

PROGRAM 4 – SHARED TAXES, FISHERIES BUSINESS TAXES

DEPARTMENT OF REVENUE

I. PROGRAM OBJECTIVES

Fisheries Business Taxes are shared with the municipalities where fishery resources were processed. Payments are made to municipalities for any public purpose for which the municipality is legally authorized to expend funds.

II. PROGRAM PROCEDURES

The Tax Division of the Department of Revenue administers the Shared Taxes Program. Fisheries Business Taxes are shared annually based on information included on tax returns submitted by the taxpayer to the Department and payments received as of June 30. The communities are not required to make application for any of these sharings.

For taxes sourced from processing activities within a municipality, 50% of the taxes are shared to respective municipalities in which processing took place. If a municipality is within a borough, the 50% amount to be shared is generally split equally between the municipality and borough.

For taxes sourced from processing activities outside a municipality (unorganized borough), 50% of the taxes are shared through an allocation program administered by the Alaska Department of Commerce, Community & Economic Development.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

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