
A BILL FOR AN ACT

To amend section 321 of title 54 of the Code of the Federated States of Micronesia (Annotated) to establish three corporate income tax rates for different levels of taxable income, and for other purposes.

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

1 Section 1. Section 321 of title 54 of the Code of the
2 Federated States of Micronesia (Annotated) is hereby amended to
3 read as follows:

4 "Section 321. Tax imposed. A tax [~~at the rate of~~
5 ~~twenty one percent (21 percent)~~] is hereby imposed for
6 each taxable year on the taxable income of every major
7 corporation[~~r~~] as follows:

8 (1) For all major corporations' taxable year ending
9 on or before March 30, 2011, 25.5% tax rate shall apply
10 to the entire taxable year.

11 (2) For all major corporations' taxable year ending
12 on or after March 31, 2011, and on or before March 30,
13 2020, 21% tax rate shall apply to the entire taxable
14 year.

15 (3) For all major corporations' taxable year ending
16 on or after March 31, 2020, the following tax rates
17 apply to the entire taxable year:

18 (a) 21% on the first \$300,000,000 of taxable
19 income;

