

Instructions for 2016 Alaska Regional Seafood Development Tax Return

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 31, 2016.

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

There are three methods of paying your tax liabilities: check, wire transfer or electronically. To make an electronic tax payment, you must be enrolled in either the Tax Division's

Online Tax Information System (OTIS) or the Revenue Online system. OTIS will be replaced by a more efficient and updated Revenue Online system on February 22, 2016. As a result, your tax filing date determines which system (OTIS or Revenue Online) you should use for paying electronically. Refer to the sections below to determine how to make your electronic payments.

OTIS Enrollment during Calendar Year 2015 and up to February 21, 2016: Taxpayers will make tax payments using the Online Tax Information System (OTIS) at www.tax.alaska.gov. Please note you must be an existing taxpayer with the Tax Division to pay tax liabilities. If you are a first time taxpayer, contact the Tax Division's OTIS help desk at 907.465.2367 or visit our site at www.tax.alaska.gov.

Revenue Online Enrollment from February 22, 2016 and Forward: Taxpayers will be using the new system “Revenue Online” at <http://online-tax.alaska.gov> or you may access it from our home page at www.tax.alaska.gov. If you are making a payment using Revenue Online for the first time, click on “Enroll Now” on the sign-in page and follow the prompts. If you have questions, call the Revenue Online help desk at 907.269.0041 or 907.269.6627.

Pay Electronically through ACH Debit (EFT)

Both OTIS and Revenue Online uses Automated Clearing House (ACH) debit payments, it does not accept credit cards or ACH credit transactions. Check with your bank before setting up a debit (ACH) payment to determine if your account has a debit block. The block (or filter) controls electronic transactions posted to bank accounts and only accepts authorized ACH debit originators.

If you have a debit block on your account, you must ask your bank to list the State of Alaska as an authorized ACH debit originator on your account, and give your bank the Department of Revenue's company ID (0000902050). If you don't give that information to your bank, your bank will reject your tax payment, and rejected payments may result in late payment penalties and interest.

Pay by Wire Transfer

To make a payment by wire transfer, you must notify the Department of Revenue, Treasury Division by 2:00 PM Alaska Time the business day prior to the wire transfer settlement date.

During the OTIS enrollment period, remit the notification by fax at 907.465.4019 or email to dor.trs.cashmgmt@alaska.gov. This notice must include your name, EIN or SSN, license number, tax type, total payment amount, settlement date, the State agency the funds are for, and the purpose of the payment. Include payment breakdown information if the payment is for multiple tax returns.

When using Revenue Online, prepare a payment voucher which is available in the system and email it to dor.trs.cashmgmt@alaska.gov. This notice must include the taxpayer's name, total payment amount, settlement date, tax type, purpose of the payment, and that the funds are for the Department of Revenue. If your payment covers multiple tax periods, prepare a separate voucher for each period.

Contact the Treasury Division for the State of Alaska's bank information at dor.trs.cashmgmt@alaska.gov or call 907.465.2360. Ask your bank to initiate a wire transfer of funds through the Federal Reserve wire transfer system to be received and credited to the State of Alaska.

If you don't have email or want confirmation that a wire transfer was successful, please call 907.465.2360.

Pay by Check

Make checks payable to the State of Alaska. To mail in your check without including your tax return, write your EIN or SSN, tax return form number and tax period on your check. For taxpayers using the Revenue Online system please fill out and print off a payment voucher from the system to be enclosed with the check.

Mail your check, tax return and payment voucher to our Juneau office located at the following address:

Alaska Department of Revenue
Tax Division
P.O. Box 110420
Juneau, AK 99811-0420

Note: If your payment liability is \$100,000 or more, you must pay electronically through ACH Debit or by a wire transfer. This requirement is set forth in Alaska Administrative Code 15 AAC 05.310. For information on paying electronically or by wire transfer see sections titled, Pay Electronically through ACH Debit (EFT) and Pay by Wire Transfer.

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 circumstances other than those described previously, the market value of the fishery resource if:

- (1) caught in company-owned or company-subsidized boats and operated by employees of the company or
 - (2) 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 (i.e. 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 number of pounds of salmon; or
- 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. Below 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.

Questions

Email us at dor.tax.fishexcise@alaska.gov or call 907.465.2320.