
A BILL FOR AN ACT

To amend section 161 of chapter 1 of title 54 of the Code of the Federated States of Micronesia (Annotated), as enacted by Public Law 21-145, by designating the ten (10) percent taxation of unemployment assistance to be used for construction and operations of hospitals, and for other purposes.

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

1 Section 1. Section 161 of chapter 1 of title 54 of the
2 Code of the Federated States of Micronesia (Annotated), as
3 enacted by Public Law No. 21-145, as hereby amend to read as
4 follows:

5 Section 161. Taxation of Unemployment Assistance.

6 (1) Any unemployment assistance received by a
7 resident of the Federated States of Micronesia from
8 foreign government grants is subject to ten (10%)
9 percent taxation unless explicitly prohibited by the
10 terms and conditions of the foreign assistance. The ten
11 (10%) percent taxation collected shall be used for the
12 construction and operations of hospitals.

13 (2) Any unemployment assistance received by a
14 resident of the Federated States of Micronesia from
15 foreign government grants is subject to fifteen (15%)
16 percent deduction for Social Security contribution for
17 the benefit of the recipient unless explicitly
18 prohibited by the terms and conditions of the foreign

1 assistance.”

2 Section 2. This act shall become law upon approval by the
3 President of the Federated States of Micronesia or upon its
4 becoming law without such approval.

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6 Date: 8/14/20

Introduced by: /s/ Peter M. Christian
Peter M. Christian

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