



## Legislation Text

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**File #:** RES 20-0003, **Version:** 1

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### **ITEM TITLE:**

#20-03 - Adoption of an Alternate Allocation Method for the FY20 Shared Fisheries Business Tax Program and Certifying that the Allocation Method Fairly Represents the Distribution of Significant Effect of Fisheries Business Activity in FMA 15: Prince William Sound

**SUBMITTED BY:** Sarah Von Bargaen, Harbormaster

### **FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

### **RECOMMENDATION:**

Approve Resolution #20-03 adopting an alternate allocation method for the FY20 Shared Fisheries Business Tax Program and certifying that the allocation method fairly represents the distribution of significant effects of Fisheries Business Activity in FMA 15: Prince William Sound.

### **SUMMARY STATEMENT:**

The purpose of the Shared Fisheries Business Tax Program is to provide for an annual sharing of fish tax (collected outside municipal boundaries) to municipalities that can demonstrate they suffered significant effects from fisheries business activities. This program is administered separately from the state fish tax sharing program administered by the Alaska Department of Revenue which shares fish tax revenues collected inside municipal boundaries. To be eligible for an allocation under this program, applicants must:

1. Be a municipality (city or borough): and
2. Demonstrate the municipality suffered significant effects as a result of fisheries business activity that occurred within its respective fisheries management area(s).

There is both a standard and alternate method for calculating the shared fisheries business tax. Under the Alternate Method, all incorporated jurisdictions within a management area can agree to a specific type of allocation that benefits each community. For years, Valdez has joined with the other communities in the Prince William Sound Management Area agreeing to equal distribution between all three entities (Cordova, Whittier and Valdez).