MINUTES OF MEETING OF WILDLIFE RESOURCES COMMISSION IN COLUMBIA NOVEMBER 5, 1958

Present were Commissioners Warren, Oliphant, Cox and Huggins, Attorney General McLeod, Director Richardson, Director Seabrook, Mr. Webb, Dr. Lunz, Mr. Schley and Mr. Brown.

Chairman Warren said the principal purpose of the meeting was to give attention to the tax situation that had arisen and get advisory directions to the Division of Commercial Fisheries and to Mr. Schley. He stated that a suit was pending against the Blue Channel Corporation of Beaufort county for payment of a two cents per gallon tax on canned crab meat, the suit being based on an audit of the Commercial Fisheries Division two years ago, and since brought up to date by Mr. Brown and Mr. Schley. The total shortage amounts to around $2,000. (The company position is that this crab meat was imported from North Carolina and the tax is not applicable on this).

Mr. Warren then stated that Mr. Schley had run into a sub-section that calls for a 10 cents per bushel tax on raw crabs and that Mr. Schley, by taking the pounds of meat reported and computing it at a bushel basis, estimated that the company had not paid taxes of $46,000 for the years 1951-58. He added that the company had paid the two cents per gallon on canned crab meat except for that imported from North Carolina and other states.

A similar situation exists in regard to oysters with a ten cents per bushel tax not having been collected, although other taxes on oysters have been collected. This would amount to $34,000 for one year for the Magioni company. (No operators have paid the ten cent tax on crabs and oysters).

Mr. Oliphant asked why this tax had not been collected and Mr. Warren stated that the old Board of Fisheries had held several conferences on the matter and had made no attempt to collect the 10 cents per bushel tax on crabs and oysters, believing that this would be double taxation.

When the Commission took over, he added, it had made no changes in this policy, although it had made repeated recommendations to the General Assembly for revision of the tax laws. He also said that there was some ambiguity in the language of the sub-section.

Numerous disparities in the tax structure were then outlined by Mr. Warren. For instance, the tax would be 10 cents on a bushel of oysters worth $3.10 and 12 1-2 cents on 100 pounds of shrimp worth from $50 to $100.

Most members of the industry are ready to help in working out a more equitable structure, he said, adding that among the best suggestions for revision were those recommended by Director Seabrook in 1956.

Mr. Oliphant suggested that members of the industry be notified that the 10 cents per bushel on crabs and oysters would be collected from now on and that this would tend to make the industry seek revision of the present inequitable taxes.

Several courses of actions were considered and a motion of Mr. Cox was adopted that: "Mr. Seabrook, Mr. Schley and Dr. Lunz put in writing such proposals as each might entertain on what should be the taxes on commercial fisheries products; and that a committee be appointed by the Chairman to confer with some if not all of the commercial fisheries operators asking their suggestions on the proper laws that should be enacted in lieu of the present laws; and that from this assemblage of information the committee, or another committee, make proposals to the Commission as to what the laws should be on taxes on commercial fisheries products; and that the Attorney General be requested to hold in abeyance the pending suit against the Blue Channel Corporation until such time as the Commission thinks necessary." (Mr. Cox added that the proposals should be on all licenses and fees, as well as taxes and that the laws of other states should be studied).

COMMITTION MEETING MINUTES

Mr. McLeod said that the enforcement of the ten cents per bushel tax would not serve its purpose and would run the operators out of business but that he would be guided by whatever the Commission recommended. He added that it might be wise to contact the industry and find out how much they would pay on the 10 cents per bushel tax.

Mr. McLeod said that his office presented recommendations each year to the General Assembly and that these would contain a proposal for revision of the commercial fisheries tax laws.

Mr. Warren appointed Mr. Cox and Mr. Huggins to the committee and suggested that they might contact attorneys for the industry, as well as industry organizations. He also said that he could attend some of the meetings, with the understanding that he would not be acting as chairman.

Mr. Warren presented a letter from the State Auditor calling for a ten percent cut in the 1959-60 appropriation requests of all agencies from the current appropriations.

Director Richardson said that the Division of Game and Fish was putting in a revised appropriation request but that the cuts could probably be made up from the General Game Fund if that became necessary. He added that no salary cuts were being made but that in view of the financial situation no raises were possible, although he had prepared a schedule as requested by the Commission. The Commission concurred in his opinion regarding any raises.

Mr. Richardson added that the present salary schedule for wardens should be revised, particularly in the matter of raises for new men who were doing good work. He pointed out that two good men had been lost in the past two months and suggested there be provision for raising a new man after six months of good work.

COMMISSION MEETING MINUTES

Director Seabrook said that he faced a very difficult task in cutting his budget ten per cent, the cut amounting to over $7,000.

Mr. Warren suggested that he write the State Auditor and state that he could eliminate one inspector and several small items, but the cuts would seriously interfere with the operation of the Division.

The appointment of a Williamsburg game warden to fill a vacancy was approved, along with the reappointment of several regular and non-pay wardens.

Mr. Webb stated that fisheries men from Tennessee and Kentucky were on Santee-Cooper to move striped bass to their states. He pointed out that a Commission policy adopted several years ago opposed shipment of these fish out of the State, but there could be nothing against properly licensed non-residents catching fish with hook and line and taking them out of the State alive. He added that the visitors wished to seine some small stripers in the lakes and asked what was the Commission attitude. It was agreed that this was an administrative matter, since the Commission did not have a quorum to act, one member having left.

Mr. Webb said that Senator Dennis had agreed to the seining but that Senator Jefferies could not be contacted immediately.

Eddie Finlay