

TITLE 1: GOVERNMENT
DIVISION 2: EXECUTIVE BRANCH

§ 2572. Random Inspection of Establishments and Enforcement.

The Department of Finance, Division of Revenue and Taxation is hereby required to make periodic inspections of sales receipts in the CNMI and shall be governed by the following:

(a) The Department of Finance shall conduct random inspections of any Establishments during any normal business hours for the purpose of ensuring compliance with the rest of this section.

(b) Any person who is not provided with a sales receipt shall report such incident to the Division of Revenue and Taxation.

(c) Any business establishment reported pursuant to subsection (b) of this section shall be investigated and monitored by the Division of Revenue and Taxation. Monitoring of the business establishment may include but not limited to placing a temporary monitoring device for purposes of determining an accurate daily sales.

(d) The Department of Finance shall train and certify employees of the Department of Commerce to assist in enforcing the provisions of this section.

Source: PL 18-27 § 2 (Oct. 30, 2013), modified.

Commission Comment: PL 18-27 (Oct. 30, 2013) was modified by removing a “ ’s ” in subsection (a) pursuant to 1 CMC § 3806(g), and “section” was substituted for “Act” in subsections (a), (c), and (d) pursuant to § 3806(d). PL 18-27 contained, in addition to savings and severability clauses, the following:

Section 1. Findings. The Legislature finds that since the enactment of the “Sales Receipt Act of 2002”, the CNMI government needs to establish additional control mechanisms to further ensure that sales transactions producing gross revenue are accurately reported for tax revenue purposes.

The Legislature further finds that, unfortunately, some people and businesses continue to habitually under-report their revenue receipts by failing to properly account for daily sales transactions. Under-reporting deprives the CNMI government of much needed revenue and gives an unlawful competitive edge to tax violators.