

WM

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 eighty percent of net taxes collected and to modify the definition of costs of administration, 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
2 Federated States of Micronesia, as amended by Public Laws Nos.
3 7-41 and 9-139, is hereby further amended to read as follows:

4 "Section 805. Distribution of revenues.

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

14 (a) fifty percent of the net taxes
15 collected pursuant to each such section, without
16 restriction; and

17 (b) thirty percent of the net taxes
18 collected pursuant to each such section, for
19 purposes other than expenses related to personnel,
20 travel, training or vehicle purchase or rental.

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

25 (3) 'Cost of administration' as used in

WEM


1 subsection (2) of this section means the cost
2 determined to be allocatable to each State by the
3 Congress of the Federated States of Micronesia when
4 making appropriations for the operating expenses of
5 the Customs and Revenue Divisions.

6 (4) The revenue office in each State may
7 administer the taxes of the State in which it is
8 located, but those duties shall not interfere with
9 the administration of taxes imposed by the laws of
10 the Federated States of Micronesia. All costs in
11 excess of those funded by appropriations of the
12 Congress of the Federated States of Micronesia
13 required for the administration of State taxes shall
14 be borne entirely by the State."

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

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

20
21 Date: 5/12/97

Introduced by: 
Isaac V. Figir

22
23
24
25