A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended, by further amending section 201, as amended by Public Laws Nos. 5-81 and 7-54, for the purpose of exempting from the import tax certain construction materials and animal feed, for the purpose of exempting from the import tax gasoline and diesel fuel under certain circumstances, and for other purposes.

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

1. Section 201 of title 54 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 5-81 and 7-54, is hereby further amended to read as follows:

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

(1) cigarettes, at the rate of twenty-five percent ad valorem, except that any person may bring into any State of the Federated States of Micronesia up to one carton or two hundred cigarettes per trip tax-free, if such cigarettes are for that person's use and consumption and not for resale;

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

(3) perfumery, cosmetics, and toiletries, including cologne and other toilet waters, articles of perfumery,
whether in sachets or otherwise, and all skin preparations
used as applications to the hair or skin, lipsticks,
pomades, powders, and other toilet preparations not having
medicinal properties, at the rate of twenty-five percent ad
valorem;

(4) soft drinks, drink mixes, drink preparations,
coffe, tea, and nonalcoholic beverages, at the rate of
twenty-five percent ad valorem;

(5) beer and malt beverages, at the rate of
twenty-five percent ad valorem;

(6) distilled alcoholic beverages, at the rate of
ten dollars per wine gallon, except that any person
permitted by applicable State law to possess, consume, and
use distilled alcoholic beverages, may bring into such State
of the Federated States tax-free, an amount of liquor not to
exceed two-fifths of a wine gallon per trip, if such liquor
is for his personal use and consumption and not for resale;

(7) wine, at the rate of twenty-five percent ad
valorem, except that this tax shall not apply to any
religious organization which is importing or receiving into
the Federated States sacramental wine for use in the
religious rites of such organization;

(8) foodstuffs for human consumption, at the rate of
three percent ad valorem; provided, however, that fresh
citrus fruit shall be at the rate of twenty-five percent ad
valorem;

(9) gasoline and diesel fuel, at the rate of five
cents per gallon; provided, however, that no tax shall
be collected upon fuel received for delivery into bulk
storage facilities solely owned by a State government of
the Federated States of Micronesia;

(10) laundry bar soap, at the rate of one hundred
percent ad valorem; and

(11) all other imported products, except those
specified above, at the rate of four percent ad valorem;
provided, however, that the following items shall be
exempted from the tax imposed under this section:

(a) Animal feed;

(b) Cement;

(c) Reinforcement bars, all sizes;

(d) Lumber, all sizes;

(e) Plywood and panelling sheets;

(f) Roofing materials (wooden, metal and
    ceramic);

(g) Plumbing materials and fixtures; and

(h) Electrical materials and fixtures."

Section 2. This act shall become effective 30 days after it
becomes law.
Section 3. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

Date: 5/21/93

Introduced by: Moses Mackwelung