
A BILL FOR AN ACT

To further amend section 805 of title 54 of the Code of the Federated States of Micronesia (Annotated), as authorized by Public Law No. 18-96, and as amended by Public Law No. 18-107, to deposit fifty percent (50%) of the twenty 20% deposited into the State sub-account A in the FSM Trust Fund into the states general fund, 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 (Annotated), as authorized by
3 Public Law No. 18-96, and as amended by Public Law No. 18-107,
4 is hereby further amended to 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,
9 and fifty percent at the National Government's share
10 of all other net taxes collected pursuant to sections
11 121, 141, and 221 of this title into the treasury of
12 the State government to which the taxes are
13 attributable for appropriation by the State
14 legislature.

15 (b) Of the [~~An~~] additional twenty percent of
16 the total of all other net taxes collected pursuant
17 to sections 121, 141, and 221 of this title after the

1 Treasurer of the Federated States of Micronesia has
2 administered distribution under subsection (a) [~~shall~~
3 ~~be~~] and deposited by the treasurer of the Federated
4 States of Micronesia into the State sub-account "A"
5 of the FSM Trust Fund on behalf of the National
6 Government for the State government to which the
7 taxes are attributable, fifty percent (50%) shall be
8 deposited by the treasurer of the National Government
9 into the States general funds. The [~~additional~~
10 ~~twenty percent (20%)~~] fifty percent (50%) deposited
11 by the National Government into individual States
12 sub-account A may not be withdrawn by the States.

13 (c) Twenty-five percent of the amount
14 remaining, after the transfer of funds pursuant to
15 subsections 1(a) and 1(b) of this section, of the net
16 taxes collected pursuant to subsection 221(1) of this
17 title shall be placed in an account to be used solely
18 for post-graduate school scholarships or full-time
19 post-secondary courses of study leading to commercial
20 Federal Aviation Administration (FAA) licenses,
21 ratings and certifications. The allottee of the
22 scholarship funds shall be the President of the
23 Federated States of Micronesia or his designee;

24 (d) Except as specifically provided in parts
25 (a), (b) and (c) of this subsection, all net taxes

1 collected shall be part of the General Fund of the
2 Federated States of Micronesia, subject to
3 appropriation by Congress pursuant to title 55 of the
4 Code of the Federated States of Micronesia.

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

8 Section 2. This act shall become law upon approval by the
9 President of the Federated States of Micronesia or upon its
10 becoming law without such approval.

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12 Date: 5/19/15

Introduced by: /s/ David W. Panuelo
David W. Panuelo

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