



The President
Palikir, Pohnpei
Federated States of Micronesia

October 17, 2008

PRESIDENTIAL COMM. NO. 15-280
FSM CONGRESS

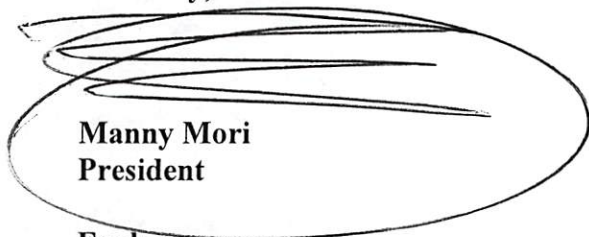
The Honorable Isaac V. Figir
Speaker
15th FSM Congress
Palikir, Pohnpei, FM 96941

Dear Speaker Figir:

I am pleased to inform you that it is my wish to sign the following Congressional Act into law as Public Law No. 15-58:

“Congressional Act No. 15-63, “AN ACT TO FURTHER AMEND TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED, BY FURTHER AMENDING SECTION 222, AS AMENDED BY PUBLIC LAWS NOS. 10-10, 10-136, 10-149, 11-43, 11-70 AND 11-82, TO ADD A SUBPARAGRAPH (9) TO CREATE A NEW EXEMPTION FOR HEALTH, EDUCATION AND WELFARE RELATED GOODS DONATED FOR HUMANITARIAN USE, AND FOR OTHER PURPOSES.”

Sincerely,



Manny Mori
President

Enclosures:

XC: Chief Justice, FSM Supreme Court
Secretary, Department of Justice
Legislative Counsel, CFSM
Library, CFSM
Director, SBOC
PIO, FSM





CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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PRESIDENTIAL COMM. NO. 15280
FSM CONGRESS

Office of the Chief Clerk

September 30, 2008



His Excellency Manny Mori
President
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear President Mori:

I have the honor to transmit herewith Congressional Act No. 15-63, "AN ACT TO FURTHER AMEND TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED, BY FURTHER AMENDING SECTION 222, AS AMENDED BY PUBLIC LAWS NOS. 10-10, 10-136, 10-149, 11-43, 11-70 AND 11-82, TO ADD A SUBPARAGRAPH (9) TO CREATE A NEW EXEMPTION FOR HEALTH, EDUCATION AND WELFARE RELATED GOODS DONATED FOR HUMANITARIAN USE, AND FOR OTHER PURPOSES.", which was passed by the Fifteenth Congress of the Federated States of Micronesia, Fifth Regular Session, 2008, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

Liwiana K. Ramon
Chief Clerk, Congress of the
Federated States of Micronesia

Enclosures



Office of the Speaker

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PRESIDENTIAL COMM. NO. 15-280
FSM CONGRESS

ACT NO. 15-63

(CONGRESSIONAL BILL NO. 15-118)

We hereby certify that on September 30 the foregoing act passed Second and Final Reading of the Fifteenth Congress of the Federated States of Micronesia, Fifth Regular Session, 2008, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

Isaac V. Figir
Speaker
Congress of the
Federated States of Micronesia

Liwiana K. Ramon
Chief Clerk
Congress of the
Federated States of Micronesia

PUBLIC LAW No. 15 - 58



FITEENTH CONGRESS OF THE
FEDERATED STATES OF MICRONESIA
FIFTH REGULAR SESSION
SEPTEMBER 12 – OCTOBER 1, 2008

PRESIDENTIAL COMM. NO. 15-280
FSM CONGRESS

An Act

TO FURTHER AMEND TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED, BY FURTHER AMENDING SECTION 222, AS AMENDED BY PUBLIC LAWS NOS. 10-10, 10-136, 10-149, 11-43, 11-70 AND 11-82, TO ADD A SUBPARAGRAPH (9) TO CREATE A NEW EXEMPTION FOR HEALTH, EDUCATION AND WELFARE RELATED GOODS DONATED FOR HUMANITARIAN USE, AND FOR OTHER PURPOSES.

INTRODUCED BY: SENATOR JOE N. SUKA

DATE: APRIL 4, 2008

REFERRED TO: WAYS AND MEANS COMMITTEE
WITHDRAWN – SEPTEMBER 26, 2008

FIRST READING: SEPTEMBER 29, 2008

SECOND READING: SEPTEMBER 30, 2008

Liwiana K. Ramon
Chief Clerk, FSM Congress

AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended, by further amending section 222, as amended by Public Laws Nos. 10-10, 10-136, 10-149, 11-43, 11-70 and 11-82, to add a subparagraph (9) to create a new exemption for health, education and welfare related goods donated for humanitarian use, and for other purposes.

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

1 Section 1. Section 222 of title 54 of the Code of the
2 Federated States of Micronesia, as amended by Public Laws Nos. 10-
3 10, 10-136, 10-149, 11-43, 11-70 and 11-82, is hereby further
4 amended to read as follows:

5 "Section 222. Exemptions.

6 (1) Damaged, pillaged or faulty goods. Upon receipt
7 of a written request within 28 days of the goods'
8 release from Customs control, the Secretary may
9 authorize a refund of the whole or part of the duty
10 paid, where any of the following conditions exist:

11 (a) goods have been damaged, pillaged, lost or
12 destroyed during the voyage;

13 (b) goods have, while subject to the control of
14 Customs, been damaged, pillaged, lost or destroyed; or

15 (c) the Commissioner is satisfied that, owing to
16 a fault or defect in any goods, the importer has
17 received a reduction or a refund, in whole or part, of

1 the price paid for the goods.

