

CS FOR HOUSE BILL NO. 264(FSH)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

Offered: 4/13/93
Referred: Finance

Sponsor(s): HOUSE RULES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act levying and collecting a fishery resource landing tax; and providing for**
2 **an 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 landing tax is 3.3 percent of the value of the fishery resource at the**
10 **place 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 that are subject to the tax, the point of landing of the**
14 **fishery resource, and other information the department requires 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 it adopts, grant a reasonable
5 extension of time for the filing. A grant of an extension of time for filing does not
6 extend the time for payment of the tax.

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

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

17 (b) The tax collected on the levy of three percent of the value of the fishery
18 resource under AS 43.77.010 shall be paid into a separate account in the general fund.
19 The annual estimated balance in the account may be appropriated by the legislature for
20 revenue sharing under AS 43.77.050 and for 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 the fishery resource landed in the municipality and accounted for under
27 AS 43.77.040(b);

28 (2) city located within a borough, 25 percent of the amount of the tax
29 revenue collected from taxes levied under this chapter on fishery resources landed in
30 the city and accounted for under AS 43.77.040(b); and

31 (3) borough

1 (A) 50 percent of the amount of the tax revenue collected from
2 taxes levied under this chapter on fishery resources landed in the area of the
3 borough outside cities and accounted for under AS 43.77.040(b); and

4 (B) 25 percent of the amount of the tax revenue collected from
5 taxes levied under this chapter on fishery resources landed in cities located
6 within the borough and accounted for under AS 43.77.040(b).

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

9 (1) city that is located in a borough incorporated after the effective date
10 of this Act, the following percentages of the tax revenue collected from taxes levied
11 under this chapter on fishery resources landed in the city and accounted for under
12 AS 43.77.040(b):

13 (A) 45 percent of the tax revenue collected during the calendar
14 year in which the borough is incorporated;

15 (B) 40 percent of the tax revenue collected during the first
16 calendar year after the calendar year in which the borough is incorporated;

17 (C) 35 percent of the tax revenue collected during the second
18 calendar year after the calendar year in which the borough is incorporated; and

19 (D) 30 percent of the tax revenue collected during the third
20 calendar year after the calendar year in which the borough is incorporated; and

21 (2) borough that is incorporated after the effective date of this Act, the
22 following percentages of the tax revenue collected from taxes levied under this chapter
23 on fishery resources landed in the cities located within the borough and accounted for
24 under AS 43.77.040(b):

25 (A) five percent of the tax revenue collected during the calendar
26 year in which the borough is incorporated;

27 (B) 10 percent of the tax revenue collected during the first
28 calendar year after the calendar year in which the borough is incorporated;

29 (C) 15 percent of the tax revenue collected during the second
30 calendar year after the calendar year in which the borough is incorporated; and

31 (D) 20 percent of the tax revenue collected during the third

1 calendar year after the calendar year in which the borough is incorporated.

2 (c) Notwithstanding the provisions of (b) of this section, a city may adopt an
3 ordinance to transfer a portion of the funds received under (b)(1) of this section to the
4 borough in which the city is located.

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

13 Sec. 43.77.060. REGULATIONS. The department shall adopt regulations to
14 implement and interpret this chapter.

15 Sec. 43.77.200. DEFINITIONS. In this chapter,

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

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

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

24 (4) "process"

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

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

31 (5) "tax" means the fishery resource landing tax levied and collected

1 under this chapter;

2 (6) "value" means the lesser of

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

5 (B) the statewide average price paid in the year for unprocessed
6 fisheries resources as reported to, and the results compiled and released by, the
7 Department of Fish and Game.

8 * Sec. 2. AS 29.60.450(b) is amended to read:

9 (b) The amount transmitted each fiscal year

10 (1) under AS 43.75.137 shall be apportioned by the department to each
11 management area based on the ratio of the management area's production value to the
12 total production value for all of the management areas; ~~the [THE]~~ department shall
13 allocate the amount available for each management area to each municipality in that
14 management area based on the demonstrated effects on the municipality of fisheries
15 business activities, the commercial fishing vessel days in that municipality, or both;

16 (2) under AS 43.77.050(d) shall be apportioned by the department
17 to each management area based on the ratio of the management area's fishery
18 resource landing tax production value to the total fishery resource landing tax
19 production value for all of the management areas; the department shall allocate
20 the amount available for each management area to each municipality in that
21 management area based on the demonstrated effects on the municipality of
22 fisheries activities that are subject to the tax levied under AS 43.77.

23 * Sec. 3. AS 29.60.450(f) is amended by adding a new paragraph to read:

24 (7) "fishery resource landing tax production value" has the meaning
25 given the term "value" by AS 43.77.200;

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