



*The President*  
*Palikir, Pohnpei*  
*Federated States of Micronesia*

**PRESIDENTIAL COMM. NO. 17-20**  
**FSM CONGRESS**

June 29, 2011

The Honorable Isaac V. Figir  
Speaker  
17<sup>th</sup> FSM Congress  
Palikir, Pohnpei State, FM 96941

Dear Speaker Figir:

I am pleased to inform you that I have designated the following Congressional Act as **Public Law No. 17-03**:

Congressional Act No. 17-08, "AN ACT TO FURTHER AMEND SECTION 208 OF TITLE 21 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED BY PUBLIC LAW NO. 11-26, FOR THE PURPOSE OF MAKING THE TELECOMMUNICATIONS CORPORATION SUBJECT TO THE GROSS REVENUE TAX, AND FOR OTHER PURPOSES."


I fully support the intent of this Act. Experience illuminates FSM Telecommunication Corporation's divergence from the affiliation with the FSM National Government. Hence, the impetus of this Act is fitting to the independent nature and management structure of the corporation.

In light of the annual compact decrement and relevant global economic conditions, this Act is also timely and appropriate particularly considering its inherent revenue generating component that can mitigate the financial constraints affecting the national government services and operations.

More importantly, the Act is in line with the administration's policy to secure economic and social benefits of telecommunications for all citizens of FSM by establishing a competitive and liberalized telecommunication system in FSM.

I thank you and all the members of Congress for your favorable consideration.

Sincerely,

  
Manny Mori  
President

Enclosures:

xc: Chief Justice, FSM Supreme Court  
Secretary, Department of Justice  
Director, Office of SBOC  
**Legislative Counsel, CFSM**  
Library, CFSM  
PIO, FSM





CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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PRESIDENTIAL COMM. NO. \_\_\_\_\_  
FSM CONGRESS

Office of the Chief Clerk  
June 06, 2011



His Excellency Manny Mori  
President  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941

Dear President Mori:

I have the honor to transmit herewith Congressional Act No. 17-08, "AN ACT TO FURTHER AMEND SECTION 208 OF TITLE 21 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA, AS AMENDED BY PUBLIC LAW NO. 11-26, FOR THE PURPOSE OF MAKING THE TELECOMMUNICATIONS CORPORATION SUBJECT TO THE GROSS REVENUE TAX, AND FOR OTHER PURPOSES.", which was passed by the Seventeenth Congress of the Federated States of Micronesia, First Regular Session, 2011, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk, Congress of the  
Federated States of Micronesia

Enclosures





SEVENTEENTH CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
FIRST REGULAR SESSION  
MAY 11 – JUNE 1, 2011

PUBLIC LAW No. 17- 03

## An Act

TO FURTHER AMEND SECTION 208 OF TITLE 21 OF THE CODE OF THE  
FEDERATED STATES OF MICRONESIA, AS AMENDED BY PUBLIC LAW NO. 11-26,  
FOR THE PURPOSE OF MAKING THE TELECOMMUNICATIONS CORPORATION  
SUBJECT TO THE GROSS REVENUE TAX, AND FOR OTHER PURPOSES.

INTRODUCED BY SENATORS: TONY H. OTTO AND BONSIANO F. NETHON

DATE: MAY 11, 2011

REFERRED TO: COMMITTEE ON WAYS AND MEANS

S.C.R. NO. 17-13 – MAY 30, 2011

FIRST READING: MAY 30, 2011

SECOND READING: JUNE 01, 2011

Liwiana Ramon Ioanis  
Chief Clerk, FSM Congress





*Office of the Speaker*

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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**PRESIDENTIAL COMM. NO. \_\_\_\_\_**

**FSM CONGRESS**

ACT NO. 17-08

(CONGRESSIONAL BILL NO. 17-01, C.D.1)

We hereby certify that on June 1 the foregoing act passed  
Second and Final Reading of the Seventeenth Congress of the  
Federated States of Micronesia, First Regular Session,  
2011, by a two-thirds vote of all the State delegations as  
required under article IX, section 20, of the Constitution  
of the Federated States of Micronesia.

Isaac V. Figir  
Speaker  
Congress of the  
Federated States of Micronesia

Liwiana Ramon Ioanis  
Chief Clerk  
Congress of the  
Federated States of Micronesia

SEVENTEENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

FIRST REGULAR SESSION, 2011

CONGRESSIONAL BILL NO. 17-01, C.D.1

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PUBLIC LAW No. 17-03

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AN ACT

To further amend section 208 of title 21 of the Code of the Federated States of Micronesia, as amended by Public Law No. 11-26, for the purpose of making the Telecommunications Corporation subject to the gross revenue tax, and for other purposes.

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

1       Section 1. Section 208 of title 21 of the Code of  
2       the Federated States of Micronesia, as amended by Public  
3       Law No. 11-26, is hereby further amended to read as  
4       follows:

5               "Section 208. Tax Liability.

6               The Corporation shall exist and operate solely  
7               for the benefit of the public and shall be  
8               exempt from any taxes or assessments except the  
9               following: (1) import taxes or assessments on  
10              any of its property, operations or activities;  
11              and (2) gross revenue tax. Nothing herein shall  
12              be deemed to exempt employees and independent  
13              contractors of the Corporation from tax  
14              liability for services rendered to the  
15              Corporation; and the Corporation shall be liable  
16              for employers' contributions to the Social  
17              Security System of the Federated States of  
18              Micronesia in the manner provided by law."

PUBLIC LAW No. 17-03

1       Section 2. The provision of this act shall become  
2 effective on October 1, 2011.

3       Section 3. This act shall become law upon approval by the  
4 President of the Federated States of Micronesia or upon its  
5 becoming law without such approval.

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June 29, 2011

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Manny Mori  
President  
Federated States of Micronesia

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