2 (2) Goods imported for subsequent export.

3 (a) Upon application to and approval by the
4 Secretary, import duty paid on the following goods shall
5 be refunded: goods imported for processing in the FSM,
6 not otherwise used in the FSM, and subsequently exported
7 from the FSM. For purposes of this subsection, raw
8 materials or ingredients which are worked into or
9 otherwise become part of a different or more finished
10 product are deemed exported when that product is
11 exported.

12 (b) Goods imported for processing are eligible
13 for the duty refund when the finished products which the
14 imported goods were processed into have been loaded on
15 an aircraft or vessel for direct removal from the FSM
16 and that aircraft or vessel has departed from the port.
17 After they have been so loaded, the goods shall again be
18 subject to import duty if they are unloaded or used in
19 the FSM. With respect to importers primarily engaged in
20 importing for processing and subsequent export, the
21 Secretary shall provide for waiving, by regulation
22 rather than collecting and subsequently refunding,
23 duties.

24 (c) Upon application to and approval by the
25 Secretary, import duty shall be waived on the following

1 goods: goods imported for transshipment through the FSM,
2 not to be used in the FSM, which are securely stored
3 while in the FSM and which are exported from the FSM
4 within a reasonable time of import to the FSM, as
5 defined by regulation. Should these goods not be
6 exported within a reasonable time, the importer will be
7 subject to a penalty equal to one-quarter of the import
8 duty that would have been due if the goods were to be
9 used in the FSM. Should these goods be removed from the
10 secure storage facility or used in the FSM, they will be
11 subject to the full import duty.

12 (d) The burden of proving that goods imported
13 are for subsequent export shall be upon the
14 importer/exporter as specified in regulations.

15 (3) Goods carried in per trip abroad. Each time an
16 individual person enters or returns to the FSM from a
17 foreign jurisdiction, he or she is entitled to bring
18 into the FSM the following goods duty free, provided
19 that such goods are for that person's own personal use
20 or consumption and not for resale or exchange, and
21 provided further that such person is permitted by
22 applicable State law to possess, use, and consume such
23 goods:

24 (a) up to 200 cigarettes;

25 (b) up to one pound of tobacco or twenty cigars;

1 (c) up to 52 fluid ounces or 1500 milliliters of
2 distilled alcoholic beverages; and

3 (d) up to two hundred dollars (\$200) worth of
4 goods other than tobacco products, beer and malt
5 beverages, distilled alcoholic beverages, and wine.

6 (4) Visitors' personal effects. A visitor to the FSM
7 may import bona fide personal effects into the FSM duty
8 free, provided the goods are for the visitor's own
9 personal use and will be taken with the visitor when he
10 or she leaves the country.

11 (5) Returning goods. Goods produced or properly
12 entered in the FSM which are subsequently removed from
13 the FSM may be returned to the FSM duty free. The
14 burden shall be on the owner of the goods to establish
15 that the goods were either produced in the FSM or
16 previously and properly entered.

17 (6) Goods used in foreign aid projects. An
18 international organization, foreign contractor, or other
19 foreign entity may import goods into the FSM duty free
20 in connection with the performance of services or other
21 conduct of business in furtherance of a foreign aid
22 agreement entered into by the FSM, the terms of which
23 require that such import shall not be subject to
24 taxation by the FSM; provided that if and when such
25 goods are subsequently sold in the FSM, import duty

1 shall be due based on the sale amount. The duty,
2 together with penalties and interest, shall be the joint
3 and several personal liability of the importer and the
4 purchaser and shall be secured by first liens on the
5 goods and on the importer's property as hereinafter
6 provided.

7 (7) Certain fishing vessels and equipment. Fishing
8 vessels basing in the Federated States of Micronesia
9 under a valid permit or license issued pursuant to title
10 24 of the Code of the Federated States of Micronesia
11 shall not be subject to the import duty on either the
12 vessel or equipment installed in the vessel. This
13 exemption shall apply to replacement parts and equipment
14 imported by these fishing vessels as well.

15 (8) Parcels which would generate a de minimis duty.
16 Parcels mailed or otherwise sent into the FSM, which
17 would otherwise generate a de minimis duty, shall be
18 exempt from import duty, provided that such goods are
19 for the recipient's own personal use or consumption and
20 not for resale or exchange. Parcels with values up to
21 the amount specified in subsection (3)(d) of this
22 section, shall be exempt."

23 (9) Health, education and welfare related goods
24 donated for humanitarian use. Upon application to and
25 approval by the Secretary, the import duty on goods

1 related to health, education or welfare donated without
2 cost for humanitarian purposes, and not for resale,
3 shall be waived or refunded; provided, however, that if
4 and when any of such goods are subsequently sold in the
5 FSM, import duty shall be due based on the sale amount.
6 The duty, together with penalties and interest, shall be
7 the joint and several personal liability of the importer
8 and the purchaser and shall be secured by first liens on
9 the goods and on the importer's property as hereinafter
10 provided.

11 Section 2. This act shall become law upon approval by the
12 President of the Federated States of Micronesia or upon its
13 becoming law without such approval.

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18 10/17, 2008

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23 _____
24 Manny Mori
25 President
Federated States of Micronesia