A RESOLUTION

Endorsing Tax Reform for the Federated States of Micronesia as proposed by the Tax Reform Task Force.

WHEREAS, the Federated States of Micronesia hereby demonstrates its commitment to meaningful tax reform; and

WHEREAS, Presidential Order Number 27 established the Tax Reform Task Force to prepare and present a tax reform proposal for the leadership of the FSM; and

WHEREAS, the Federated States of Micronesia has a real, present and future need for a tax regime that is fair, equitable and transparent for the government, the people and the private sector of the country; and

WHEREAS, the Strategic Development Plan (SDP) dictates the need to adopt a modern tax regime for the FSM and, further, the tax reforms required under the SDP are substantially similar to those presented the tax Reform Task Force; and

WHEREAS, the President's Tax Reform Task Force has presented its findings, report and recommendations to EPIC; and

WHEREAS, EPIC has endorsed said findings and has issued its own Resolution No. 2005-2-2 calling for implementation of tax reform in the Federated States of Micronesia; and

WHEREAS, the President's Tax Reform Task Force has presented its findings, report and recommendations to this session of Congress; now, therefore,

BE IT RESOLVED by the Fourteenth Congress of the Federated States of Micronesia, Second Regular Session, 2005 that the Congress hereby endorses the specific findings of the President's Tax Reform Task Force;
BE IT FURTHER RESOLVED that the Congress endorses the establishment of an Executive Steering Committee to implement tax reform in the FSM;

BE IT FURTHER RESOLVED that the Congress endorses the efforts by the Executive Steering committee to seek Technical Assistance from the international financial and donor community to implement tax reform;

BE IT FURTHER RESOLVED that certified copies of this resolution be transmitted to the President of the Federated States of Micronesia, the Tax Reform Task Force and the Governor and Legislature of each state.

Date: 9/19/05  
Introduced by: /s/ Claude H. Phillip
Simiram Sipenuk
(by request)