

SEVENTH CONGRESS OF THE FEDERATED STATES OF MICRONESIA

SECOND REGULAR SESSION, 1991 CONGRESSIONAL BILL NO. 7-173, C.D.1, C.D.2,
C.D.3

PRESIDENTIAL COMM. NO. 7-147
FSM CONGRESS

AN ACT

To increase the tax enforcement authority of the Department of Finance by further amending title 54 of the Code of the Federated States of Micronesia, as amended by Public Laws Nos. 5-65, 5-81 and 5-84, to add a new section 157 to subchapter V of chapter 1 to authorize the Secretary of Finance to issue summons in connection with enforcement of the tax laws; to add a new section 205 of chapter 2 regarding inspection of cargo and other imports by customs officials; and for other purposes.

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

1 Section 1. Title 54 of the Code of the Federated States of
2 Micronesia is hereby further amended by adding a new section 157 to
3 read as follows:

4 "Section 157. Summons.

5 (1) For the purposes described under sections 151 and
6 804 of this title, the Secretary shall be authorized to
7 summon the person or persons liable for tax under this
8 title to appear before the Secretary or his designee and at
9 such appearance to produce such documents and to give such
10 testimony as specified in the summons.

11 (2) The provisions of subsection (1) of this section
12 shall also apply to any officer or employee or agent of
13 such person or persons described in subsection (1) of this
14 section, or any third party having possession, custody, or
15 care of books of accounts relating to the business of the
16 person or persons liable for tax under this title."

17 Section 2. Title 54 of the Code of the Federated States of
18 Micronesia is hereby further amended by adding a new section 205 to
19 read as follows:

20 "Section 205. Inspection of cargo and other imports.

21 (1) Shipments of cargo and other imports arriving in
22 the Federated States of Micronesia by seagoing vessel,

1 aircraft or through the postal system may be subjected to
2 physical inspection for the purpose of enforcing the
3 provisions of section 201 of this chapter. Shipments
4 include, but are not limited to, containers, packages,
5 baggage, luggage and parcels contained in other forms of
6 packaging.

7 (2) Consignees of CY-CY container shipments or
8 similar shipments which are delivered to a final
9 destination other than the dock shall notify the Division
10 of Customs of the delivery of the shipment and shall not
11 open the shipment without the approval of an official of
12 the Division of Customs. Division of Customs officials
13 shall be granted access to any CY-CY shipments or similar
14 shipments at the importer's premises for purposes of this
15 subsection.

16 (3) Officials of the Division of Customs of the
17 Department of Finance may perform physical checks of all
18 containerized items against the invoice provided by the
19 importer."

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

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Bailey Olter
President
Federated States of Micronesia

