
A BILL FOR AN ACT

To further amend chapter 1 of title 54 of the Code of the Federated States of Micronesia (Annotated), as amended, by adding a new Subchapter VI, for the purpose of permitting the taxation of unemployment assistance, and for other purposes.

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

1 Section 1. Chapter 1 of title 54 of the Code of the
2 Federated States of Micronesia (Annotated), as amended, is
3 hereby amended by creating a new Subchapter VI entitled:
4 "Unemployment Assistance".

5 Section 2. Chapter 1 of title 54 of the Code of the
6 Federated States of Micronesia (Annotated), as amended, is
7 hereby amended by adding a new section 160 to Subchapter VI to
8 read as follows:

9 "Section 160. Unemployment assistance.

10 (1) "Unemployment assistance" means any
11 renumeration given to residents of the Federated States
12 of Micronesia to assist in times of unemployment.

13 Section 3. Chapter 1 of title 54 of the Code of the
14 Federated States of Micronesia (Annotated), as amended, is hereby
15 amended by adding a new section 161 to Subchapter VI to read as
16 follows:

17 "Section 161. Taxation of Unemployment Assistance.

18 (1) Any unemployment assistance received by a

1 resident of the Federated States of Micronesia from
2 foreign government grants is subject to ten (10%)percent
3 taxation.

4 (2) Any unemployment assistance received by a
5 resident of the Federated States of Micronesia from
6 foreign government grants is subject to fifteen (15%)
7 percent deduction for Social Security contribution for
8 the benefit of the recipient.”

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

12
13 Date: 5/19/20

 Introduced by: /s/ Isaac V. Figir
 Isaac V. Figir

14
15
16
17
18
19
20
21
22
23
24
25