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A BILL FOR AN ACT

To amend title 53 of the Code of the Federated States of Micronesia, by amending section 901, for the purpose of reducing the social security tax imposed on wages received by employees between July 1, 1995 through June 30, 2000, and for other purposes.

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

1 Section 1. Section 901 of title 53 of the Code of the Federated
2 States of Micronesia is hereby amended to read as follows:

3 "Section 901. Employee contributions.

4 (1) There is hereby imposed on every employee a tax
5 equal to the following percentages of wages received by him
6 with respect to employment subject to this subtitle:

7 (a) with respect to wages paid from the effective
8 date of this act through June 30, 1985, the rate shall be two
9 percent;

10 (b) with respect to wages paid from July 1, 1985,
11 through June 30, 1990, the rate shall be three percent;

12 (c) with respect to wages paid from July 1, 1990,
13 through June 30, ~~1995~~ 2000, the rate shall be four percent;

14 (d) with respect to wages paid from ~~JULY 1/ 1995~~
15 ~~HEREAFTER~~ after June 30, 2000, the rate shall be five percent;

16 ~~1995~~ ~~HEREAFTER~~
17 ~~2000~~ ~~THE~~ ~~TAX~~ ~~SHALL~~ ~~BE~~ ~~FIVE~~ ~~PERCENT~~

18 (2) The tax imposed shall be collected by the employer
19 of the employee by deducting the amount of the tax from the
20 wages as and when paid. Every employer required to so deduct
21 the tax shall be liable for the payment of such tax to the
22 Board and shall be indemnified against the claims and demands
23 of any person for the amount of any such payment made by such
24 employer."
25

HEA

C.B. No. 9-69

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

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5 Date:

Aug 15, 1995

Introduced by:

Nishima Yleizah

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