



# Alaska State Legislature

## Official Business

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## **House Eases Bonding for Fish Brokers** **HB 154 Facilitates Monthly Fish Business Tax Payments**

(JUNEAU) – Fresh fish brokers would be free from some of the more stringent fish business tax bonding requirements expected of large processors, under legislation the House passed unanimously today.

Sponsored by Rep. Drew Scalzi (R-Homer), House Bill 154 would allow brokers who bought and sold, but did not process, fish products to pay their annual fisheries business tax liability on a monthly basis, as long as they either posted a \$50,000 bond or proved to the state they owned \$100,000 worth of lienable real property in Alaska.

“With the advent of individual fishing quotas in 1995, we have entered a new era in fish buying,” said Scalzi, in which buyers may operate out of a pickup truck or small office, and don’t have the property or cash the state has traditionally required as surety in allowing fisheries businesses to defer paying fish taxes until the end of the season.

“Some of these fish buyers generate fish tax revenues to the state of up to a half-million dollars, but the problem is, current law says they must have three times (their tax obligation in) lienable property or they must post a bond that is the same as the tax they paid the year before,” Scalzi said.

By easing the bonding requirements, Scalzi said, HB 154 both ensures the state will get the fish tax due - plus interest - and allows the new generation of fish buyers the same flexibility to operate and pay their taxes as more traditional processors, he said.

HB 154 moves next to the Senate for consideration.

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