

WM

A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended, by adding a new section 119 for the purpose of requiring taxpayer identification numbers, and for other purposes.

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

1 Section 1. Title 54 of the Code of the Federated States of  
2 Micronesia is hereby further amended by adding a new section 119  
3 to read as follows:

4 "Section 119. Taxpayer identification numbers.

5 (1) Every taxpayer is required to obtain a taxpayer  
6 identification number and to include that number on all  
7 returns or other communications from the taxpayer to the  
8 Department of Finance.

9 (2) For a taxpayer who is or is required to be  
10 registered with the Federated States of Micronesia  
11 Social Security Administration, the taxpayer  
12 identification number shall be that taxpayer's employee  
13 or employer social security account number. For any  
14 other taxpayer, the Social Security Administration shall  
15 issue an employer social security account number  
16 (whether or not that taxpayer is an employer for social  
17 security purposes) within one month after the taxpayer  
18 has applied for same in writing, and thereafter said  
19 social security account number shall be that taxpayer's  
20 tax identification number.

21 (3) It is the responsibility of each existing  
22 taxpayer who lacks a taxpayer identification number to  
23 apply for one within three months after this section 119  
24 becomes law.

25 (4) After this section 119 has been law for four

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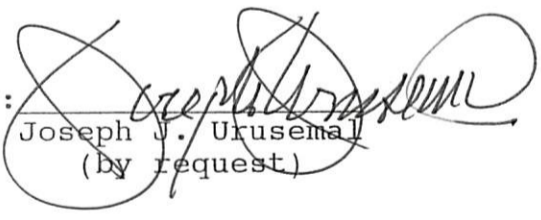
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1 months, no person or other entity shall commence or  
 2 continue any business, commerce, importing, profession,  
 3 occupation, employment, or other activity which is  
 4 taxable by the National Government unless such person or  
 5 entity shall have first obtained a taxpayer  
 6 identification number. The Secretary is authorized to  
 7 provide for the uniform assessment of fines for  
 8 violation of this subsection in an amount not to exceed  
 9 \$250 for each month or fraction thereof that the  
 10 violation exists.

11 (5) After this section 119 has been law for four  
 12 months, each department, office, administration,  
 13 authority, branch, bureau, instrumentality, public  
 14 corporation, and other arm (collectively 'agency') of  
 15 the National Government shall be required, and each  
 16 agency of any State or local government is encouraged,  
 17 to require inclusion of taxpayer identification numbers  
 18 on all permits or licenses of any sort, including  
 19 extensions or renewals thereof, issued to a taxpayer by  
 20 that agency."

21 Section 2. This act shall become law upon approval by the  
 22 President of the Federated States of Micronesia or upon its  
 23 becoming law without such approval.

24  
 25 Date: 11/04/93

Introduced by:   
 Joseph J. Urusemal  
 (by request)