

A BILL FOR AN ACT

To further amend title 54 of the Code of the Federated States of Micronesia, as amended, by amending section 805 thereof to restrict the use of certain revenues collected for cigarettes under section 221, to the state where they were collected, 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.
3 10-68, ~~and~~ 13-21, and 13-60 is hereby further amended to read as
4 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 section 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 into four separate accounts, one for each state, to be

1 used solely for post-graduate school scholarships. Each
2 state's account shall hold the funds collected from that
3 state under this subsection. The recipient of funds
4 held in each state's post-graduate scholarship account
5 shall be a resident of the state where the funds were
6 collected. The allottee of the scholarship funds shall
7 be the President of the Federated States of Micronesia
8 or his designee;

9 (c) Except as specifically provided in parts (a)
10 and (b) of this subsection, all net taxes collected
11 shall be part of the General Fund of the Federated
12 States of Micronesia, subject to appropriation by
13 Congress pursuant to title 55 of the Code of the
14 Federated States of Micronesia.

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

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

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22 Date: 9/02/09

 Introduced by: /s/ Isaac V. Figir

 Isaac V. Figir