Alaska Regional Seafood Development Tax Return Instructions

What is the Regional Seafood Development Tax?

The regional seafood development (RSD) tax is levied on certain species and gear types within designated seafood development regions. The RSD applies to salmon harvested in the following regions for the fishery listed below:

Bristol Bay…….. Salmon drift gillnet – S03T
Prince William Sound… Salmon drift gillnet – S03E
Prince William Sound… Salmon set gillnet – S04E

Proceeds from the RSD tax may be appropriated by the legislature to aid seafood development programs of qualified regional seafood development associations.

DUE DATE

Licensed Buyers Must File Monthly – Check the box at the top of the form next to "Buyer" and fill in the "Month" and "Year" boxes to reflect the month and year you purchased salmon. This return must be filed and the taxes paid no later than the last day of the month following the month in which the salmon were purchased or acquired. Buyers must file a bonus return when fishermen receive end-of-season settlements or bonus amounts for salmon previously acquired by the buyer.

Fishermen (including catcher sellers, catcher exporters, catcher processors and direct market license holders) Must File Annually – Check the box at the top of the form next to "Fisherman" and fill in the "Year" box to reflect the year you harvested salmon that you either: (a) exported from the state, or (b) sold to unlicensed buyers. For fishermen (including catcher sellers, catcher processors and direct market license holders) this return must be filed and the RSD tax paid on or before March 31st of the following year.

Who Remits the Tax?

Licensed buyers collect and remit the RSD tax on all salmon acquired from: 1) drift and set gillnet fishermen (including catcher sellers, catcher exporters, catcher processors and direct market license holders) who harvested the salmon within Prince William Sound, or 2) drift gillnet fishermen (including catcher sellers, catcher exporters, catcher processors and direct market license holders) who harvested the salmon within Bristol Bay. Fishermen (including catcher sellers, catcher exporters, catcher processors and direct market license holders) harvesting salmon using drift or set gillnet gear within Prince William Sound or drift gillnet gear within Bristol Bay remit the RSD tax on salmon sold to unlicensed buyers or exported from the state.

Payment

Pay your taxes using the Online Tax Information System (OTIS) at *www.tax.alaska.gov*. Note that you must be an existing taxpayer with the Tax Division to pay electronically. If you are a first-time taxpayer, contact the Tax Division at (907) 465-2320 or visit *www.tax.alaska.gov* for information.

ACH Debit (EFT) - OTIS accommodates Automated Clearing House (ACH) debit payments. If your bank account has a debit block, your online payment request will be rejected by your bank. Rejected payments may result in late payment penalties and/or interest.

If you think your bank account has a debit block, contact your bank before making an online payment to register the State of Alaska as an authorized ACH debit originator. The company ID for the Alaska Department of Revenue is 0000902050.

Credit Cards or ACH Credit - OTIS cannot accept credit cards or ACH credit transactions for this tax program.

Wire Transfers - If you are paying by wire transfer, log on to the OTIS website at *www.tax.alaska.gov* for instructions.

Checks - Note that if your total payment exceeds $150,000 you are required to pay electronically or by wire transfer. If you are paying by check, make your check payable to the State of Alaska and mail it with your return to:

ALASKA DEPARTMENT OF REVENUE
TAX DIVISION
PO BOX 110420
JUNEAU AK 99811-0420

What Records Must the Buyer Keep?

In order to properly complete and substantiate the monthly return, the buyer must maintain records reflecting the fishery in which the fishery resource was caught.

DEFINITIONS

Value – means:

(a) The market value as determined by the prevailing price paid to fishermen for the unprocessed fishery resource of the same kind and quality by fisheries businesses in the same region or market area where the fishery resource was caught if

i) the fishery resource was caught by a person holding a direct marketing fisheries business license; and

ii) the fishery resource was sold to a buyer other than a licensed fisheries business.

(b) For fisheries resources other than those described above, the market value of the fishery resource if caught in company-owned or company-subsidized boats operated by employees of the company or in boats that are operated under lease to or from the company or other arrangement with the company and if the fishery resource is delivered to the company.

(c) For fishery resources other than those described in (a) and (b) above, the actual price paid for the fishery resource by the fisheries business to the fisherman, including indirect

consideration and bonus amounts paid for fuel, supplies, gear, ice, handling tender fees, or delivery, whether paid at the time of purchase of the fishery resource or tendered as deferred or delayed payment.

Market value – means the prevailing value paid for fisheries resources of like kind and quality by fisheries businesses in the same market area to fishermen who own their vessels.

Development Region – is a region of the state made up of designated management areas established by the Board of Fisheries and in which an election has been held and the imposition of the RSD tax was approved. At present only Prince William Sound and Bristol Bay have held elections and approved the RSD tax.

Fishery – is the species and gear type that is subject to the RSD tax. At present only salmon caught by drift gillnet and set gillnet with limited entry permits beginning with the designation S03E, S03T or S04E have elected to impose the RSD tax.

Who Must File a Bonus Return?

Licensed buyers making bonus payments to fishermen for resources previously reported on an RSD tax return are required to file a bonus return.

Bonus Return Due Date

Bonus returns must be filed and the additional RSD tax paid no later than the last day of the month following the month in which the bonus payment was made (e.g., a bonus payment made in November would be reported on a bonus return that would be due on or before December 31).

How are bonus payments reported?

Check the "Bonus" return box and fill in the month and year the resource was originally acquired as well as the month and year the bonus payment was made. Under column A, report the total value of the resource, including the bonus payment (i.e. value as originally reported plus the amount of the bonus payment). Under column C, calculate the tax on the revised value and transfer the total tax to line 4. On line 5 indicate the tax paid with the original return. On line 6 subtract line 5 from line 4. This is the RSD tax amount due with the bonus return.

Amended Returns

You can use this form to correct any errors on your original return. You should file an amended return if you:

- Reported resources under the wrong region;
- Misstated the value of resources and the misstatement was not caused from a bonus payment.

If you are amending a previously filed return, attach a statement with a brief explanation of the error along with a description of the change(s) being made.

How do I amend my original return?

Check the "Amended" return box. Above the "Amended" return box check whether you are a "Buyer" or "Fisherman". If you are a buyer, indicate the month and year the resources were originally acquired. If you are a fisherman, indicate the year the resources were exported or sold to an unlicensed buyer(s).
Under column A, report the correct value of the resource. Under column C, calculate the tax on the revised value and carry the total to line 4. On line 5, indicate the tax paid with the original return. If line 4 is greater than line 5, subtract line 5 from line 4 and show the result on line 6 as a positive number. This is the tax amount due with the amended return.

If line 5 is greater than line 4, subtract line 4 from line 5 and show the result on line 6 as a negative number. This is the amount of your overpayment which will be refunded to you.

Additional Forms

Download forms at: *www.tax.alaska.gov/fish*
You may reproduce or photocopy this form as needed or request additional forms at: 907-465-2320 or fax your request to 907-465-3566

Questions

You may email us at: *dor.tax.fishexcise@alaska.gov*
or call 907-465-2320