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23-LS1367A
Utermohle
11/4/03

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a seafood marketing tax and the Alaska Seafood Marketing
2 Institute; and providing for an effective date."

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

4 * **Section 1.** AS 16.43.160(c)(2)(A)(ix) is amended to read:

5 (ix) Department of Revenue - fisheries business tax
6 program, fishery resource landing tax program, salmon enhancement
7 tax program, seafood [SALMON] marketing tax program, and dive
8 fishery management assessment program;

9 * **Sec. 2.** AS 16.51.020(b) is amended to read:

10 (b) Twelve members of the board shall be seafood processors: eight of the
11 seafood processors must have an annual payroll in the state of more than \$2,500,000;
12 four of the seafood processors must have an annual payroll in the state of \$50,000 -
13 \$2,500,000. Twelve members of the board must be engaged in commercial fishing.
14 The governor, to the extent practicable, shall appoint as commercial fishing members

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1 of the board persons engaged in commercial fishing in a fishery management region of
2 the state in the same proportion that the region contributes, or is expected to contribute
3 during the next year, to the total seafood [SALMON] marketing tax collected under
4 AS 43.76.110 - 43.76.130. One member of the board shall be a lay person selected by
5 the governor.

6 * **Sec. 3.** AS 16.51.020(b) is repealed and reenacted to read:

7 (b) Twelve members of the board shall be seafood processors: eight of the
8 seafood processors must have an annual payroll in the state of more than \$2,500,000;
9 four of the seafood processors must have an annual payroll in the state of \$50,000 -
10 \$2,500,000. Twelve members of the board must be engaged in commercial fishing.
11 One member of the board shall be a lay person selected by the governor.

12 * **Sec. 4.** AS 37.05.146(c)(25) is amended to read:

13 (25) receipts from the seafood marketing assessment under
14 AS 16.51.120 - 16.51.170, the seafood [SALMON] marketing tax under AS 43.76.110
15 - 43.76.130, and other receipts of the Alaska Seafood Marketing Institute;

16 * **Sec. 5.** AS 43.76.110 is amended to read:

17 **Sec. 43.76.110. Seafood [SALMON] marketing tax.** A person holding a
18 limited entry permit or interim-use permit under AS 16.43 shall pay a seafood
19 [SALMON] marketing tax at the rate of 0.5 [ONE] percent of the value, as defined in
20 AS 43.75.290, of the fisheries resources [SALMON] that the person removes from
21 the state or transfers to a buyer in the state. The buyer shall collect the seafood
22 [SALMON] marketing tax at the time the fisheries resources are [SALMON IS]
23 acquired by the buyer.

24 * **Sec. 6.** AS 43.76.120 is amended to read:

25 **Sec. 43.76.120. Collection of tax.** (a) A buyer who acquires fisheries
26 resources [SALMON] that are [IS] subject to the seafood [A SALMON] marketing
27 tax imposed by AS 43.76.110 shall collect the seafood [SALMON] marketing tax at
28 the time of purchase and shall remit the total seafood [SALMON] marketing tax
29 collected during each month to the Department of Revenue by the last day of the next
30 month.

31 (b) A buyer who collects the seafood [SALMON] marketing tax shall

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1 (1) maintain records of the value of the fisheries resources
2 [SALMON] purchased in the state;

3 (2) report to the Department of Revenue by March 1 of each year the
4 total value, as defined in AS 43.75.290, of the fisheries resources [SALMON] that
5 the buyer has acquired during the preceding year.

6 (c) The owner of fisheries resources [SALMON] removed from the state is
7 liable for payment of the seafood [A SALMON] marketing tax imposed by
8 AS 43.76.110 if, at the time the fisheries resources are [SALMON IS] removed from
9 the state, the tax payable on the fisheries resources [SALMON] has not been
10 collected by a buyer. If the owner of the fisheries resources [SALMON] is liable for
11 payment of the seafood [SALMON] marketing tax under this subsection, the owner
12 shall comply with the requirements under (a) and (b) of this section to remit the tax to
13 the Department of Revenue, to maintain records, and to report to the Department of
14 Revenue.

15 (d) The seafood [SALMON] marketing tax collected under this section shall
16 be deposited in the general fund. The legislature may appropriate revenue generated
17 by the seafood [SALMON] marketing tax to the Alaska Seafood Marketing Institute
18 for the purpose of supporting the institute's seafood [SALMON] marketing program
19 under AS 16.51. [EXCEPT AS OTHERWISE PROVIDED IN AN
20 APPROPRIATION BY THE LEGISLATURE, THE AMOUNT OF THE
21 ALLOCATION MADE TO THE INSTITUTE'S SALMON MARKETING
22 PROGRAM UNDER AS 16.51.100(7) AND (8) SHOULD NOT EXCEED 10
23 PERCENT OF THE TOTAL AMOUNT OF SALMON MARKETING TAX
24 REVENUE APPROPRIATED FOR THE INSTITUTE.]

25 * **Sec. 7.** AS 43.76.130 is amended to read:

26 Sec. 43.76.130. Definition. In AS 43.76.110 - 43.76.130, "buyer" means a
27 person who acquires possession of a fisheries resource [SALMON] from the person
28 who caught the fisheries resource [SALMON] regardless of whether there is an
29 actual sale of the fisheries resource [SALMON], but does not include a person
30 engaged solely in interstate transportation of goods for hire.

31 * **Sec. 8.** AS 43.76.110, 43.76.120, and 43.76.130 are repealed June 30, 2008.

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1 * **Sec. 9.** (a) Section 9, ch. 55, SLA 1993, as amended by sec. 1, ch. 111, SLA 1998, and
2 sec. 3, ch. 136, SLA 2002, is repealed.

3 (b) Sections 3, 8(c), and 12, ch. 55, SLA 1993, are repealed.

4 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
5 read:

6 TRANSITION FOR MEMBERS OF THE BOARD OF DIRECTORS OF THE
7 ALASKA SEAFOOD MARKETING INSTITUTE. Notwithstanding AS 16.51.020(b), as
8 amended by sec. 3 of this Act, a person who is serving as a member of the board of directors
9 of the Alaska Seafood Marketing Institute on the day before the effective date of sec. 3 of this
10 Act may continue to serve as a member of the board for the remainder of the term to which
11 the person was appointed.

12 * **Sec. 11.** Section 3 of this Act takes effect upon the repeal of AS 43.76.110, 43.76.120,
13 and 43.76.130.

14 * **Sec. 12.** Except as provided in sec. 11 of this Act, this Act takes effect January 1, 2005.