

AN ACT

To amend title 54 of the Code of the Federated States of Micronesia by amending section 201 for the purpose of levying an ad valorem import tax on the importation of laundry bar soap for resale, and for other purposes.

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

1 Section 1. Section 201 of title 54 of the Code of the Federated
2 States of Micronesia is hereby amended to read as follows:

3 "Section 201. Import taxes - Levy and rates. The following
4 import taxes are hereby levied on all products specified
5 herein which are imported into the Federated States of
6 Micronesia for resale except that the taxes levied under
7 subsections (1), (2), (5), (6), and (7) of this section shall
8 apply to products which are imported into the Federated
9 States of Micronesia for personal use and consumption as
10 well as for resale:

11 (1) cigarettes, at the rate of seven cents per every
12 twenty cigarettes, except that any person may bring into any
13 State of the Federated States of Micronesia up to one carton
14 or two hundred cigarettes per trip tax-free, if such
15 cigarettes are for that person's use and consumption and not
16 for resale;

17 (2) tobacco, other than cigarettes, at the rate of
18 fifty percent ad valorem, except that any person may bring
19 into any State of the Federated States of Micronesia up to
20 one pound of tobacco or twenty cigars per trip tax-free, if
21 such tobacco products are for that person's use and consump-
22 tion and not for resale;



1 (3) perfumery, cosmetics, and toiletries, including
2 cologne and other toilet waters, articles of perfumery,
3 whether in sachets or otherwise, and all preparations used
4 as applications to the hair or skin, lipsticks, pomades,
5 powders, and other toilet preparations not having medicinal
6 properties, at the rate of twenty-five percent ad valorem;

7 (4) soft drinks and nonalcoholic beverages, at the rate
8 of two cents on each twelve fluid ounces or fractional part
9 thereof;

10 (5) beer and malt beverages, at the rate of four cents
11 per can or bottle of twelve fluid ounces or fractional part
12 thereof;

13 (6) distilled alcoholic beverages, at the rate of seven
14 dollars per wine gallon, except that any person permitted by
15 applicable State law to possess, consume, and use distilled
16 alcoholic beverages, may bring into such State of the
17 Federated States tax free, an amount of liquor not to exceed
18 two-fifths of a wine gallon per trip, if such liquor is for
19 his personal use and consumption and not for resale;

20 (7) wine, at the rate of two dollars per wine gallon,
21 except that this tax shall not apply to any religious
22 organization which is importing or receiving into the
23 Federated States sacramental wine for use in the religious
24 rites of such organization;

25 (8) foodstuffs for human consumption, at the rate of

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1 one percent ad valorem;

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

4 (10) Laundry bar soap, at the rate of one hundred
5 percent ad valorem; and

6 (11) all other imported products, except those specified
7 above, at the rate of three percent ad valorem."

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

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September 8, 1988

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John R. Hagielgam
President
Federated States of Micronesia

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