

RALPH DLG. TORRES
Governor



ARNOLD I. PALACIOS
Lieutenant Governor

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR

05 FEB 2021

The Honorable Edmund S. Villagomez
Speaker, House of Representatives
Twenty-Second Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

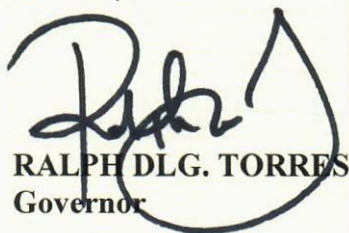
The Honorable Jude U. Hofschneider
Senate President, The Senate
Twenty-Second Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Mr. Speaker and Mr. President:

This is to inform you that I have signed into law **House Bill No. 21-104, HS1, SD1, CCS1** entitled, "To reduce the thirty-day period within which to pay the excise tax in respect to dutiable goods requiring Customs inspection and clearance to be paid upon clearing Customs.," which was passed by the House of Representatives and the Senate of the Twenty-First Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 21-42**. Copies bearing my signature are forwarded for your reference.

Sincerely,



RALPH DLG. TORRES
Governor

cc: Lt. Governor; Press Secretary; Secretary of Finance; Division of Customs; Law Revision Commission; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review



House of Representatives

TWENTY-FIRST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
P.O. Box 500586
SAIPAN, MP 96950

December 29, 2020

The Honorable Ralph DLG. Torres
Governor
Commonwealth of the Northern
Mariana Islands
Capitol Hill
Saipan, MP 96950

Dear Governor Torres:

I have the honor of transmitting herewith for your action **H. B. No. 21-104, HS1, SD1, CCS1**, entitled: "To reduce the thirty-day period within which to pay the excise tax in respect to dutiable goods requiring Customs inspection and clearance to be paid upon clearing Customs.", which was passed by the House of Representatives and the Senate of the Twenty-First Northern Marianas Commonwealth Legislature.

Sincerely yours,


Linda B. Muña
House Clerk

Attachment



Twenty-First Legislature
of the
Commonwealth of the Northern Mariana Islands
IN THE HOUSE OF REPRESENTATIVES

THIRD REGULAR SESSION

FEBRUARY 7, 2020

REPRESENTATIVE JOHN PAUL P. SABLAN of Saipan, Precinct 2 (*for himself*), in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

H. B. No. 21-104, HS1, SD1, CCS1

AN ACT

TO REDUCE THE THIRTY-DAY PERIOD WITHIN WHICH TO PAY THE EXCISE TAX IN RESPECT TO DUTIABLE GOODS REQUIRING CUSTOMS INSPECTION AND CLEARANCE TO BE PAID UPON CLEARING CUSTOMS.

The Bill was not referred to a House Committee.

THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON FIRST AND FINAL READING, FEBRUARY 12, 2020;
with amendments in the form of H. B. No. 21-104, HS1 and transmitted to the
THE SENATE.

The Bill was referred to the Senate Committee on Fiscal Affairs, which submitted Standing Committee Report 21-87; adopted 4/21/2020.

THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, APRIL 21, 2020;
with amendments in the form of H. B. No. 21-104, HS1, SD1 and was returned to
THE HOUSE OF REPRESENTATIVES ON APRIL 22, 2020.

The House of Representatives rejected the Senate amendments and the Bill was sent to Conference, which submitted Conference Committee Report 21-2.

THE BILL WAS FINALLY PASSED ON DECEMBER 10, 2020.



Linda B. Muña, House Clerk



Twenty-First Legislature
of the
Commonwealth of the Northern Mariana Islands
IN THE HOUSE OF REPRESENTATIVES

EIGHTH DAY, FOURTH REGULAR SESSION

DECEMBER 10, 2020

H. B. No. 21-104, HS1, SD1, CCS1

AN ACT

TO REDUCE THE THIRTY-DAY PERIOD WITHIN WHICH TO PAY THE EXCISE TAX IN RESPECT TO DUTIABLE GOODS REQUIRING CUSTOMS INSPECTION AND CLEARANCE TO BE PAID UPON CLEARING CUSTOMS; AND FOR OTHER PURPOSES.

