

A BILL FOR AN ACT

To further amend Section 805 of title 54 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 7-41, 9-139, 10-68, 13-21, and 15-24, for the purpose of funding the Social Security Retirement Fund with corporate income tax revenues, 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, as amended by Public Laws Nos. 7-
3 41, 9-139, 10-68, 13-21, and 15-24, is hereby further amended to
4 read as follows:

5 "Section 805. Distribution of revenues.

6 (1) (a) The treasurer of the Federated States of
7 Micronesia shall pay eighty percent of the net taxes
8 collected pursuant to section 221(9) of this title and,
9 beginning January 1, 2004 and continuing thereafter,
10 fifty percent of all other net taxes collected pursuant
11 to sections 121, 141, and 221 of this title into the
12 treasury of the State government to which the taxes are
13 attributable for appropriation by the State legislature.

14 (b) Twenty five percent of the amount remaining,
15 after the transfer of funds pursuant to subsection 1(a)
16 of this section, of the net taxes collected pursuant to
17 subsection 221(1) of this title shall be placed in an
18 account to be used solely for post-graduate school
19 scholarships or full-time post-secondary courses of

1 study leading to commercial Federal Aviation
2 Administration (FAA) licenses, ratings and
3 certifications. The allottee of the scholarship funds
4 shall be the President of the Federated States of
5 Micronesia or his designee;

6 (c) The treasurer of the Federated States of
7 Micronesia shall pay one hundred percent of net taxes
8 collected pursuant to section 321 of this title to the
9 Federated States of Micronesia Social Security
10 Retirement Fund;

11 [~~(e)~~](d) Except as specifically provided in [~~parts (a)~~
12 ~~and (b)~~] subsections 1(a), 1(b) and, 1(c) of this
13 subsection, all net taxes collected shall be part of the
14 General Fund of the Federated States of Micronesia,
15 subject to appropriation by Congress pursuant to title
16 55 of the Code of the Federated States of Micronesia.

17 (2) 'Net taxes' as used in subsection (1) of this
18 section means gross collections of taxes, penalties,
19 interest, or other related charges less refunds."

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

23
24 Date: 5/28/10

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