

# IMPORTANT DATES & DEADLINES

## REGISTRATION DEADLINE

**Within 10 days of receiving notice**

Penalty: \$300 first offense, \$500/day thereafter

Register at: City Hall or Harbor Office

## QUARTERLY TAX RETURN DEADLINES

Q1 (Jan-Mar)

→ DUE APRIL 30

Q2 (Apr-Jun)

→ DUE JULY 30

Q3 (Jul-Sep)

→ DUE OCTOBER 30

Q4 (Oct-Dec)

→ DUE JANUARY 30

Due 30 days after quarter ends

## REFUNDS FOR FISHERMEN

### Application Period:

November 1 - December 31

### Payment Date:

By March 15

Who qualifies: Low-income fishermen OR property owners (50% back)

## MARK YOUR CALENDAR!

Finance Department: (907) 842-5211

141 Main Street, Box 889 | Monday-Friday 9:00 a.m. - 4:00 p.m.

# DILLINGHAM MUNICIPAL CODE

## Chapter 4.21 - Raw Fish Sales Tax

### OVERVIEW

Enacted: November 6, 2012 (Ordinance 12-05)

Purpose: Levy 2.5% tax on raw fish sales within city limits

### KEY DEFINITIONS (DMC 4.21.010)

#### "Sale of raw fish"

A sale occurs in the city if: (1) fish purchased for delivery to city,

(2) fish delivered to city at time of sale, OR (3) fish ticket issued in city

"Buyer" = Person purchasing raw fish from seller

"Seller" = Fisherman or person selling raw fish to buyer

### SALES TAX

(DMC 4.21.020)

Rate: 2.5%

On: Raw fish sales in city

Paid by: Seller (fisherman)

Collected by: Buyer

Based on: Primary gross sales value

### USE TAX

(DMC 4.21.260)

Rate: 2.5%

On: Processing/use in city

Paid by: User (processor)

When: Fish not previously taxed under this chapter

### EXEMPTIONS (DMC 4.21.030)

- ✓ Subsistence and sport fishing (personal use)
- ✓ Fish sold boat-to-boat for bait only
- ✓ Resale if tax already paid on prior purchase
- ✓ Small catcher-processors (under \$10,000 annually)

### OTHER KEY SECTIONS

4.21.050 - Registration required | 4.21.060 - Collection by buyer

4.21.120 - Returns and payments | 4.21.140 - Penalties

4.21.210 - Appeals | 4.21.230 - Refund programs

# DMC CHAPTER 4.21

## Detailed Section Breakdown

### DMC 4.21.050 - REGISTRATION

- Every buyer must register within 10 days
- Certificate must be displayed at facility/vessel
- Penalty: \$300 first offense, \$500/day thereafter
- Cannot operate without valid registration

### DMC 4.21.060 - COLLECTION BY BUYER

- Buyer collects 2.5% from seller's payment
- Must provide written statement to seller showing tax amount
- Holds tax in trust for city (separate account)
- Buyer keeps 2% collection fee (max \$200/month)
- Penalty for not providing statement = tax amount on that sale

### DMC 4.21.120 - RETURNS AND PAYMENT

- Quarterly returns required
- Due within 30 days after quarter ends
- Must show: species, pounds, prices, tax collected, exemptions
- Payment must accompany return
- City may examine books and records (5-year retention)
- Buyer personally liable even if incorporated

### DMC 4.21.140 - PENALTIES

- Late filing/payment: 10% of tax due (minimum \$100)
- Interest: 6% per year on unpaid amounts
- Criminal penalty: Misdemeanor (up to \$500 fine, 30 days jail)
- Each violation = separate offense
- City may pursue civil AND criminal remedies

