

STATE OF ALASKA

DEPARTMENT OF REVENUE

Tax Division

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Re: Alaska Salmon Price Report

June 18, 2007

To Whom It May Concern:

Enclosed is the "Alaska Salmon Price Report" for the reporting period January-April 2007. We compile the report from Alaska Salmon Price Report forms completed by processors required to report by state statute. Note that production areas E, F, H and I are not shown on the report because of confidentiality requirements. However, information for these areas is included in the statewide totals. The following will help in understanding the Alaska Salmon Price Report:

STATUTORY REQUIREMENTS

1. The reporting threshold for processors is 1 million pounds of salmon products sold at wholesale in the previous calendar year.
2. "Wholesale price" is the price paid by a nonaffiliated buyer to a processor or its affiliate, without deduction for costs of property sold, materials used, insurance, labor, services, labeling, transportation, storage, interest, losses, or any other expense.
3. "Quantity" is the quantity purchased by a nonaffiliated buyer from a processor or its affiliate.
4. "Production area" is where the product that was sold to the nonaffiliated buyer was last processed into a reportable salmon product form within Alaska by the processor or its affiliate.
5. The "product forms" are those listed in statute. These are the only product forms that are included in the Alaska Salmon Price Report database and are the only ones that processors are required to report. No quality distinctions are made within each product form category.

CONFIDENTIALITY

We do not report information for some areas because it could identify the quantity produced by a particular processor (as indicated by the use of a single or double asterisk). We use the following guidelines when evaluating confidentiality:

1. If there are three or more processors for a given area, the information is reported unless one processor accounts for over 80% of total quantity or two processors account for over 95% of total quantity.
2. If there are only one or two processors for a given area, the information is not reported.

Please call Dan Stickel at 907-465-3279 or email at daniel.stickel@alaska.gov if you have any questions.

Sincerely,



Paul Dick
Chief of Operations