



City of Cordova Raw Fish Tax Frequently Asked Questions (FAQs)

1. What is the Raw Fish Tax and who pays it?

The tax is 0.5% (a half percent) on the sale price of raw fish transferred, sold or otherwise conveyed within the boundaries of the City. Raw fish delivered outside the boundaries of the City shall be taxable if the raw fish was transferred in Cordova or if sales are contracted for or agreed to be made within the City. The obligation to pay the tax is upon the Seller, however the Buyer shall retain the raw fish sales tax at the time of the sale and shall remit the amount retained to the City.

(CMC 5.41.020; CMC 5.41.050)

2. Who is required to get a certificate of registration?

Any Buyer of raw fish within the boundaries of the City of Cordova shall file an application for a certificate of registration. A Buyer means any individual or entity, whether acting as principal, agent or broker, purchasing raw fish from a Seller. A direct to market seller qualifies as a Buyer for the purpose of this regulation.

(CMC 5.41.010; CMC 5.41.020)

3. How much is the certificate of registration?

\$35/year. The fee is waived if the Buyer holds a valid City of Cordova business license.

(CMC 5.41.070.C)

4. What products are taxable under the Cordova Raw Fish Tax?

Raw fish means finfish and shellfish that includes, but is not limited to, crab, shrimp, scallops, clams, oysters, salmon, halibut, cod, trout, rockfish and other fin fish or shell fish that have not been processed.

(CMC 5.41.010)

5. Are there any exemptions to the raw fish tax?

There is an exemption for the sale of raw fish for the sole purpose and use as bait. There is an exemption for the sale of raw fish by a hatchery or cost-recovery fish. Contact the City of Cordova for more information.

(CMC 5.41.040)

6. If I don't buy or sell any fish in Cordova but rather sell to buyers in the Lower 48, do I have to pay the fish tax?

If you negotiate or contract for the sale of fish within the City limits, or transfer the fish across a dock in Cordova, then the raw fish is taxable.

(CMC 5.41.020)



7. I am a direct marketer and have a regular business and file a sales tax return on selling my fish. Do I still have to pay the raw fish tax?

Yes. Sales tax of 6% is levied on the end-user Buyer for fish sold within the City of Cordova. Raw fish tax of 0.5% is levied on the Seller is independent of the sales tax. Direct marketers are considered Buyers in terms of the raw fish tax. Out of town sales of raw fish are exempt from sales tax yet are subject to raw fish tax. In town sales of raw fish are subject to both sales tax and raw fish tax.

8. Can I register for a certificate online?

No. Currently, you may pick up an application in person at City Hall M-F 8am-5pm, download the application from the City of Cordova (www.cityofcordova.net/document-central), or email finance3@cityofcordova.net for a copy.

9. When does a Seller pay for the fish tax?

The tax is assessed at the time of sale and shall be retained by the Buyer until the taxes have been transferred to the City by the due date of March 31 of the subsequent year. The tax must be listed separately on the record of sale. The Buyer may keep a running total of pounds purchased and then calculate an across-the-board 0.05% tax to be remitted.

(CMC 5.41.050; 5.41.080; 5.41.090)

10. What happens if I sell or close my fish buying business?

The Buyer must file a final raw fish sales tax return within 15 days of terminating the business.

(CMC 5.41.090.B)

11. How does a Buyer file the raw fish tax?

The Buyer must file a raw fish sales tax return issued by the City of Cordova annually by March 31 of the year following the year of activity.

(CMC 5.41.090.A; 5.41.100)

12. My business is a non-profit organization, either a 501(c)3 or 501(c)4. The sale of our fish is considered a donation to support our organization. Do I need to collect the raw fish tax and file a tax return?

Yes. The tax is levied on the sale or transfer of all raw fish within the City boundaries, regardless of tax status of the Buyer or Seller.

13. Are my business records subject to audit?

Yes. Your records may be audited to determine whether you have collected and remitted the correct amount of tax. The audit may determine that you owe tax, that you are entitled to a refund, or that you have paid the correct amount. You are required to keep records related to sales for a minimum of three years.



(CMC 5.41.150)

14. I don't want others to know how much I sold my fish for. Will the City of Cordova keep my records confidential?

Yes. Tax records are declared confidential and only the City Treasurer, City Manager, City Attorney or any authorized employee thereof are allowed to view or inspect the returns with due cause.

(CMC 5.40.150.B.1)

15. I realized I made a mistake in filing a raw fish tax return. How can I fix it?

You can submit an amended return by:

- making corrections on a copy of the original return you filed
- completing a new return with the correct information

In either case, write "Amended Return" on the top of the form and sign and date the return.

Send the amended return, and any additional tax due if you underpaid on your original tax return. If you overpaid, the City will credit your account and you may apply that credit to your next filing.

16. I can't file my raw fish tax return by the due date. Can I get an extension?

No. No extensions are provided.

17. Can I file my raw fish tax return online?

No. Not at this time.

18. What happens if I file my raw fish tax return late?

Late filings are subject to multiple fines:

- \$25 late filing fee
- 10% penalty (of fish tax due) for first month late, 15% penalty for second month late, 20% penalty for third or more month late
- 15% annual interest (of fish tax due)

(CMC 5.40.130)

19. What happens if I don't remit the raw fish tax as a Buyer?

Even though the burden of the tax is on the Seller, it is the Buyer's responsibility to collect and remit the raw fish tax. As such, if the Buyer does not file and remit the raw fish tax, Buyer is the one subject to the penalties. The City may enforce payment of the tax, interest, and penalties by any method permitted by law, including but not limited to the lien and sale of property of the delinquent taxpayer (Buyer), or a personal action against the delinquent taxpayer. The City may bring an action for civil penalties or seek injunctive relief for the violation of any provision the ordinance.

(CMC 5.41.120)

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20. I am a Seller and don't think I should have been charged the raw fish tax. What can I do to get a refund from the City?

A refund claim must be requested within 6 months of the date of sale. The Seller may file a claim with the City Manager or his or her designee. Seller must indicate the date the tax was imposed, the amount of tax being protested, and the basis upon which the claim for refund is made.

(CMC 5.41.130)