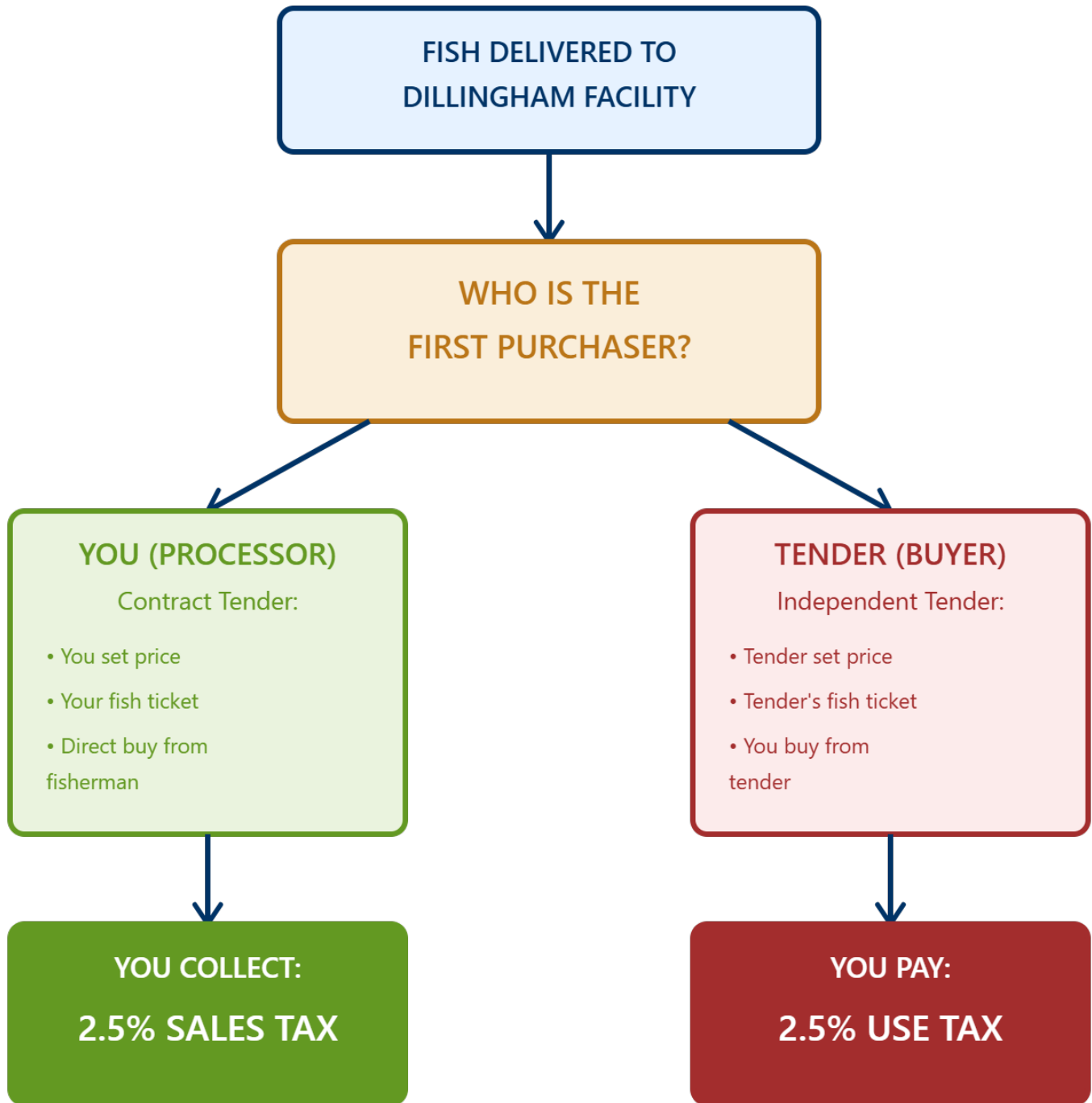
### DMC 4.21.210 - APPEALS

- Taxpayer may pay under protest and file appeal
- Tax administrator reviews within 30 days
- May appeal to city manager, then to superior court
- Must file court appeal within 30 days of manager decision

### DMC 4.21.230 - REFUND PROGRAMS

- Low-income fishermen OR property owners: 50% refund
- Application period: November 1 - December 31
- Payment by March 15
- Can only claim ONE refund type per year

# WHICH TAX APPLIES?



**EITHER WAY: 2.5% TAX COLLECTED**

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# TAX CALCULATION EXAMPLES

## EXAMPLE 1: CONTRACT TENDER

You Collect Sales Tax

### PURCHASE:

1,000 lbs salmon @ \$3.00/lb = \$3,000

### TAX CALCULATION:

$\$3,000 \times 2.5\% = \$75$  tax

### FISHERMAN RECEIVES:

$\$3,000 - \$75 = \$2,925$

### YOU KEEP (collection fee):

$\$75 \times 2\% = \$1.50$

## EXAMPLE 2: INDEPENDENT TENDER

You Pay Use Tax

### PURCHASE FROM TENDER:

1,000 lbs salmon @ \$3.20/lb = \$3,200

### TAX CALCULATION:

$\$3,200 \times 2.5\% = \$80$  use tax

### YOU PAY TENDER:

\$3,200 (for the fish)

### YOU PAY CITY:

\$80 (use tax on quarterly return)

## THE SIMPLE MATH: 2.5% OF FISH VALUE

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# DILLINGHAM FISH TAX

What You Need to Know | 2026 Fishing Season

## THE SIMPLE TRUTH

- ✓ Voters approved this tax in 2012
- ✓ Resuming collection for 2026 fishing season
- ✓ Fresh start – 2026 season only

### RATE & APPLIES

Rate: 2.5%

Applies to:

Fish sales in  
Dillingham

### FRESH START

2026 season only

Going forward

Clean slate

### COMPARED TO

Naknek: 3%

King Salmon: 2.5%

Fair & on par

## WHAT YOU NEED TO DO

### PROCESSORS/BUYERS:

- Register within 10 days of receiving notice
- Determine if you collect sales tax or pay use tax
- File quarterly tax returns
- Keep records for 5 years

### FISHERMEN:

- Keep copies of all fish tickets

## QUESTIONS?

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# FREQUENTLY ASKED QUESTIONS

## Q: Why are you collecting this now?

A: We're resuming collection of a voter-approved tax from 2012. Every other Bristol Bay community has been collecting all along. We're aligning with regional best practices.

## Q: Are you charging back taxes?

A: NO. Fresh start with 2026 season only. No penalties, no interest, no retroactive collection.

## Q: Doesn't this conflict with state taxes?

A: No. State taxes processing (processor pays 3-5%). City taxes sales (fisherman pays 2.5%). Different stages.

## Q: What if fish caught outside Dillingham but sold here?

A: Tax still applies. If the SALE happens in Dillingham (delivery, fish ticket, processing), we can tax it regardless of where the fish was caught.

## Q: What about subsistence fishing?

A: Completely exempt. This tax only applies to commercial operations.

## Q: How does this compare to other communities?

A: Naknek 3% | King Salmon 2.5% | South Naknek 2%