

AN ACT

To further amend title 53 of the Code of the Federated States of Micronesia, as amended, by amending section 704 to permit tax information sharing between the Department of Finance and Administration and the Social Security Administration, and for other purposes.

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

1 Section 1. Section 704 of title 53 of the Code of the
2 Federated States of Micronesia is hereby amended to read as
3 follows:

4 "Section 704. Maintenance of records - Disclosure of
5 records.

6 (1) The Administrator shall receive and maintain files
7 and records of all employers and all employees subject
8 to this subtitle. Such records shall not be disclosed
9 to any person except as may be required in the
10 administration of this subtitle or in connection with a
11 hearing conducted in accordance with the provisions of
12 this subtitle.

13 (2) Notwithstanding the foregoing or any other
14 provision of law, the Administrator, the Secretary of
15 the Department of Finance and Administration, and their
16 designated employees, are authorized to exchange tax
17 information with one another for the purpose of cross-
18 matching taxpayer returns and records and identifying

1 noncompliance with this title or with other tax
2 statutes. Information received by an agency pursuant to
3 the foregoing sentence shall be subject to the
4 confidentiality rules of that receiving agency. The
5 Administrator and the Secretary of the Department of
6 Finance and Administration shall determine who shall be
7 'designated employees' for the purpose of this section."

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

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December 10, 2002

/s/ Leo A. Falcam
Leo A. Falcam
President
Federated States of Micronesia

