

AN ACT

To further amend chapter 8 of title 54 of the Code of the Federated States of Micronesia (Annotated), as amended by Public Laws No. 18-107, 21-152, 22-57, 22-139, and 22-158, by adding new sections 806 and 807, for the purpose of allowing the issuance, use and cancellation of Taxpayer Identification Numbers (TIN), the establishment of an Electronic Notice System for certain taxpayers for the electronic service of notice and filing of tax returns, and the regulation thereof by the Secretary of the Department of Finance and Administration, and for other purposes.

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

1 Section 1. Chapter 8 of title 54 of the Code of the
2 Federated States of Micronesia (Annotated), as amended by Public
3 Laws No. 18-107, 21-152, 22-57, 22-139, and 22-158, is hereby
4 further amended by adding a new section 806 to read as follows:

5 "Section 806. Issuance of Taxpayer Identification Numbers
6 (TIN)."

7 (1) A Taxpayer Identification Number, herein referred
8 to as "TIN", is a unique identifier assigned to a
9 taxpayer by the Department of Finance.

10 (2) The Secretary may, for the purpose of
11 identification and crosschecking, require a taxpayer to
12 apply for a TIN, or issue a TIN without an application to
13 any person liable for tax, after verification of the
14 applicant's identity, as prescribed in regulations. The
15 Secretary shall notify the taxpayer in writing of his or
16 her assigned TIN.

1 (3) The Secretary may require a taxpayer to indicate
2 the assigned TIN in specific communications with the
3 Department, including for tax returns.

4 (4) The Secretary may cancel a TIN for any reasons he
5 or she considers appropriate, including in case of double
6 TIN issuance to the same person as prescribed in
7 regulations.

8 (5) The Secretary shall adopt such regulations as may
9 be necessary for the implementation of this Section, in
10 accordance with Section 803 of this Title and Title 17 of
11 the FSM Code."

12 Section 2. Chapter 8 title 54 of the Code of the Federated
13 States of Micronesia (Annotated), as amended by Public Laws No.
14 18-107, 21-152, 22-57, 22-139, and 22-158, is hereby further
15 amended by adding a new section 807 to read as follows:

16 "Section 807. Electronic Notice System.

17 (1) The Electronic Notice System is a system
18 developed by the Department of Finance for the electronic
19 service of notices and other documents by the Secretary
20 and for the filing by electronic means of tax documents,
21 including tax returns, with the Secretary, hereinafter
22 referred to as "electronic filing".

23 (2) The Secretary may establish an Electronic Notice
24 System and conditions for its implementation, to allow
25 for electronic service of notice on taxpayers and

1 electronic filing of tax returns or other documents of
2 taxpayers, provided that a taxpayer with no access to
3 equipment permitting electronic filing or electronic
4 receipt of notices may file a physical copy of tax
5 returns and be served with non-electronic notices.

6 (3) When allowed under Section 807(1) of this Title,
7 a document filed electronically and a notice served
8 electronically according to the provisions of this
9 Chapter replace filing of such document and service of
10 notice in paper form.

11 (4) The Secretary shall adopt such regulations as may
12 be necessary for the implementation of this Section, in
13 accordance with Section 803 of this Title and Title 17 of
14 the FSM Code."

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

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May 1st, 2023

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/s/ David W. Panuelo

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David W. Panuelo
President

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Federated States of Micronesia