

## CHAPTER 89

## AN ACT

Relating to the distribution of the fisheries taxes; and providing for an effective date.

(C.S.H.B. 47)

Be it enacted by the Legislature of the State of Alaska:

Section 1. AS 43.75 is amended by adding a new section to read:

Sec. 43.75.135. **Additional Refund to Boroughs.** In addition to the payment allowed in sec. 130 of this chapter, the

commissioner of revenue shall pay to each organized borough 10 per cent of the amount of tax revenue collected in the borough from taxes levied by secs. 10 - 90 of this chapter.

Sec. 2. This Act applies retroactively to January 1, 1963.

Approved April 20, 1963

## CHAPTER 90

## AN ACT

Pertaining to withholding Alaska income tax liability of persons taking fish or fish products; and providing for an effective date.

(H.B. 54)

Be it enacted by the Legislature of the State of Alaska:

Section 1. AS 43.20 is amended by adding a new section to read:

Sec. 43.20.173. **Collection of Income Tax at Source for Fish and Fish Products.** (a) The legislature is aware that under present tax administration the state has no way of insuring receipt of income taxes on income gained from fishing, particularly when nonresident fishermen are involved. To insure that nonresidents gaining income from Alaska's resources pay their fair share of taxes on that income, this section is adopted.

(b) Every processor or fish buyer purchasing newly harvested fish or fish products taken in Alaskan waters shall deduct and withhold from the purchase price paid to holders of nonresident fishing licenses for newly harvested fish or fish products a tax in the amount of one per cent of that price. Every processor or fish buyer making a deduction and withholding as required by this Act shall furnish to the seller a record of the tax withheld from the seller on forms furnished by the commissioner.

(c) Every processor or fish buyer

who purchases newly harvested fish or fish products taken in Alaskan waters, regardless of the place where payment is made, shall be liable for the payment of the tax required to be deducted and withheld under this section, and shall not be liable to any individual for the amount of such payment. The amount withheld shall become due and payable quarterly for each calendar quarter on or before the last day of the month next following the calendar quarter for which taxes have accrued.

(d) There is a rebuttable presumption that all newly harvested fish or fish products sold in Alaska were taken in Alaskan waters. The commissioner may alter the presumption by regulation in circumstances where its application would not produce a close accord with the actual location of the taking, such as the off-shore halibut fishery.

(e) "Newly harvested fish or fish products" as used in this section means all fish or fish products which have not previously been sold to any fish buyer or processor.

Sec. 2. AS 43.20.180 is amended to read: