

---

---

A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended, by amending section 805 thereof to designate the distribution of certain revenues collected under section 121, 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. 10-  
3 68, 13-21 and 13-60, is hereby further amended to read as follows:

4           "Section 805. Distribution of revenues.

5                     (1) (a) The treasurer of the Federated States of  
6 Micronesia shall pay eighty percent of the net taxes  
7 collected pursuant to section 221(9) of this title and,  
8 beginning January 1, 2004 and continuing thereafter,  
9 fifty percent of all other net taxes collected pursuant  
10 to sections 121, 141, and 221 of this title into the  
11 treasury of the State government to which the taxes are  
12 attributable for appropriation by the State legislature,  
13 except that, beginning October 1, 2005 and continuing  
14 thereafter, one hundred percent of the net taxes  
15 collected pursuant to section 121 of this title shall be  
16 paid into the treasury of the state to which such taxes  
17 are attributable.

18                     (b) Twenty five percent of the amount remaining,  
19 after the transfer of funds pursuant to subsection 1(a)

---

1 of this section, of the net taxes collected pursuant to  
2 subsection 221(1) of this title shall be placed in an  
3 account to be used solely for post-graduate school  
4 scholarships. The allottee of the scholarship funds  
5 shall be the President of the Federated States of  
6 Micronesia or his designee;

7 (c) Except as specifically provided in parts (a)  
8 and (b) of this subsection, all net taxes collected  
9 shall be part of the General Fund of the Federated  
10 States of Micronesia, subject to appropriation by  
11 Congress pursuant to title 55 of the Code of the  
12 Federated States of Micronesia.

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

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

19  
20 Date: 5/20/05

Introduced by: /s/ Isaac V. Figir  
Isaac V. Figir