

**TITLE 3: HUMAN RESOURCES**  
**DIVISION 3: SOCIAL SECURITY ACT**

**§ 3505. Contributions Payable by Self-Employed Persons.**

(a) Prior to the first taxable year beginning after December 31, 1980, there is hereby imposed on the wages of every self-employed person a tax, in lieu of the taxes imposed by 3 CMC §§ 3501 and 3502, equal to the following percentages of such wages as accrued to such person with respect to self-employment subject to this division:

(1) With respect to such wages so accrued from July 1, 1977, through December 31, 1977, the rate shall be four percent;

(2) With respect to such wages so accrued from January 1, 1978, through December 31, 1978, the rate shall be 5.1 percent;

(3) With respect to such wages so accrued from January 1, 1979, through December 31, 1979, the rate shall be 6.2 percent; and

(4) With respect to such wages so accrued after December 31, 1979, and before the first taxable year with respect to which subsection (b)(1) of this section is applicable to such person, the rate shall be 7.3 percent.

(b) (1) For the taxable year to which an election pursuant to subsection (b)(2) of this section first applies, and for each succeeding taxable year, there is hereby imposed on the self-employment income of every individual who has made such election a tax equal to 7.3 percent of such self-employment income for such taxable year.

(2) After December 31, 1980, any person subject to the tax imposed by subsection (a)(4) of this section may, in lieu of such tax, elect instead to file and pay tax on his self-employment income pursuant to subsection (b)(1) of this section. Such election shall be made not later than the fifteenth day after the end of the calendar quarter following the close of the first taxable year for which such election is to be applicable. Such election shall be irrevocable.

(3) The provisions of Section 6015 [26 U.S.C. § 6015] of the United States Internal Revenue Code of 1954 shall apply to the tax imposed by subsection (b)(1) of this section, except that payments made pursuant to subsection (a)(4) of this section prior to making an election pursuant to subsection (b)(2) of this section shall be deemed to be payments of estimated tax under such provisions and no penalty shall be imposed if such payments are less than those required by such provisions.

(c) Beginning with the first taxable year for which the taxes imposed by the income tax laws of the United States are collected in the Northern Mariana Islands pursuant to Covenant § 601(a), there is hereby imposed on the self-employment income of every individual a tax equal to the following percentages of such income for such taxable year.

(1) For taxable years beginning after December 31, 1984, the tax shall be equal to 7.3 percent of the amount of the self-employment income for the taxable year.

**Source:** DL 5-25, § 8; amended by PL 2-6, § 7; PL 4-27, § 10.