

Instructions for 2017 Alaska Dive Fishery Management Assessment

What's New

Taxpayers Are Required to File Electronically

Taxpayers are required to file electronically all tax returns and reports, unless a taxpayer applies for and is granted a waiver from that requirement, according to Alaska Statutes 43.05.045.

House Bill 375, which became effective July 1, 2016, amended the statute to include the electronic filing requirement. See the sections titled, "How and Where to File" and "Penalties" on the following pages for more information on the waiver, and potential penalties.

The Alaska Department of Revenue's Tax Division has electronic filing through Revenue Online, an online portal where taxpayers can file and pay tax returns, view tax accounts and balances, apply for licenses, upload documents, and conduct other business with the Tax Division.

Revenue Online allows the Tax Division to process refunds faster, communicate with taxpayers quicker, and to more efficiently account for information it's required to report to the Alaska Legislature.

What is the Dive Fishery Management Assessment?

The dive assessment is levied on geoduck, sea cucumber and sea urchin that are harvested in Southeast Management Area A.

How is the assessment calculated?

The assessment is based upon a percentage of the value of the fishery resources. For unrelated buyers, value means the actual price paid to the fisherman, including indirect consideration such as amounts paid or provided for fuel, supplies, gear, ice, handling, tender and delivery fees. For related buyers or fishermen who export their catch or sell to unlicensed buyers, value is defined as the "market value" of the resource.

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

The assessment is computed after multiplying the value of the resource by the applicable assessment rate. The rate for sea cucumber is 5%. The rate for geoduck and sea urchin is 7%.

Who remits the assessment?

Licensed buyers who purchase geoduck, sea cucumber and sea urchin harvested in Southeast Management Area A collect the assessment from fishermen and remit the assessment to the Department of Revenue.

Fishermen (including direct market license holders, catcher sellers, catcher exporters and catcher processors) remit the assessment directly to the Department of Revenue on geoduck, sea cucumber and sea urchin that are harvested in Southeast Management Area A and that are sold to unlicensed buyers or that are exported from the state.

How and Where to File and Pay

Filing Your Assessment

Effective July 1, 2016, taxpayers are required to file their returns and reports electronically using Revenue Online at <http://online-tax.alaska.gov>, unless a taxpayer can show the Department of Revenue evidence that the taxpayer does not have the capability to submit the return or report electronically. (AS 43.05.045)

To request a waiver from the electronic filing requirement, the taxpayer must submit Form 773, the Electronic Filing Waiver Application, which is available under Forms on the Tax Division's website at www.tax.alaska.gov. A taxpayer applies to the Tax Division for a waiver using the taxpayer's FEIN or SSN; once granted, that waiver applies to the tax types for which the taxpayer submits reports or tax returns.

An application for a waiver must be submitted before a return or report is due. A waiver that is granted is in effect for five years after the first tax filing due date following the date the waiver was granted. When the waiver expires, the taxpayer may apply for another waiver.

Once a waiver is granted, a taxpayer may submit returns and reports on paper. Return and report forms are available on the Tax Division's website at www.tax.alaska.gov. Completed forms may be mailed to:

Alaska Department of Revenue
Tax Division
PO Box 110420
Juneau, AK 99811-0420

How to Pay

You may pay your taxes electronically through Revenue Online, <http://online-tax.alaska.gov>. You may also pay by wire transfer or mail in a check.

Note: If your payment is \$100,000 or more, you must pay electronically through Revenue Online or by a wire transfer. See Alaska Administrative Code 15 AAC 05.310 for more information.

Pay Electronically

Revenue Online uses Automated Clearing House (ACH) debit payments. It does not accept credit cards or ACH credit transactions.

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 Tax Division at 907.269.0041 or 907.269.6627.

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 2:00PM Alaska Time **the business day prior** to the wire transfer settlement date.

For the notification, prepare a payment voucher on Revenue Online, and e-mail it to **dor.trs.cashmgmt@alaska.gov**. The notice must include the taxpayer's name, total payment amount, tax type, tax period, 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 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 e-mail or want confirmation that a wire transfer was successful, call 907.465.2360.

Pay by Check

Make checks payable to the State of Alaska. If you are filing your tax return or report through Revenue Online, print off a payment voucher to mail in with your check. If you have been granted an electronic filing waiver, please mail your check with your tax return or report. In both cases, please mail to:

Tax Division
Alaska Department of Revenue
PO 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.

Penalties

Failure to File Electronically

Effective July 1, 2017, the Department shall assess a civil penalty of \$25 or 1 percent of the total tax before any payment, whichever is greater, against a taxpayer who fails to submit electronically a return or report under AS 43.05.045, unless the Department determines that failure to comply with AS 43.05.045 is due to a reasonable cause. (AS 43.05.220(f))

When is the assessment due?

Licensed buyers who purchase geoduck, sea cucumber and/or sea urchin from fishermen who harvested in Southeast Management Area A must file for each quarter that resources are acquired. The due dates are as follows:

<u>Quarter</u>	<u>Due Date</u>
Jan – Mar	April 30th
Apr – Jun	July 31st
Jul – Sep	October 31st
Oct – Dec	January 31st

If the due date falls on a Saturday, Sunday, or legal holiday, the due date is the next business day.

Licensed buyers should check the "Licensed Buyer" box. Then, check the appropriate box representing the quarter you purchased a dive fishery resource and file the return and remit the assessment on or before the due date indicated.

Fishermen (including direct market license holders, catcher sellers, catcher exporters and catcher processors) who sell to unlicensed buyers in the state or who export the resource from the state must pay the assessment and file an annual return on or before March 31, 2018.

Fishermen should check the "Fisherman" box. File the return and remit the assessment on or before March 31, 2018.

Who must file a bonus return?

Licensed in-state buyers making bonus payments to fishermen for geoduck, sea cucumber and sea urchin harvested in Southeast Management Area A are required to file a bonus return.

How are bonus amounts reported?

In addition to checking the box as a "Licensed Buyer", check the box identifying this as a Bonus Return, and indicate the year and quarter the resource was originally acquired in the appropriate section. Indicate the year and quarter in which the bonus was paid.

To calculate the assessment amount, report under column A the pounds reported on your original return, and under column B indicate the value previously reported plus the bonus payments made. Calculate the tax on the revised value and compute the total on line 4. On line 5 indicate the assessment payment made with your original return. On line 6 indicate the difference between your revised assessment and the amount paid with your original return. The difference is the amount you should include with the Bonus Return.

When is the bonus return due?

Bonus payments are required to be reported and any additional assessment paid on or before the last day of the month following the end of the quarter in which the bonuses were paid to the fishermen (e.g., a bonus payment made in February 2015 for geoduck purchased in December 2014 would be reported on a bonus return for the Oct-Dec 2014 quarter and would be due March 31, 2015).

How do I amend my original return?

Check the box indicating that you are filing an amended return. You need to attach an explanation of why you are filing an amended return. You should also check whether you are a "Licensed Buyer" or "Fisherman" and indicate the year and quarter (if applicable) that you are amending.

Under column A indicate the correct pounds for each species. Under column B indicate the correct value, and calculate the corrected tax under column D. Total the tax on line 4. Include on line 5 the payment included with your original return and subtract that amount from line 4 to determine the additional amount or refund due on line 6.

Attach a detailed explanation for the changes.

Additional forms or questions

You may download forms from tax.alaska.gov. If you have any questions, e-mail us at: dor.tax.fishexcise@alaska.gov or call 907.465.2320