



MEMBERSHIP RESOLUTION FY19-04

A RESOLUTION BY THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE MEMBERSHIP SUPPORTING CONTINUATION OF SHARED FISHERIES TAX PROGRAMS AND OPPOSING HB 65 AND SB 63 REPEALING THE SHARING OF FISHERIES TAX PROGRAM TAXES WITH QUALIFYING MUNICIPALITIES

WHEREAS, the State of Alaska collects various taxes and fees on businesses engaged in the fishing and fish processing activities in Alaska; and

WHEREAS, under provisions of AS 43.75.130 the State provides a “Refund to local governments” of Fisheries Business Taxes of up to 50% of taxes collected to municipalities where fishery resources are processed; and

WHEREAS, under provisions of AS 43.77.060 the State provides for “Revenue Sharing” with municipalities of the Fisheries Resource Landing Tax of up to 50% of taxes collected on floating fisheries where fishery products are landed; and

WHEREAS, these two Fisheries Tax programs are a means of taxing fishing economic activity and reflect the partnership between State and municipalities in providing services that support the fishing industry in Alaska; and

WHEREAS, municipalities receiving these Shared Fisheries Taxes provide services like water, wastewater collection and treatment, road maintenance, docks, ports, boat harbors, fire protection, police services, emergency medical services, electricity, and education in support of the fishing industry; and

WHEREAS, in FY18 over \$20.8 million dollars were shared with municipalities in the SWAMC region through these Shared Fisheries Taxes; and

WHEREAS, these Shared Fisheries Taxes are significant general fund revenues that municipalities rely on as part of their tax base to provide municipal services that benefit residents and the fishing industry; over \$20.8 million was shared with SWAMC municipalities; and

WHEREAS, many SWAMC municipalities have sold bonds and entered other long-term obligations in anticipation of receiving Shared Fisheries Taxes revenues; and

WHEREAS, proposed legislation HB 65 and its companion bill SB 63 in the 31st Legislature would repeal the provisions in the Shared Fisheries Taxes that share these State-collected taxes with qualified municipalities that support the fishing industry; and

WHEREAS, this legislation would shift more costs for services like education to municipalities while at the same time reducing general tax revenue by in effect reducing municipal tax bases.

NOW BE IT RESOLVED that the Southwest Alaska Municipal Conference Membership supports continuation of the Fisheries Business and License Tax and Fisheries Resource Landing Tax programs as currently operated to share proscribed taxes collected with qualifying municipalities.

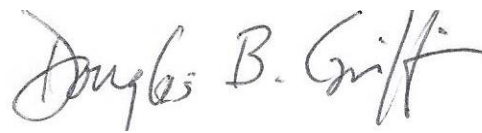
BE IT FURTHER RESOLVED that the Southwest Alaska Municipal Conference Membership opposes passage of HB 65 and SB 63 that would repeal the sharing of State-collected Fisheries Business and License Tax and Fisheries Resource Landing Tax with qualifying municipalities.

PASSED AND ADOPTED by the Southwest Alaska Municipal Conference Membership this 28th day of February 2019.

IN WITNESS THERETO:



Mary Swain, SWAMC Board President



Doug Griffin, SWAMC Executive Director