



*The President*  
Palikir, Pohnpei  
Federated States of Micronesia

PRESIDENTIAL COMM. NO. 21-42  
FSM CONGRESS

July 07, 2019

The Honorable Wesley W. Simina  
Speaker  
Twenty-First Congress of the  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941

Dear Speaker Simina:

I am pleased to transmit the following Act, which I have signed to become Public Law No. 21-09:

Congressional Act No. 21-03, entitled: "AN ACT TO AMEND SECTION 321 OF TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED) TO ESTABLISH THREE CORPORATE INCOME TAX RATES FOR DIFFERENT LEVELS OF TAXABLE INCOME, AND FOR OTHER PURPOSES."

Thank you.

Sincerely,

David W. Panuelo  
President

Xc: Chief Justice, FSM Supreme Court





Office of the Chief Clerk

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

P.O. Box PS 3

Palikir, Sokehs Pohnpei State, FM 96941

Tel: (691) 320-2324 / 2338 Fax: (691) 320-5122

PRESIDENTIAL COMM. NO. 21-42  
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RECEIVED

JUN 15 2019

Office of the  
President FSM

12:28

June 15, 2019

His Excellency David W. Panuelo  
President  
Federated States of Micronesia  
Palikir, Pohnpei FM 96941

Dear President Panuelo:

I have the honor to transmit herewith Congressional Act No. 21-03, "AN ACT TO AMEND SECTION 321 OF TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED) TO ESTABLISH THREE CORPORATE INCOME TAX RATES FOR DIFFERENT LEVELS OF TAXABLE INCOME, AND FOR OTHER PURPOSES.", which was passed by the Twenty-First Congress of the Federated States of Micronesia, First Special Session, 2019, by a two-thirds vote of all the State delegations as required and as duly certified.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk, Congress of the  
Federated States of Micronesia

Enclosures



PRESIDENTIAL COMM. NO. 21-42  
FSM CONGRESS  
TWENTY-FIRST CONGRESS OF THE  
FEDERATED STATES OF MICRONESIA  
FIRST SPECIAL SESSION  
JUNE 13 - 17, 2019

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## An Act

TO AMEND SECTION 321 OF TITLE 54 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED) TO ESTABLISH THREE CORPORATE INCOME TAX RATES FOR DIFFERENT LEVELS OF TAXABLE INCOME, AND FOR OTHER PURPOSES.

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INTRODUCED BY SENATOR: WESLEY W. SIMINA

DATE: MAY 20, 2019

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REFERRED TO: COMMITTEE ON WAYS AND MEANS

WITHDRAWN – JUNE 13, 2019

FIRST READING: – JUNE 13, 2019

SECOND READING: – JUNE 14, 2019

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PUBLIC LAW No. 21-09

A handwritten signature in blue ink, which appears to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk, FSM Congress



Office of the Speaker

CONGRESS OF THE FEDERATED STATES OF MICRONESIA

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PRESIDENTIAL COMM. NO. \_\_\_\_\_  
FSM CONGRESS

21-42

ACT NO. 21-03

(CONGRESSIONAL BILL NO. 21-07)

We hereby certify that on June 14 the foregoing act passed Second and Final Reading of the Twenty-First Congress of the Federated States of Micronesia, First Special Session, 2019, by a two-thirds vote of all the State delegations as required under article IX, section 20, of the Constitution of the Federated States of Micronesia.

A handwritten signature in blue ink, appearing to read "Wesley W. Simina".

Wesley W. Simina  
Speaker  
Congress of the  
Federated States of Micronesia

A handwritten signature in blue ink, appearing to read "Liwiana Ramon Ioanis".

Liwiana Ramon Ioanis  
Chief Clerk  
Congress of the  
Federated States of Micronesia

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AN ACT

To amend section 321 of title 54 of the Code of the Federated States of Micronesia (Annotated) to establish three corporate income tax rates for different levels of taxable income, and for other purposes.

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

1           Section 1. Section 321 of title 54 of the Code of the  
2 Federated States of Micronesia (Annotated) is hereby amended to  
3 read as follows:

4                   "Section 321. Tax imposed. A tax is hereby imposed for  
5 each taxable year on the taxable income of every major  
6 corporation as follows:

7                   (1) For all major corporations' taxable year ending  
8 on or before March 30, 2011, 25.5% tax rate shall apply  
9 to the entire taxable year.

10                   (2) For all major corporations' taxable year ending  
11 on or after March 31, 2011, and on or before March 30,  
12 2020, 21% tax rate shall apply to the entire taxable  
13 year.

14                   (3) For all major corporations' taxable year ending  
15 on or after March 31, 2020, the following tax rates  
16 apply to the entire taxable year:

17                           (a) 21% on the first \$300,000,000 of taxable  
18 income;

19                           (b) 25% on taxable income greater than

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1           \$300,000,000 and less than \$500,000,000; and  
2                   (c) 30% on taxable income greater than  
3           \$500,000,000."

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

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July 5<sup>th</sup>, 2019



David W. Panuelo  
President  
Federated States of Micronesia

PUBLIC LAW No. 21-09