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 raising the import tax levied on certain items, and for other purposes.

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

Section 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,
coffee, 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 of Micronesia 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;

(10) laundry bar soap, laundry powder soap, bathing soap inclusive of deodorant soap, shampoo, baby oil, and cream products, at the rate of one-hundred and fifty percent ad valorem; and

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

Section 2. This act shall become effective 180 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: 5/31/95

Introduced by: [Signature]

Jack Fritz