BE IT ENACTED BY THE TWENTY-FIRST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1 **SECTION 1. FINDINGS.**

2 The current law allows taxpayers to pay the excise tax within 30 days after entry of the
3 goods subject to the tax. The proposed bill will require taxpayers to pay the excise tax upon
4 clearing Customs. By requiring payment of the excise tax to be paid upon clearing customs,
5 the credit risk associated with the nonpayment of the excise tax will be minimized.

6 **SECTION 2. AMENDMENT.**

7 4 CMC Sec. 1407 (a) and (b) is amended as follows:

8 “(a) *Generally.* Except as provided in subsection (b) of this section, all taxes
9 required by this chapter shall be paid within 30 calendar days after the first sale, use,

HOUSE BILL 21-104, HS1, SD1, CCS1

1 completion of manufacture, lease or rental in the Commonwealth of goods,
2 commodities, resources, or merchandise subject to excise tax.

3 (b) *Customs Inspection and Clearance Required.* In the case of those goods,
4 commodities, resources, or merchandise whose first use in the Commonwealth requires
5 customs inspection and clearance, payment shall be made upon clearing Customs. Such
6 goods, commodities, resources, or merchandise may be released prior to payment of
7 excise tax and upon the submission of the bill of lading and/or manifest or invoice or
8 any other form prescribed by the secretary. Where the actual amount of tax cannot be
9 determined upon clearing Customs, an estimated tax shall be paid, subject to later
10 adjustment. For good cause, the Director of Customs or his/her designee in the First,
11 Second and Third Senatorial Districts, shall allow the excise tax to be paid after
12 clearance. Prior to implementation of this section, the Division of Customs shall
13 promulgate regulations, to include but not be limited to those, that provide minimum
14 deferred payment grace periods of 30 days and 15 days, respectively, for post-clearance
15 payments for qualified low risk importers. However, firearms may not be released until
16 complete payment of all taxes due and owing is made, and upon a showing that the
17 firearm has been properly registered and that the owner has a valid Weapons
18 Identification Card or Firearms Identification Card.”

19 **SECTION 3. SEVERABILITY.**

20 If any provisions of this Act or the application of any such provision to any person or
21 circumstance should be held invalid by a court of competent jurisdiction, the remainder of this
22 Act or the application of its provisions to persons or circumstances other than those to which
23 it is held invalid shall not be affected thereby.

24 **SECTION 4. SAVINGS CLAUSE.**

25 This Act and any repealer contained herein shall not be construed as affecting any
26 existing right acquired under contract or acquired under statutes repealed or under any rule,
27 regulation, or order adopted under the statutes. Repealers contained in this Act shall not affect
28 any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not

HOUSE BILL 21-104, HS1, SD1, CCS1

1 have the effect of terminating, or in any way modifying, any liability, civil or criminal, which
2 shall already be in existence on the date this Act becomes effective.

3 **SECTION 5. EFFECTIVE DATE.**

4 This Act and the amendment set forth in Section 2 shall take effect ninety (90) days
5 after this bill is enacted by the approval of the Governor or its becoming law without such
6 approval.

Attested to by:



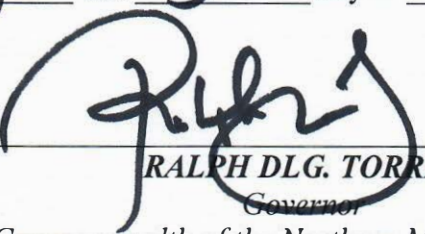
Linda B. Muña, House Clerk

Certified by:



SPEAKER BLAS JONATHAN "BJ" T. ATTAO
House of Representatives
21st Northern Marianas Commonwealth Legislature

Approval this 5th day of February, 2020



RALPH DLG. TORRES
Governor
Commonwealth of the Northern Mariana Islands