

WJM

A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia by amending section 142 to clarify that gross revenue for gross revenue tax purposes shall include revenue derived for sales outside the Federated States of Micronesia of all goods produced, manufactured or otherwise originating in the Federated States of Micronesia, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

1           Section 1. Section 142 of title 54 of the Code of the Federated States of  
2 Micronesia is hereby amended to read as follows:

3                   "142. Source of gross revenue; Apportionment.

4                   (1) If any business earns or derives its gross revenue from  
5 business activities or undertakings both within and without the  
6 Federated States of Micronesia during the taxable year, then the  
7 whole of its gross revenue shall be presumed to have been derived  
8 from sources within the Federated States of Micronesia.


9                   (2) The business may file for an apportionment of the tax on  
10 a form prescribed by the Secretary and the tax shall be levied only  
11 on that portion which is earned in or derived from sources or  
12 transactions or parts of transactions within the Federated States  
13 of Micronesia.

14                   (3) Revenue derived from sources within the Federated  
15 States of Micronesia includes, but is not limited to, revenue derived  
16 from sales outside the Federated States of Micronesia of goods  
17 and products manufactured, produced or otherwise originating  
18 within the Federated States of Micronesia, including, but not limited  
19 to, all marine goods and products, whether animal, mineral or  
20 vegetable, originating within the Exclusive Economic Zone of the  
21 Federated States of Micronesia."

22  
23  
24  
25

1 Section 2. This act shall become law upon approval by the President of  
2 the Federated States of Micronesia or upon its becoming law without such  
3 approval.

4  
5 Date: May 31, 1995

Introduced by:   
Nishima Yleizah

6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25