

PROGRAM 7 – SHARED TAXES, COST RECOVERY FISHERIES

DEPARTMENT OF REVENUE

I. PROGRAM OBJECTIVES

The cost recovery fisheries assessment, a program that allows hatcheries to establish a common property fishery and recoup costs through an assessment on fishery resources taken in the terminal harvest area. Assessments are set aside for appropriation for the benefit of the seafood industry, either in marketing or in management and development of the industry.

II. PROGRAM PROCEDURES

The Tax Division of the Department of Revenue administers the Shared Taxes program. The Department of Revenue may, by regulation, annually, by March 1 of each year, set the assessment levied on salmon taken in a terminal harvest area in consultation with the Department of Commerce, Community, and Economic Development, the hatchery permit holder, and representatives of affected commercial fisherman. Revenue received under these assessments is deposited in the General Fund. Assessments may then be appropriated by the legislature back to the hatchery permit holder in which the assessment was levied. Permit holders are required to use such funds as detailed in AS 16.10.150(a). Funds collected may also be appropriated by the legislature back to the Department of Revenue for costs incurred by the department for this program.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

There are no special compliance requirements or suggested audit procedures for this program.