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A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 5-65, 5-81 and 5-84, by further amending section 201, as amended by Public Law No. 5-81, by adding a new subsection (11) for the purpose of decreasing the import taxes on medicine intended for resale from the current level of 3 percent ad valorem to 1 percent ad valorem, and for other purposes.

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

1 Section 1. Section 201 of title 54 of the Code of the Federated
2 States of Micronesia, as amended by Public Law No. 5-81, is hereby
3 further amended to read as follows:

4 "Section 201. Import taxes - Levy and rates. The following
5 import taxes are hereby levied on all products specified
6 herein which are imported into the Federated States of
7 Micronesia for resale except that the taxes levied under
8 subsections (1), (2), (5), (6), and (7) of this section
9 shall apply to products which are imported into the
10 Federated States of Micronesia for personal use and
11 consumption as well as for resale:

12 (1) cigarettes, at the rate of seven cents per every
13 twenty cigarettes, except that any person may bring into
14 any State of the Federated States of Micronesia up to one
15 carton or two hundred cigarettes per trip tax-free, if such
16 cigarettes are for that person's use and consumption and
17 not for resale;

18 (2) tobacco, other than cigarettes, at the rate of
19 fifty percent ad valorem, except that any person may bring
20 into any State of the Federated States of Micronesia up to
21 one pound of tobacco or twenty cigars per trip tax-free, if
22 such tobacco products are for that person's use and
23 consumption and not for resale;

24 (3) perfumery, cosmetics, and toiletries, including
25 cologne and other toilet waters, articles of perfumery,

1 whether in sachets or otherwise, and all preparations used
2 as applications to the hair or skin, lipsticks, pomades,
3 powders, and other toilet preparations not having medicinal
4 properties, at the rate of twenty-five percent ad valorem;
5 (4) soft drinks and nonalcoholic beverages, at the
6 rate of two cents on each twelve fluid ounces or fractional
7 part thereof;
8 (5) beer and malt beverages, at the rate of four cents
9 per can or bottle of twelve fluid ounces or fractional part
10 thereof;
11 (6) distilled alcoholic beverages, at the rate of
12 seven dollars per wine gallon, except that any person
13 permitted by applicable State law to possess, consume, and
14 use distilled alcoholic beverages, may bring into such State
15 of the Federated States tax free, an amount of liquor not to
16 exceed two-fifths of a wine gallon per trip, if such liquor
17 is for his personal use and consumption and not for
18 resale;
19 (7) wine, at the rate of two dollars per wine gallon,
20 except that this tax shall not apply to any religious
21 organization which is importing or receiving into the
22 Federated States sacramental wine for use in the religious
23 rites of such organization;
24 (8) foodstuffs for human consumption, at the rate of
25 one percent ad valorem;

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

3 (10) Laundry bar soap, at the rate of one hundred
4 percent ad valorem; ~~and~~

5 (11) medicine intended for resale, at the rate of one
6 percent ad valorem; and

7 (~~11~~12) all other imported products, except those
8 specified above, at the rate of three percent ad valorem."

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

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13 Date: Dec. 13, 1990

Introduced by: Redley Killian
Redley Killian

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