery than 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 Nicholas
9 F. Brady, Secretary of the U.S. Department of the Treasury; the Honorable
10 Fred T. Goldberg, Jr., Commissioner of the Internal Revenue Service, U.S.
11 Department of the Treasury; Robert Brock, Alaska District Director, Inter-
12 nal Revenue Service, U.S. Department of the Treasury; and to the Honorable
13 Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the
14 Honorable Don Young, U.S. Representative, members of the Alaska delegation
15 in Congress.