EIGHTH OLBIIL ERA KELULAU

First Regular Session, January 2009 Senate Bill No. 8-18

A BILL FOR AN ACT

To amend Title 40 PNC of the Palau National Code, to provide more realistic tax rates for export of fish from the Republic of Palau, and for other related purposes.

THE PEOPLE OF PALAU REPRESENTED IN THE OLBIIL ERA KELULAU DO ENACT AS FOLLOWS:

Section 1. Legislative Findings. The Olbiil Era Kelulau finds that the Republic of Palau's precious fisheries resources are not taxed at a rate at which export of fish can remain a sustainable revenue source for the country. Hence, it is appropriate to raise the rate of tax to a higher level, designed to bring in substantial revenues to the country, corresponding more closely to the value of the resource. The tax will only be imposed on fish exported for commercial purposes, and thus will not affect our off-island customs or supplies exported for personal consumption, rather than resale.

Section 2. Amendment. 40 PNC § 1406, as amended by RPPL 7-37, §21 is further amended to read as follows:

"§ 1406. Fish export tax.

(a) Every person exporting any species of tuna or billfish in any form whatsoever for commercial purposes shall be assessed a tax of ~~$0.35~~ $1.00 per kilogram of such tuna or billfish so exported.

(b) Except as set forth in subsection (a) above, every person exporting any species of ~~tuna or any species of billfish~~ fish in any form whatsoever for commercial purposes shall be assessed a tax of ~~$0.25~~ $0.50 per kilogram of such ~~tuna or bill~~ fish so exported. The Minister of ~~Administration~~ Finance shall issue a directive to implement this section, and shall promulgate such regulations and inspection procedures as are necessary to ensure the proper collection of this tax."

Section 3. Effective Date. This Act shall take effect 60 days after its signed by the President, or it otherwise becomes law without his signature.

Date: 1-29-09 Introduced By: /s/
Tommy E. Remengesau, Jr.
Senator