A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended, by amending section 221 thereof to change the import duties applicable to bottled water and communion wine, and for other purposes.

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

Section 1. Section 221 of title 54 of the Code of the Federated States of Micronesia, as amended by Public Law No. 13-60, is hereby further amended to read as follows:

"Section 221. Levy and rates.

The following import duties are hereby levied on all products specified herein which are imported into the FSM:

(1) cigarettes, at the rate of $0.025 per cigarette, provided that this rate shall increase by $0.005 per cigarette on January 1 of each of the years 2007, 2009, 2011, 2013 and 2015;

(2) tobacco, other than cigarettes, at the rate of fifty percent ad valorem;

(3) perfumery, cosmetics, and toiletries, including cologne and other toilet waters, articles of perfumery, whether in sachets or otherwise, and all preparations used as applications to the hair or skin, lipsticks, pomades, powders, and other toilet preparations not
having medicinal properties, at the rate of twenty five percent ad valorem;

(4) soft drinks, bottled water, drink mixes, drink preparations, coffee, tea, and nonalcoholic beverages, at the rate of twenty five percent ad valorem, provided, however, that any beverage having a fruit juice content of twenty five percent or more by volume shall be at the rate of three percent ad valorem;

(5) beer and malt beverages, at the rate of $0.25 per 12 fluid ounces;

(6) distilled alcoholic beverages, at the rate of twelve dollars per gallon;

(7) wine at the rate of thirty percent ad valorem; provided however, that the rate for wine labeled for religious liturgical purposes shall be three percent;

(8) foodstuffs for human consumption, at the rate of three percent ad valorem; provided, however, that fresh and frozen fish and seafood, shall be at the rate of twenty five percent ad valorem;

(9) gasoline and diesel fuel, at the rate of five cents per gallon;

(10) laundry bar soap, at the rate of twenty five percent ad valorem; and

(11) all other imported products, except those specified above, at the rate of four percent ad
Section 2. Effective date. This act shall take effect on April 1, 2007.

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

Date: 1/9/07  Introduced by: /s/ Peter M. Christian  
Peter M. Christian