
A BILL FOR AN ACT

To amend section 221 of title 54 of the Code of the Federated States of Micronesia (Annotated), to reduce the rates of import tax on certain items, to condition such reduction on certain actions by the states of the Federated States of Micronesia, and for other purposes.

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

1 Section 1. Section 221 of title 54 of the Federated States
2 of Micronesia (Annotated), is hereby further amended to read as
3 follows:

4 "Section 221. Levy and Rates.

5 (1) Cigarettes, at the rate of 25% ad valorem;

6 (2) Tobacco, other than cigarettes, at the rate of
7 40% ad valorem;

8 (3) Perfumery, cosmetics, and toiletries, including
9 cologne and other toilet waters, articles of perfumery,
10 whether in sachets or otherwise, and all preparations
11 used as applications to the hair or skin, lipsticks,
12 pomades, powders, and other toilet preparations not
13 having medicinal properties, at the rate of [~~25%~~] 4%; ad
14 valorem;

15 (4) Soft drinks, drink mixes, drink preparation,
16 coffee, tea, and nonalcoholic beverages, at the rate
17 of [~~25%~~] 4% ad valorem;

18 (5) Beer and malt beverages, at the rate of 25% ad

1 valorem;

2 (6) Distilled alcoholic beverages, at the rate of
3 \$10.00 per gallon;

4 (7) Wine at the rate of 25% ad valorem;

5 (8) Foodstuffs for human consumption, at the rate
6 of [~~25%~~] 4% ad valorem;

7 (9) Gasoline and diesel fuel, at the rate of \$0.05
8 per gallon;

9 (10) Laundry bar soap, at the rate of [~~100%~~] 4% ad
10 valorem; and

11 (11) All other imported products, except those
12 specified above, at the rate of four percent ad
13 valorem."

14 Section 2. The provisions of section 1 of this act shall
15 be effective upon all four states of the FSM enacting sales tax
16 legislation to tax the goods in subsection (3), (4), (8) and
17 (10) of section 221, or one year from the date this act
18 becoming law, whichever is later."

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

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23 Date: 1/08/16

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

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