
A BILL FOR AN ACT

To amend section 141 of title 54 of the Code of the Federated States of Micronesia (Annotated), as amended, to create a twenty percent (20%) surtax on the gross revenues of all businesses created or owned by the National Government of the Federated States of Micronesia, and for other purposes.

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

1 Section 1. Section 141 of title 54 of the Code of the
2 Federated States of Micronesia (Annotated), as amended, is
3 hereby amended to read as follows:

4 "Section 141. Tax on gross revenues; Exemption.

5 (1) There shall be assessed, levied, collected,
6 and paid a tax of \$80 per year upon that portion of
7 the amount of taxable gross revenues earned by every
8 business subject to the provisions of this chapter
9 which does not exceed \$10,000 per year.

10 (2) There shall be assessed, levied, collected,
11 and paid a tax of three percent per year upon that
12 portion of the amount of taxable gross revenues
13 earned by every business subject to the provisions of
14 this chapter which is in excess of \$10,000 per year.

15 (3) Businesses which earn gross revenues of not
16 more than \$2,000 per year are exempt from taxation
17 under this section. The deduction shall be claimed

1 by the business by filing for a refund under the
2 provisions of sections 122 and 123 of this chapter.

3 (4) For the purpose of section 805 of this title,
4 every business that operates in more than one State
5 of the Federated States of Micronesia shall file a
6 separate tax return for revenue collected in each
7 State.

8 (5) There shall be assessed, levied, collected,
9 and paid an additional surtax of twenty percent per
10 year upon that portion of the amount of taxable gross
11 revenues earned by every business subject to the
12 provisions of this chapter which has been created by
13 or is majority-owned by the National Government of
14 the Federated States of Micronesia. The proceeds
15 from this additional surtax shall be transferred, in
16 their entirety, to the FSM Trust Fund."

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

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21 Date: 9/20/17

Introduced by: /s/ Wesley W. Simina
Wesley W. Simina

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