

SECOND CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND REGULAR SESSION, 1981

C.B. No.

2/36

A BILL FOR AN ACT

To further amend section 51 of Title 77 of the Trust Territory Code, as amended by Public Laws Nos. IC-26 and 2-19, to increase the import taxes on all foodstuffs for human consumption and to designate the use of these revenues, and for other purposes.

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

1 Section 1. Section 51 of Title 77 of the Trust Territory Code,
2 as amended, is hereby further amended to read as follows:

3 "Section 51. Import Taxes.

4 (1) The following import taxes are hereby levied on
5 all products specified herein which are imported into the
6 Federated States of Micronesia for resale except that the
7 taxes levied under Subsections (a), (b), (e), (f), and (g)
8 of this Section shall apply to products which are imported
9 into the Federated States of Micronesia for personal use and
10 consumption as well as for resale:

11 (a) Cigarettes, at the rate of seven cents per
12 every twenty cigarettes, except that any person may bring
13 into any state of the Federated States of Micronesia up to
14 one carton or 200 cigarettes per trip tax-free, if such
15 cigarettes are for that person's use and consumption and not
16 for resale;

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

23 (c) Perfumery, cosmetics and toiletries, including
24 cologne and other toilet waters, articles of perfumery, whether
25 in sachets or otherwise, and all preparations used as

1 applications to the hair or skin, lipsticks, pomades,
2 powders and ~~other toilet preparations not~~ having medicinal
3 properties, at the rate of twenty-five percent ad valorem;

4 (d) Soft drinks and nonalcoholic beverages, at
5 the rate of two cents on each twelve fluid ounces or
6 fractional part thereof;

7 (e) Beer and malt beverages, at the rate of four
8 cents per can or bottle of twelve fluid ounces or fractional
9 part thereof;

10 (f) Distilled alcoholic beverages, at the rate of
11 seven dollars per wine gallon, except that any person per-
12 mitted by applicable state law to possess, consume and use
13 distilled alcoholic beverages, may bring into such state
14 of the Federated States tax free, an amount of liquor not
15 to exceed two fifths of a wine gallon per trip, if such
16 liquor is for his personal use and consumption and not for
17 resale;

18 (g) Wine, at the rate of two dollars per wine
19 gallon, except that this tax shall not apply to any religious
20 organization which is importing or receiving into the
21 Federated States sacramental wine for use in the religious
22 rites of such organization;

23 (h) Foodstuffs for human consumption, at the
24 rate of ~~one~~ two percent ad valorem/, with all revenues
25 collected to be used exclusively for the purchase of

hospital supplies and equipment in the Federated States;

(i) ~~Gasoline and diesel fuel~~, at the rate of five cents per gallon;

(j) All other imported products, except those specified above, at the rate of three percent ad valorem.

(2) Any commodities subject to a tax under this Section which are not received by the importer or certified as damaged may be exempted from such tax upon certification of damage or nonreceipt by the carrier or his agent.

(3) Any person who imports commodities into the Federated States of Micronesia, and then exports them to a buyer who is outside of the territorial limits of the Federated States of Micronesia shall be entitled to a refund of any import taxes actually paid on such commodities upon application to the Secretary of Finance."

Section 2. 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: OCTOBER 19, 1981 Introduced by: Peter M. Christian