

A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended, by amending section 221 thereof to change the import duties applicable to bottled water and communion wine, and for other purposes.

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

1           Section 1. Section 221 of title 54 of the Code of the  
2 Federated States of Micronesia, as amended by Public Law No.  
3 13-60, is hereby further amended to read as follows:

4           "Section 221. Levy and rates.

5           The following import duties are hereby levied on all  
6 products specified herein which are imported into the  
7 FSM:

8           (1) cigarettes, at the rate of \$0.025 per cigarette,  
9 provided that this rate shall increase by \$0.005 per  
10 cigarette on January 1 of each of the years 2007, 2009,  
11 2011, 2013 and 2015;

12           (2) tobacco, other than cigarettes, at the rate of  
13 fifty percent *ad valorem*;

14           (3) perfumery, cosmetics, and toiletries, including  
15 cologne and other toilet waters, articles of perfumery,  
16 whether in sachets or otherwise, and all preparations  
17 used as applications to the hair or skin, lipsticks,  
18 pomades, powders, and other toilet preparations not

---

1           having medicinal properties, at the rate of twenty five  
2           percent *ad valorem*;

3           (4) soft drinks, bottled water, drink mixes, drink  
4           preparations, coffee, tea, and nonalcoholic beverages,  
5           at the rate of twenty five percent *ad valorem*, provided,  
6           however, that any beverage having a fruit juice content  
7           of twenty five percent or more by volume shall be at the  
8           rate of three percent *ad valorem*;

9           (5) beer and malt beverages, at the rate of \$0.25 per  
10          12 fluid ounces;

11          (6) distilled alcoholic beverages, at the rate of  
12          twelve dollars per gallon;

13          (7) wine at the rate of thirty percent *ad valorem*;  
14          provided however, that the rate for wine labeled for  
15          religious liturgical purposes shall be three percent;

16          (8) foodstuffs for human consumption, at the rate of  
17          three percent *ad valorem*; provided, however, that fresh  
18          and frozen fish and seafood, shall be at the rate of  
19          twenty five percent *ad valorem*;

20          (9) gasoline and diesel fuel, at the rate of five  
21          cents per gallon;

22          (10) laundry bar soap, at the rate of twenty five  
23          percent *ad valorem*; and

24          (11) all other imported products, except those  
25          specified above, at the rate of four percent *ad*

1                    *valorem."*

2            Section 2. Effective date. This act shall take effect on  
3 April 1, 2007.

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

7

8 Date: 1/9/07

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

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24