

HOUSE BILL NO. 264
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE

Introduced: 3/30/93

Referred: House Special Committee on Fisheries, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act providing for a fishery resource landing tax; and providing for an
2 effective date."

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

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

5 **CHAPTER 77. FISHERY RESOURCE LANDING TAX.**

6 **Sec. 43.77.010. LANDING TAX.** A person owning a fishery resource that is
7 not subject to AS 43.75 but that is brought into the jurisdiction of, and first landed in,
8 this state is liable for and shall pay a landing tax on the value of the fishery resource.
9 The amount of the tax is 3.3 percent of the value of the fishery resource at the place
10 of the landing.

11 **Sec. 43.77.020. FILING RETURN AND PAYMENT OF TAX.** (a) A person
12 subject to the tax under this chapter shall file a return stating the value of fishery
13 resources landed in the state, the point of landing of the resources, and other
14 information the department prescribes by regulation.

1 (b) The return shall be made on the basis of the calendar year to the
2 department at Juneau before April 1 after the close of the calendar year, and the tax
3 shall be paid with the return.

4 (c) The department may, under regulations adopted by the department, grant
5 a reasonable extension of time for the filing. A grant of an extension of time for filing
6 does not extend the time for payment of the tax.

7 Sec. 43.77.030. CREDIT FOR TAXES PAID OTHER STATES. A credit, not
8 to exceed the taxpayer's liability for the tax under this chapter on a fishery resource,
9 shall be granted the taxpayer for taxes equivalent to those imposed under AS 43.75 and
10 AS 43.76 that are paid to another state in which the fishery resource was either caught
11 or processed.

12 Sec. 43.77.040. REVENUE SHARING. (a) The tax collection on 3/10 of one
13 percent of the value of the fishery resource under AS 43.77.010 shall be paid into a
14 separate account in the general fund. The annual estimated balance in the account may
15 be appropriated by the legislature to the Alaska Seafood Marketing Institute and for
16 other public purposes.

17 (b) The tax collected on three percent of the value of the fishery resource
18 under AS 43.77.010 shall be paid into a separate account in the general fund. The
19 annual estimated balance in the account may be appropriated by the legislature for
20 revenue sharing under AS 43.77.050 and other public purposes.

21 Sec. 43.77.050. REVENUE SHARING. (a) Subject to appropriation by the
22 legislature and except as provided in (b) of this section, the commissioner shall pay
23 to each

24 (1) unified municipality and to each city located in the unorganized
25 borough, 50 percent of the amount of tax revenue collected from taxes levied under
26 this chapter on fishery resources landed in the municipality;

27 (2) city located within a borough, 25 percent of the amount of tax
28 revenue collected from taxes levied under this chapter on fishery resources landed in
29 the city; and

30 (3) borough

31 (A) 50 percent of the amount of tax revenue collected from

1 taxes levied under this chapter on fishery resources landed in the area of the
2 borough outside cities; and

3 (B) 25 percent of the amount of tax revenue collected from
4 taxes levied under this chapter on fishery resources landed in cities located
5 within the borough.

6 (b) Notwithstanding the provisions of (a)(2) and (a)(3)(B) of this section, and
7 subject to appropriation by the legislature, the commissioner shall pay to each

8 (1) city that is located in a borough incorporated after June 16, 1987,
9 the following percentages of the tax revenue collected from taxes levied under this
10 chapter on fishery resources landed in the city:

11 (A) 45 percent of the taxes collected during the calendar year
12 in which the borough is incorporated;

13 (B) 40 percent of the taxes collected during the first calendar
14 year after the calendar year in which the borough is incorporated;

15 (C) 35 percent of the taxes collected during the second calendar
16 year after the calendar year in which the borough is incorporated; and

17 (D) 30 percent of the taxes collected during the third calendar
18 year after the calendar year in which the borough is incorporated; and

19 (2) borough that is incorporated after June 16, 1987, the following
20 percentages of the tax revenue collected from taxes levied under this chapter on fishery
21 resources landed in the cities located within the borough:

22 (A) 5 percent of the taxes collected during the calendar year in
23 which the borough is incorporated;

24 (B) 10 percent of the taxes collected during the first calendar
25 year after the calendar year in which the borough is incorporated;

26 (C) 15 percent of the taxes collected during the second calendar
27 year after the calendar year in which the borough is incorporated; and

28 (D) 20 percent of the taxes collected during the third calendar
29 year after the calendar year in which the borough is incorporated.

30 (c) Notwithstanding the provisions of (b) of this section, a city may adopt an
31 ordinance to transfer a portion of the funds received under (b)(1) of this section to the

1 borough in which the city is located.

2 (d) To the extent that appropriations are available for the purpose, and
3 notwithstanding the requirement of AS 37.07.080(e) that approval of the office of
4 management and budget is required, an amount equal to 50 percent of the tax revenue
5 that is collected under this chapter and is not subject to division with a municipality
6 under (a) - (c) of this section shall be transmitted each fiscal year, without the approval
7 of the office of management and budget, by the department to the Department of
8 Community and Regional Affairs for disbursal to eligible municipalities under
9 AS 29.60.450.

10 Sec. 43.77.060. REGULATIONS. The department shall adopt regulations to
11 implement and interpret this chapter.

12 Sec. 43.77.200. DEFINITIONS. In this chapter,

13 (1) "fishery resource" means processed finfish, shellfish, and fish by-
14 products, including salmon, halibut, herring, flounder, crab, clams, cod, shrimp, and
15 pollock;

16 (2) "landing" means the act of unloading or transferring a fishery
17 resource;

18 (3) "market value" means the highest price a willing buyer would pay
19 and a willing seller would accept for a fishery resource if both are fully informed and
20 neither is under any compulsion to buy or sell, as determined by the department under
21 regulations adopted to make value determinations;

22 (4) "process"

23 (A) means any activity that modifies the physical condition of
24 the resource, including butchering, freezing, salting, cooking, canning,
25 dehydrating, or smoking;

26 (B) does not include decapitating shrimp, or gutting, gilling,
27 slimming, washing, or icing a resource solely for the purpose of maintaining
28 the quality of the fresh resource;

29 (5) "value" means the lesser of

30 (A) the market value of the fishery resource at the time and
31 place the resource becomes subject to the tax under this chapter; or

1 (B) the statewide average price paid in the year for the fisheries
2 resource as reported to, and the results compiled and released by, the
3 Department of Fish and Game.

4 * Sec. 2. This Act takes effect January 1, 1994.