

WJM

A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended, by further amending section 805, as amended by Public Laws Nos. 7-41 and 9-139, to provide that the States shall receive one hundred percent of the net taxes on wages and salaries and gross revenues, and for other purposes.

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

1 Section 1. Section 805 of title 54 of the Code of the Federated States of  
2 Micronesia, as amended by Public Laws Nos. 7-41 and 9-139, is hereby further  
3 amended to read as follows:

4 "Section 805. Distribution of revenues.

5 (1) The treasurer of the Federated States of Micronesia  
6 shall pay one hundred percent of the net taxes collected pursuant  
7 to sections 121 and 141 of this title, eighty percent of the net  
8 taxes collected pursuant to section 221(9) of this title, and fifty  
9 percent of all other net taxes collected pursuant to sections ~~121/~~  
10 ~~141/ and~~ 221 of this title, into the treasury of the State  
11 government to which the taxes are attributable for appropriation  
12 by the State legislature.

13 (2) 'Net taxes' as used in subsection (1) of this section  
14 means gross collections of taxes, penalties, interest, or other  
15 related charges less refunds and less the cost of administration.

16 (3) 'Cost of administration' as used in subsection (2) of  
17 this section means the cost determined to be allocatable to each  
18 State by the Congress of the Federated States of Micronesia when  
19 making appropriations for the operating expenses of the Customs  
20 and Revenue Divisions.

21 (4) The revenue office in each State may administer the  
22 taxes of the State in which located, but those duties shall not  
23 interfere with the administration of taxes imposed by the laws of  
24 the Federated States of Micronesia. All costs in excess of those  
25 funded by appropriations of the Congress of the Federated States

W&M

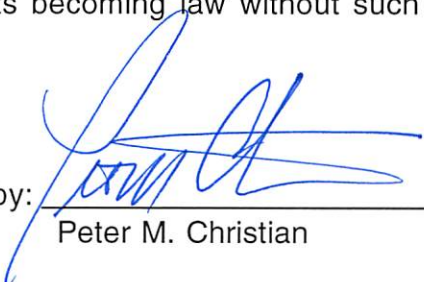
C.B. NO. 10-19

1 of Micronesia required for the administration of State taxes shall  
2 be borne entirely by the State.”

3 Section 2. This act shall take effect on the first day of the fiscal year  
4 following its becoming law.

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

8  
9 Date: 5/16/97

Introduced by:   
Peter M. Christian

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