

TITLE 4: ECONOMIC RESOURCES
DIVISION 1: REVENUE AND TAXATION

§ 1603. FSC License.

In order to qualify for the tax exemptions of 4 CMC § 1602(b), an FSC shall first obtain a license from the Secretary of Finance. The FSC license shall be issued upon application by the FSC and payment of the annual license fee of \$500. The initial application to the secretary shall be accompanied by:

(a) A copy of its articles of incorporation and bylaws (A license shall not be delayed to a newly-organized FSC, not yet chartered, if its articles have been filed with the Registrar of Corporations).

(b) A copy of its most recent election under the United States Internal Revenue Code of 1986, as amended, to be treated as an FSC and, if applicable, to be treated as a small FSC; or if the applicant has not yet made an election it shall pledge to furnish the secretary a copy of its election within 90 days after making the election.

(c) Information identifying its resident director and the location of its Commonwealth office.

The FSC license shall be renewed upon application and payment of the annual license fee. The FSC license may be revoked or suspended in accordance with the procedures of 4 CMC § 1605.

No other business license shall be required of an FSC license holder if the activities undertaken by the licensee or its agents in the Commonwealth are related to the earning of foreign trade income. An FSC shall be required to obtain business licenses for conducting activities not related to earning foreign trade income and to pay all applicable taxes in the same manner as any other corporation doing business in the Commonwealth.

Source: PL 9-22, § 1 (§ 1603) (repealing PL 3-11, § 603).

Commission Comment: With respect to the reference to the “Secretary of Finance,” see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001. See also the comment to 4 CMC § 1601.