



LAWS OF ALASKA

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Source
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Chapter No.
67

AN ACT

Levying and providing for the collection of and disposition of the proceeds of a fishery resource landing tax; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: June 24, 1993
Actual Effective Date: January 1, 1994

AN ACT

1 Levying and providing for the collection of and disposition of the proceeds of a fishery
2 resource landing tax; and providing for an effective date.

3 _____
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.

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

12 Sec. 43.77.040. CREDIT FOR APPROVED CONTRIBUTIONS. (a) A
13 taxpayer who harvests a fishery resource under the provisions of a community
14 development quota may claim as a credit, against not more than 45.45 percent of the
15 tax under this chapter that is due on the value of the fishery resource harvested under
16 the community development quota, the taxpayer's contributions made during the tax
17 year to a nonprofit corporation incorporated under the laws of the state that are used
18 by the recipient for one or more of the following purposes:

19 (1) scholarships for study in the state in the disciplines of fisheries
20 management, fisheries business administration, or another related course or discipline;

21 (2) training in the state for employment in the seafood industry;

22 (3) making contributions of capital, in the form of loans or grants, to
23 construct or improve

24 (A) transportation facilities in the state such as airports and
25 docks that are used for the unloading, transferring, or shipment of fisheries
26 products; or

27 (B) facilities in the state at which fisheries products are canned,
28 frozen, or otherwise processed for inventory, including floating facilities that
29 are documented under the laws of the United States as defined in 46 U.S.C.
30 App. 801;

31 (4) awarding grants for research projects relating to Alaska fisheries.

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1 (b) A taxpayer who makes a contribution that qualifies for the credit
2 authorized by (a) of this section must apply to obtain the credit. The taxpayer shall
3 apply to the department in the manner provided by the department by regulation, and
4 shall provide to the commissioner all information relating to the contribution that may
5 be required by the department. Upon receipt of a complete application, the
6 department, in consultation with the Department of Community and Regional Affairs,
7 shall approve or disapprove the application for the credit within 60 days.

8 (c) The department shall revoke a prior approval of a tax credit and may not
9 allow a tax credit under this section if (1) the department determines that the
10 contribution does not qualify under (a) of this section; or (2) the taxpayer claiming the
11 credit is in arrears in the payment of a tax levied in this title. For purposes of this
12 subsection, a taxpayer is not in arrears if the payment is under administrative or
13 judicial appeal.

14 (d) A contribution allowed as a credit under this section may not be claimed
15 as a credit under another provision of this title.

16 Sec. 43.77.050. SEPARATE ACCOUNTING. (a) An amount of tax paid
17 equal to 3/10 of one percent of the value of the fishery resource shall be paid into a
18 separate account in the general fund. The annual balance in the account may be
19 appropriated by the legislature to the Alaska Seafood Marketing Institute.

20 (b) After payment of the amount determined under (a) of this section, the
21 balance of the tax collected under this chapter shall be paid into a separate account in
22 the general fund. The annual balance in the account may be appropriated by the
23 legislature for revenue sharing under AS 43.77.060. The amount of all tax credits
24 approved by the commissioner under AS 43.77.040(b) shall be deducted from amounts
25 paid to municipalities under AS 43.77.060(a) - (c).

26 Sec. 43.77.060. REVENUE SHARING. (a) Subject to appropriation by the
27 legislature and except as provided in (b) of this section, the commissioner shall pay
28 to each

29 (1) unified municipality and to each city located in the unorganized
30 borough, 50 percent of the amount of tax revenue collected from taxes levied under
31 this chapter on the fishery resource landed in the municipality and accounted for under

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1 AS 43.77.050(b);

2 (2) city located within a borough, 25 percent of the amount of the tax
3 revenue collected from taxes levied under this chapter on fishery resources landed in
4 the city and accounted for under AS 43.77.050(b); and

5 (3) borough

6 (A) 50 percent of the amount of the tax revenue collected from
7 taxes levied under this chapter on fishery resources landed in the area of the
8 borough outside cities and accounted for under AS 43.77.050(b); and

9 (B) 25 percent of the amount of the tax revenue collected from
10 taxes levied under this chapter on fishery resources landed in cities located
11 within the borough and accounted for under AS 43.77.050(b).

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

14 (1) city that is located in a borough incorporated after the effective date
15 of this Act, the following percentages of the tax revenue collected from taxes levied
16 under this chapter on fishery resources landed in the city and accounted for under
17 AS 43.77.050(b):

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

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

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

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

26 (2) borough that is incorporated after the effective date of this Act, the
27 following percentages of the tax revenue collected from taxes levied under this chapter
28 on fishery resources landed in the cities located within the borough and accounted for
29 under AS 43.77.050(b):

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

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

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

5 (D) 20 percent of the tax revenue collected during the third
6 calendar year after the calendar year in which the borough is incorporated.

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

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

18 Sec. 43.77.070. REGULATIONS. The department shall adopt regulations to
19 implement and interpret this chapter.

20 Sec. 43.77.200. DEFINITIONS. In this chapter,

21 (1) "community development quota" has the meaning given that term
22 in a regulation adopted by the Office of the Governor, under authority granted by art.
23 III, secs. 1 and 24, Constitution of the State of Alaska, to implement a program of the
24 North Pacific Fishery Management Council to set aside fisheries resources for
25 community development purposes in western Alaska;

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

28 (3) "landing" means the act of unloading or transferring a fishery
29 resource;

30 (4) "process"

31 (A) means any activity that modifies the physical condition of

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1 the resource, including butchering, freezing, salting, cooking, canning,
2 dehydrating, or smoking;

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

6 (5) "tax" means the fishery resource landing tax levied and collected
7 under this chapter;

8 (6) "value" means the unprocessed value of the fishery resource based
9 on the statewide average price paid for the fisheries resource as reported during the
10 year to the Department of Fish and Game under AS 16.05.690.

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

12 (b) The amount transmitted each fiscal year

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

19 (2) under AS 43.77.060(d) shall be apportioned by the department
20 to each management area based on the ratio of the management area's fishery
21 resource landing tax production value to the total fishery resource landing tax
22 production value for all of the management areas; the department shall allocate
23 the amount available for each management area to each municipality in that
24 management area based on the demonstrated effects on the municipality of
25 fisheries activities that are subject to the tax levied under AS 43.77.

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

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

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