



LAWS OF ALASKA

2010

Source
CSHB 344(FIN)

Chapter No.

AN ACT

Relating to the salmon product development tax credit; and providing for an effective date by amending an effective date in sec. 7, ch. 57, SLA 2003, as amended by sec. 4, ch. 3, SLA 2006, and by sec. 4, ch. 8, SLA 2008.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Relating to the salmon product development tax credit; and providing for an effective date by
2 amending an effective date in sec. 7, ch. 57, SLA 2003, as amended by sec. 4, ch. 3, SLA
3 2006, and by sec. 4, ch. 8, SLA 2008.

4 _____

5 * **Section 1.** AS 43.75.035(b) is amended to read:

6 (b) The amount of the tax credit applied against taxes under this section may
7 not

8 (1) exceed 50 percent of the taxpayer's tax liability incurred under this
9 chapter for processing of salmon during the tax year; or

10 (2) be claimed for property first placed into service after December 31,
11 **2015** [2011].

12 * **Sec. 2.** AS 43.75.035(j)(3) is amended to read:

13 (3) "qualified investment" means the investment cost in depreciable
14 tangible personal property with a useful life of three years or more to be used

1 predominantly to perform **an ice making**, [A] processing, packaging, or product
2 finishing function that is a significant component in producing value-added salmon
3 products beyond gutting of the salmon; in this paragraph, "property"

4 (A) includes

5 (i) filleting, skinning, portioning, mincing, forming,
6 extruding, stuffing, injecting, mixing, marinating, preserving, drying,
7 smoking, brining, packaging, blast freezing, or pin bone removal
8 equipment;

9 (ii) new parts to convert an existing can seamer to pop-
10 top can production; [AND]

11 (iii) conveyors used specifically in the act of producing
12 a value-added salmon product; **and**

13 **(iv) ice making machines;**

14 (B) does not include

15 (i) vehicles, forklifts, conveyors not used specifically in
16 the act of producing a value-added salmon product, cranes, pumps, or
17 other equipment used to transport salmon or salmon products, knives,
18 gloves, tools, supplies and materials, equipment, **other than ice**
19 **making machines**, that is not processing, packaging, or product
20 finishing equipment, or other equipment the use of which is incidental
21 to the production, packaging, or finishing of value-added salmon
22 products; or

23 (ii) the overhaul, retooling, or modification of new or
24 existing property, except for new parts to convert an existing can
25 seamer to pop-top can production;

26 * **Sec. 3.** Section 7, ch. 57, SLA 2003, as amended by sec. 4, ch. 3, SLA 2006, and by sec. 4,
27 ch. 8, SLA 2008, is amended to read:

28 Sec. 7. Section 3, **ch. 57, SLA 2003**, [OF THIS ACT] takes effect on the
29 earlier of the following:

30 (1) January 1, **2019** [2015]; or

31 (2) the date of the attorney general's notification to the lieutenant

1 governor and to the revisor of statutes that

2 (A) a court has entered final judgment that AS 43.75.035 or
3 43.75.036, added by sec. 1, ch. 57, SLA 2003, violates the commerce clause
4 contained in art. I, sec. 8, United States Constitution; and

5 (B) the time for an appeal of that judgment has expired, or, if
6 an appeal was taken, a final order on the appeal has been entered that
7 AS 43.75.035 or 43.75.036, added by sec. 1, ch. 57, SLA 2003, violates the
8 commerce clause contained in the United States Constitution.