

## CHAPTER 65

## AN ACT

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

(C.S.H.B. 411)

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

**Section 1. Declaration of Intent.** The Legislature recognizes that it is burdensome for processors and fish buyers to withhold money on payments for fish or fish products and that a voluntary system worked out by fishermen, processors, and fish buyers would be preferable if a practical system can be devised.

**Sec. 2. Duties of Legislative Council.** The Legislative Council is directed to hold hearings at places to be determined by the Council and at times convenient by fishermen, processors, and fish buyers in order to determine possible means of insuring receipt of state income taxes without resort to withholding amounts from purchase prices paid for fish and fish products. The Legislative Council shall develop any such proposals into alternative plans either in the form of bills or administrative regulations, prepare a report on the feasibility of these alternative plans, and submit the foregoing to the First Session of the Fourth State Legislature for its consideration.

**Sec. 3. Failure of Legislature to Adopt Proposals.** If, after a review of the proposals and the report of the Legislative Council, the Legislature fails to accept or devise means of insuring receipt of income taxes on income gained from fishing, deductions shall, effective April 1, 1965, be made from the purchase prices paid for newly harvested fish or fish products under AS 43.20.173.

**Sec. 4.** Sec. 3, Ch. 90, SLA 1963, is amended to read:

**Sec. 3.** This Act takes effect April 1, 1965.

**Sec. 5.** Sec. 4 of this Act is retroactive to January 1, 1964.

**Sec. 6.** AS 43.20.173(a) is amended to read:

(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. To insure that persons gaining income from Alaska's resources pay their fair share of taxes on that income, this section is adopted.

**Sec. 7.** AS 43.20.173(b) is amended to read:

(b) Every processor or fish buyer purchasing newly harvested fish or fish products taken in Alaska waters shall deduct and withhold from the purchase price paid to holders of fishing licenses, whether resident or non-resident, 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 section shall furnish to the seller a record of the tax withheld from the seller on forms furnished by the commissioner.

**Sec. 8.** This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 21, 1964

## CHAPTER 66

## AN ACT

**Relating to investments of retirement funds in the Teachers' Retirement System; and providing for an effective date.**

(H.B. 415)