



LAWS OF ALASKA

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Source
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Chapter No.
42

AN ACT

Relating to security for the payment of fishery business taxes and to payment of the fisheries resource landing tax.

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

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: June 25, 2001
Actual Effective Date: September 23, 2001

AN ACT

1 Relating to security for the payment of fishery business taxes and to payment of the fisheries
2 resource landing tax.

3

4 * Section 1. AS 43.75.055 is amended to read:

5 **Sec. 43.75.055. Security for collection of taxes.** (a) An applicant for a
6 license under this chapter shall, in or with the application, state under oath the amount
7 of each of the products that the applicant expects to produce during the license year.
8 The applicant shall further state the extent of lienable real property owned by the
9 applicant in the state against which the tax may be collected and other information
10 with respect to description, location, and value of the property that the department
11 prescribes.

12 **(b) Except as provided in (c) and (e) of this section, if** [IF] the lienable
13 value of the property is not equal to three times the amount of the tax for which the
14 applicant will probably be liable under this section, the department may not issue the

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1 license until the applicant files with the department a surety bond approved by the
2 attorney general in a penal sum equal to twice the probable amount of the tax for
3 which the applicant will be liable, conditioned upon payment of the tax in full when
4 due, with interest and penalties if not paid before delinquency.

5 (c) An applicant that does not process a fishery resource in the state may
6 elect to avoid the requirements of (a) and (b) of this section if the applicant

7 (1) notwithstanding AS 43.75.030(d), pays the taxes due under this
8 chapter on or before the 15th day of the month following the month in which
9 liability for the payment of the taxes was incurred;

10 (2) pays the taxes and assessments for which the applicant is liable
11 under AS 16.51, AS 43.76, and AS 43.77 on or before the 15th day of the month
12 following the month in which the liability for the payment of the taxes or
13 assessments was incurred;

14 (3) remits to the department the taxes and assessments that the
15 applicant is required to collect under AS 43.76 on or before the 15th day of the
16 month following the month in which the taxes or assessments were required to be
17 collected; and

18 (4) either

19 (A) files a bond in [HOWEVER, IF THE APPLICANT
20 PURCHASES SALMON FOR EXPORT FROM ALASKA IN THE
21 ROUND,] the amount of [THE BOND IS] \$50,000; or

22 (B) provides the department with proof that [UNLESS] the
23 applicant is the owner of lienable real property in the state of a value of at least
24 \$100,000.

25 (d) A [\$50,000, AND THE] bond filed under (c) of this section must be
26 conditioned upon payment to the fisherman of the full purchase price for the fishery
27 resource [SALMON] and the payment of the taxes, interest, and penalties [TAX] in
28 full when due. The provisions of (c) of this section do not apply to an applicant
29 who has a relationship, as that term is defined under 26 U.S.C. 267(b), with a
30 person that processes a fishery resource.

31 (e) The department may waive the bond requirement under (b) or (c) of this

1 section if the applicant posts other security in the form of collateral acceptable to the
2 department or prepays the estimated tax.

3 **(f) An applicant that fails to pay amounts due under this section is subject**
4 **to civil penalties set out under AS 43.05.220.**

5 * **Sec. 2.** AS 43.77.020(b) is amended to read:

6 (b) The return shall be made on the basis of the calendar year **and is due** [TO
7 THE DEPARTMENT AT JUNEAU] before April 1 after the close of the calendar
8 year, and **any unpaid** [THE] tax shall be paid with the return.

9 * **Sec. 3.** AS 43.77.020 is amended by adding a new subsection to read:

10 (d) A person subject to the tax under this chapter shall make quarterly
11 payments of the tax estimated to be due for the year, as required under regulations
12 adopted by the department. A taxpayer will be subject to an estimated tax penalty,
13 determined by applying the interest rate specified in AS 43.05.225 to the
14 underpayment for each quarter, unless the taxpayer makes estimated tax payments in
15 equal installments that total either

16 (1) at least 90 percent of the taxpayer's tax liability under this chapter
17 for the tax year; or

18 (2) at least 100 percent of the taxpayer's tax liability under this chapter
19 for the prior tax year.