



LAWS OF ALASKA

2008

Source
CSHB 321(FSH)

Chapter No.
8

AN ACT

Relating to the salmon product development tax credit; providing for an effective date by amending an effective date in sec. 7, ch. 57, SLA 2003, as amended by sec. 4, ch. 3, SLA 2006; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

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1 Relating to the salmon product development tax credit; providing for an effective date by
2 amending an effective date in sec. 7, ch. 57, SLA 2003, as amended by sec. 4, ch. 3, SLA
3 2006; and providing for an effective date.

4



5 * **Section 1.** AS 43.75.035(b) is amended to read:

6 (b) The amount of the tax credit applied against taxes under this section may
7 not

8 (1) exceed 50 percent of the taxpayer's tax liability incurred under this
9 chapter for processing of salmon during the tax year; or

10 (2) be claimed for property first placed into service after December 31,
11 2011 [2008].

12 * **Sec. 2.** AS 43.75.035(i)(3) is amended to read:

13 (3) "qualified investment" means the investment cost in depreciable
14 tangible personal property with a useful life of three years or more to be used

1 predominantly to perform a processing, packaging, or product finishing function that
2 is a significant component in producing value-added salmon products beyond gutting
3 of the salmon; in this paragraph, "property"

4 (A) includes

5 (i) filleting, skinning, portioning, mincing, forming,
6 extruding, stuffing, injecting, mixing, marinating, preserving, drying,
7 smoking, brining, packaging, blast freezing, or pin bone removal
8 equipment; [AND]

9 (ii) new parts to convert an existing can seamer to pop-
10 top can production; **and**

11 **(iii) conveyors used specifically in the act of**
12 **producing a value-added salmon product;**

13 (B) does not include

14 (i) vehicles, forklifts, conveyors **not used specifically**
15 **in the act of producing a value-added salmon product**, cranes,
16 pumps, or other equipment used to transport salmon or salmon
17 products, knives, gloves, tools, supplies and materials, equipment that
18 is not processing, packaging, or product finishing equipment, or other
19 equipment the use of which is incidental to the production, packaging,
20 or finishing of value-added salmon products; or

21 (ii) the overhaul, retooling, or modification of new or
22 existing property, except for new parts to convert an existing can
23 seamer to pop-top can production;

24 * **Sec. 3.** AS 43.75.035 is amended by adding a new subsection to read:

25 (j) The department shall develop and implement procedures by which a
26 taxpayer that is a fisheries business may submit the taxpayer's proposed investment to
27 the department and request a preliminary determination of whether the investment
28 qualifies for the salmon product development tax credit under this section. A
29 preliminary determination by the department that the taxpayer's submission qualifies
30 for the credit is binding, unless the department determines that the taxpayer has made
31 a material misrepresentation in the taxpayer's submission.

1 * **Sec. 4.** Section 7, ch. 57, SLA 2003, as amended by sec. 4, ch. 3, SLA 2006, is amended
2 to read:

3 Sec. 7. Section 3 of this Act takes effect on the earlier of the following:

4 (1) January 1, **2015** [2012]; or

5 (2) the date of the attorney general's notification to the lieutenant
6 governor and to the revisor of statutes that

7 (A) a court has entered final judgment that AS 43.75.035 or
8 43.75.036, added by sec. 1, **ch. 57, SLA 2003** [OF THIS ACT], violates the
9 commerce clause contained in art. I, sec. 8, United States Constitution; and

10 (B) the time for an appeal of that judgment has expired, or, if
11 an appeal was taken, a final order on the appeal has been entered that
12 AS 43.75.035 or 43.75.036, added by sec. 1, **ch. 57, SLA 2003** [OF THIS
13 ACT], violates the commerce clause contained in the United States
14 Constitution.

15 * **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).