
Finance Committee

HB 1806

Brief Description: Ensuring that commercial fishing revenue benefits communities most dependent on the industry.

Sponsors: Representatives Tharinger, McEntire, Lekanoff, Bernbaum, Ramel, Santos, Doglio and Reed.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Requires 50 percent of the enhanced food fish tax collected be distributed to the city where the fish landed.

Hearing Date: 2/21/25

Staff: Tracey Taylor (786-7152).

Background:

There is a tax on the commercial possession of certain fish within the state. The enhanced food fish tax also applies to byproducts and parts of seafood. The enhanced food fish tax is measured by the value of the fish when first landed. "Landed" means the act of physically placing enhanced food fish on a tender in the territorial waters of Washington or on any land within or without the state of Washington, including wharves and piers.

The tax is paid by the first commercial possessor, who is usually the licensed dealer who bought the fish.

The enhanced food fish tax rate is dependent on the classification of the fish or seafood:

<i>Species</i>	<i>Rate</i>
Puget Sound anadromous game fish; chinook, coho, and chum salmon	.0562

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Ocean water, Columbia River, Willapa Bay, and Grays Harbor (including fish caught in Oregon, British Columbia, Southeast Alaska) anadromous game fish; chinook, coho, and chum salmon	.0669
Sea Urchins and cucumbers	.0225
Pink and sockeye salmon	.0337
Shellfish; other food fish	.0225
Oysters	.0009

Anadromous game fish means steelhead trout, anadromous cutthroat trout, and Dolly Varden char.

There are certain species that are exempt from the enhanced food fish tax, including tuna, mackerel, and jackfish. Shellfish raised from eggs or larvae, and under the physical control of the grower until harvested or sold, are exempt from the fish tax. Transactions involving treaty food fish, regardless of where the transaction takes place, are also exempt from the enhanced food fish tax.

There are credits available against the enhanced food fish tax for taxes previously paid on the same enhanced food fish to any other legal taxing authority, including Indian tribes.

The majority of the enhanced food fish tax is deposited in the state general fund. However, a portion of the tax is deposited into the state fish, wildlife, and conservation account (Account). All the enhanced food fish tax revenues from anadromous game fish is deposited into the Account. In addition, the equivalent to 1 percent of the taxes for Ocean water, Columbia River, Willapa Bay, and Grays Harbor (including fish caught in Oregon, British Columbia, Southeast Alaska) chinook, coho, and chum salmon are deposited into the Account.

Summary of Bill:

The enhanced food fish tax revenues deposited into the state general fund are reduced by 50 percent. The portion that previously went to the state general fund will now be distributed to the city where the fish landed.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.