

Tracking Your Money

A Quick Guide for Alaska's Skiff Fisherman and Catcher-Seller



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Almost all fishermen love to fish, but few like to track dollars and cents. It is no wonder. Slime, scales, and water are flying all over. The bow needs to stay pointed just so. Who has time?

This SeaGram offers a few things a skiff fisherman and catcher-seller can do to keep the books straight while working the nets.

The basics

Don't lose the paperwork

Fish tickets and receipts for fuel, nets, and other costs are a must when it is time to balance the books. The simplest thing some fishermen do is keep a big envelope in a plastic bag and as the season runs on, just stuff all the paperwork in the envelope.

Or, instead of stuffing all the receipts into one envelope—think about having one folder for your fish tickets and other sales information; another folder for your expenses like fuel, gear, and insurance; and more folders at home that have your asset (boat, motor, etc.) and debt (loans, credit cards) information.

Don't forget DAVE!!

On every receipt you get, don't leave the store until you make sure the receipt has a good description of DAVE. Who's DAVE?

- ◆ **D**ate you made the transaction.
- ◆ **A**mount you spent on each good and service.
- ◆ **V**endor you bought the good and services from.
- ◆ **E**xpenses, which is another term for goods and services (but "goods" and "services" did not fit well in our acronym).

Bookkeeping

Paying bills and staying on top of things

Bookkeeping sounds painful, but it's pretty simple and (oh yeah!) important. Here's why.

Pay your bills. Keeping current books helps make sure you pay the bills on time. That's important because people you buy things from have families to feed too. And if you are a good customer, they might be able to help you out a little in times of need. Stay current on your bills.

Good for budgeting. With good recordkeeping, you can start to see times when expenses really build up. Not only can you see when expenses occur, but how big they tend to be. This will tell you to save up for these times. It is cheaper to have money in the bank to pay for things than to put it on your credit card.



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The crew will thank you. So will Uncle Sam. Two bills you need to pay are your crew and, yep, the Internal Revenue Service. If you have a crew, paying them for their good work is important. Don't make them wait. And the Internal Revenue Service is one group that you want to keep current with. Even if you are having trouble paying your tax obligation, do not forget to file your return and communicate with them.

Bookkeeping tips from Bristol Bay fisherman and tax preparer Jerry Liboff

Work with your tax accountant or bookkeeper all year. Opportunities with taxes are time sensitive, so they can be missed if someone isn't paying attention. Accountants and bookkeepers keep up on the tax laws and may find a way for you to save a little money if there is the right opportunity.

Be prepared for tax audits. Keep a work log in your truck to record the times your driving is for fishing. Make sure you have all your fish tickets in order. Have your receipts saved along with your tax return. Make sure you follow the tax rules when filing your taxes. Not all the money you spend while fishing is deductible.

Go through your fish tickets. When fishing is complete, go through your fishing statements and tickets to make sure the processor did not make any mistakes. Question the processor if necessary.

Prepare an income statement right after the season. An income statement tells you how much money you made. Knowing this will alert you to cash flow problems, like paying taxes or crew.

Stash money away to pay for taxes and early season maintenance for the next fishing season. Estimate your fish tax bill while you have the money. Put the estimate away for the taxman, either by sending estimated payments to the IRS or opening a certificate of deposit (CD) with a nearby bank. Make sure the CD will mature about the time you file the tax return and pay the tax. This is probably around the middle of February through March of the following year.

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For information on undergraduate and graduate opportunities in marine biology, fisheries, oceanography, and other marine-related fields at the University of Alaska Fairbanks School of Fisheries and Ocean Sciences, visit <http://www.sfos.uaf.edu/>.



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