SIXTH SPECIAL SESSION, 2020

CONGRESSIONAL BILL NO. 21-236

P.C. NO. 21-343

PUBLIC LAW NO. 21-152

AN ACT

To further amend section 805 of title 54 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Law No. 18-107, to exempt the extra 20% of the share of revenues collected to the National Government from being deposited into the State sub-accounts of the FSM Trust Fund, to make technical corrections, and for other purposes.

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

- 1 Section 1. Section 805 of title 54 of the Code of the
- 2 Federated States of Micronesia (Annotated), as amended by
- 3 Public Law No. 18-107, is hereby further amended to read as
- 4 follows:

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- 5 "Section 805. Distribution of revenues.
- 6 (1) Distribution to the States.

State legislature.

- (a) The treasurer of the Federated States of Micronesia shall pay eighty percent of the net taxes collected pursuant to section 221(9) of this title, and fifty percent of all other net taxes collected pursuant to sections 121, 141, and 221 of this title into the treasury of the State government to which the taxes are attributable for appropriation by the
- 15 (b) Subject to Part (e) below, an additional
 16 twenty percent of the total of all other net taxes
 17 collected pursuant to sections 121, 141, and 221 of

this title after the Treasurer of the Federated
States of Micronesia has administered distribution
under part (a) shall be deposited by the treasurer of
the Federated States of Micronesia into the State
sub-account "A" of the FSM Trust Fund on behalf of
the National Government for the State government to
which the taxes are attributable. The additional
twenty percent (20%) deposited by the National
Government into individual States sub-account A may
not be withdrawn by the States.

- (c) Twenty-five percent of the amount remaining, after the transfer of funds pursuant to parts (a) and (b) of this subsection, of the net taxes collected pursuant to subsection 221(1) of this title shall be placed in an account to be used solely for post-graduate school scholarships or full-time post-secondary courses of study leading to commercial Federal Aviation Administration (FAA) licenses, ratings and certifications. The allottee of the scholarship funds shall be the President of the Federated States of Micronesia or his designee;
- (d) Except as specifically provided in parts
 (a), (b) and (c) of this subsection, all net taxes
 collected shall be part of the General Fund of the
 Federated States of Micronesia, subject to

1	appropriation by Congress pursuant to title 55 of the
2	Code of the Federated States of Micronesia.
3	(e) on an extraordinary basis the extra 20% of
4	net taxes collected during fiscal years 2021 and 2022
5	as defined in part (b) of this subsection above shall
6	be remitted to the States and not to the FSM Trust
7	Fund.
8	(2) 'Net taxes' as used in subsection (1) of this
9	section means gross collections of taxes, penalties,
10	interest, or other related charges less refunds."
11	Section 2. This act will come into effect on October 1,
12	2015.
13	Section 3. This act shall become law upon approval by the
14	President of the Federated States of Micronesia or upon its
15	becoming law without such approval.
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19	July 20, 2020
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23	/s/ David W. Panuelo
24	David W. Panuelo President
25	Federated States of Micronesia