

WM

A BILL FOR AN ACT

To amend section 252 of Title 77 of the Trust Territory Code by increasing the tax on wages and salaries, and for other purposes.

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

1 Section 1. Section 252 of Title 77 of the Trust Territory Code is
2 hereby amended to read as follows:

3 "Section 252. Tax on wages and salaries.

4 (1) There shall be assessed, levied, collected, and paid a
5 tax of ~~six~~ seven percent upon the first eleven thousand dollars and
6 ~~ten~~ twenty percent upon the amount over the first eleven thousand
7 dollars of all wages and salaries received by every employee, as
8 defined, except as provided in Subsection (2) of this Section.

9 (2) Every employee, as defined, except those whose gross annual
10 wages and salaries are \$5,000 or more, shall be allowed a deduction
11 of \$1,000 per year from all wages and salaries subject to tax
12 levied by Subsection (1) of this Section, and received by the
13 employee in the year in which the deduction is claimed. The
14 deduction shall be claimed by the employee filing for a refund
15 under the provisions of 77 TTC § Section 267."

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

19
20 Date: May 18, 1981

Introduced by: 
John Hageljam

21
22
23
24
25