

**TITLE 32**  
**BUSINESS REGULATION**

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**CHAPTER 1**  
**Business Licensing**

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**§ 101. Business license required—Generally.**

(1) Any person, partnership, corporation, or association engaging in the business of importing, exporting, selling of securities, or insurance, as a condition precedent to engaging or continuing in such business, shall obtain from the Secretary of Resources and Development a license to engage in or conduct such business.

(2) Prior consultation with the Secretary of Finance by the Secretary of Resources and Development shall be required prior to issuance of licenses to businesses engaged in selling of securities or importing.

**Source:** TT Code 1966 § 1144; COM PL 3-32 § 1(part); TT Code 1970, 77 TTC 1; TT Code 1980, 77 TTC 1; PL 1-67 § 1(1).

**Cross-reference:** For the statutory provisions on licensing of the copra trade, see title 27, chapter 3 of this code. For the statutory provisions on the President and the Executive, see title 2 of this code.

**§ 102. Terms and conditions of licenses.**

Licenses issued under this chapter shall not be transferable and shall be valid on the basis of a fiscal year period (October 1st to September 30th) and, regardless of when issued, shall expire on the 30th day of September of the year for which issued or renewed; provided, that all original license fees shall be prorated and one-fourth of the annual fee charged for each quarter or portion of a quarter remaining in the fiscal year from the date of issuance.

**Source:** COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 2; TT Code 1980, 77 TTC 2; PL 1-67 § 1(2).

**§ 103. License fees.**

The following annual fees shall be paid for the respective license at time of issuance and on or before the 30th

day of September of each year, except as otherwise provided for in section 102 of this chapter:

- (1) importer, \$100 per annum;
- (2) exporter, \$10 per annum;
- (3) securities dealers, \$250 per annum;
- (4) insurance companies, \$1,000 per annum;
- (5) insurance brokers, \$200 per annum;
- (6) insurance agents, \$100 per annum.

**Source:** TT Code 1966 § 1144; COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 3; TT Code 1980, 77 TTC 3; PL 1-67 § 1(3).

#### **§ 104. Licenses for combination of businesses.**

Any person, partnership, corporation, or association who operates or conducts business in the Federated States of Micronesia which consists of a combination of two or more of the classes of businesses outlined in this chapter shall obtain a separate license for each such class of business.

**Source:** COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 4; TT Code 1980, 77 TTC 4; PL 1-67 § 1(4).

#### **§ 105. License renewal.**

A licensee may renew his license upon the expiration thereof by the payment of the annual license fee.

**Source:** COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 5; TT Code 1980, 77 TTC 5.

#### **§ 106. License revocation or suspension.**

The Secretary of Resources and Development with the approval of the Attorney General may revoke or suspend any license issued under this chapter, upon finding, after public notice and adequate hearing, that such revocation or suspension is in the public interest.

**Source:** TT Code 1966 § 1144; COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 6 (part); TT Code 1980, 77 TTC 6 (part); PL 1-67 § 6 (part).

**Cross-reference:** The statutory provisions on the President and the Executive are found in title 2 of this code.

**§ 107. License—Judicial review of revocation or suspension.**

(1) Any person aggrieved by any such decision of the Secretary of Resources and Development shall be entitled to a review of the same by a competent court upon written appeal made within 30 days from the date the decision is issued.

(2) Upon review, the findings of the Secretary of Resources and Development, if supported by substantial evidence, shall be conclusive.

(3) The filing of an appeal shall not stay the order of revocation or suspension, unless irreparable damage is alleged.

**Source:** TT Code 1966 § 1144; COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 6 (part); TT Code 1980, 77 TTC 6 (part); PL 1-67 § 6 (part).

**Cross-reference:** The statutory provisions on the President and the Executive are found in title 2 of this code. The statutory provisions on the FSM Supreme Court are found in title 4 of this code.

**§ 108. Prepayment of license fees; Revocation of license for failure to pay fees.**

(1) The prepayment of any license fee imposed or authorized under this chapter or under any district law may be made a condition of the issuance of the license.

(2) If the licensing authority issued the license without prepayment of the fee, the license may be revoked by the licensing authority at any time if the fee is not paid within such time as the licensing authority shall fix.

**Source:** TT Code 1966 § 1147(b); COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 153; TT Code 1980, 77 TTC 153.

**§ 109. Willful violation of revenue laws.**

Any person who willfully violates any of the provisions of this chapter, or any license, rule, or regulation issued thereunder, shall upon conviction be imprisoned for a period of not more than one year, or fined not more than \$500, or both.

**Source:** COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 201; TT Code 1980, 77 TTC 201.

**§ 110. Monthly penalty upon unpaid fees.**

In case of failure to pay any tax, fee, or charge levied or imposed under this chapter when due, there shall be added to the amount due ten percent of the amount of such tax, fee, or charge if the failure is not for more than one

month, with an additional ten percent for each additional month or fraction thereof during which such failure continues, not exceeding 100 percent in the aggregate.

**Source:** COM PL 3-32 § 1 (part); TT Code 1970, 77 TTC 202; TT Code 1980, 77 TTC 202.