

Fisheries Committee Advances Tax Credit Extension

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Mike Mason/KDLG

A bill that would continue a tax credit that's heavily used by seafood processors passed out of the House Fisheries Committee yesterday (Thursday). The intent behind House Bill 204 is to continue the tax credit on new processing equipment beyond its scheduled sunset date of December 31st, 2015. If approved the Alaska Salmon Product Development Tax Credit would be extended another five years. The bill would also expand the tax credit to apply to equipment used to process herring.

Among those who spoke in support of the bill during yesterday's hearing was Vince O'Shay of the Pacific Seafood Processors Association.

"The members of the Pacific Seafood Processors are supportive of this and are pleased that you've taken it up," O'Shay said. "It's been a good bill for the industry, good bill for our members and good bill for fishermen. And I'm hoping this will move on and we'll get this done this session."

The tax credit has been used since 2003 and supporters say it has helped increase the commercial value of Alaska's salmon. Representative Paul Seaton from Homer, chairman of the House Fisheries Committee made it clear to his colleagues that the bill only applies to state fisheries.

"These are for salmon and herring, so we're basically talking state water fisheries," Seaton said. "We're not talking about these credits being used in the off-shore fisheries."

In response to EPA regulations cutting down on the amount and size of fish waste discharged into near shore waters, House Bill 204 also includes language allowing the tax credit to be used for equipment that would reduce salmon and herring waste. The bill was passed out of the House Fisheries Committee on Thursday without dissent and now heads to the House Finance Committee for consideration.