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A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, regarding taxation, as amended, by further amending section 141, as amended by Public Law No. 5-84, for the purpose of increasing the exemption limit for the three percent gross revenue tax from \$10,000 to \$20,000, and for other purposes.

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

1 Section 1. Section 141 of title 54 of the Code of the Federated States of
2 Micronesia, as amended by Public Law No. 5-84, is hereby further amended to
3 read as follows:

4 "Section 141. Tax on gross revenues: Exemption.

5 (1) There shall be assessed, levied, collected, and paid a
6 tax of \$80 per year upon that portion of the amount of gross
7 revenues earned by every business subject to the provisions of this
8 chapter which does not exceed ~~\$10,000~~ 20,000 per year.

9 (2) There shall be assessed, levied, collected, and paid a
10 tax of three percent per year upon that portion of the amount of
11 gross revenues earned by every business subject to the provisions
12 of this chapter which is in excess of ~~\$10,000~~ 20,000 per year.

13 (3) Businesses which earn gross revenues of not more
14 than \$2,000 per year are exempt from taxation under this section.
15 The deduction shall be claimed by the business by filing for a refund
16 under the provisions of sections 122 and 123 of this chapter.

17 (4) For the purpose of section 805 of this title, every
18 business that operates in more than one State of the Federated
19 States of Micronesia shall file a separate tax return for revenue
20 collected in each State."

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

24 Date: 12/4/95

Introduced by: Claude H. Phillip
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