

WM

A BILL FOR AN ACT

To amend section 805 of title 54 of the Code of the Federated States of Micronesia for the purpose of decreasing the States' share of taxes collected by the National Government, 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 is hereby amended to read as follows:

3 "Section 805. Distribution of Revenues.

4 (1) The treasurer of the ~~Trust Territory of his~~
5 ~~successor,~~ Federated States of Micronesia shall pay ~~eighty~~
6 twenty percent of the net taxes collected pursuant
7 to ~~section 201(a) of this title, and fifty percent of all~~
8 ~~other net taxes collected pursuant to~~ sections 121, 141,
9 and 201 of this title, into the treasury of the State
10 government to which the taxes are attributable for
11 appropriation by the State legislature.

12 (2) 'Net taxes' as used in subsection (1) of this
13 section means gross collections of taxes, penalties,
14 interest, or other related charges less refunds and less
15 the cost of administration.

16 (3) 'Cost of administration' as used in subsection
17 (2) of this section means the cost determined to be
18 allocatable to each State by the Congress of the
19 Federated States of Micronesia when making appropriations
20 for the operating expenses of the Revenue Division.

21 (4) The revenue office in each State may
22 administer the taxes of the State in which located, but
23 those duties shall not interfere with the administration
24 of taxes imposed by the laws of the Federated States of
25 Micronesia. All costs in excess of those funded by

