



# COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

**Eloy S. Inos**  
Governor

**Jude U. Hofschneider**  
Lieutenant Governor

130 OCT 2013

Honorable Joseph P. Deleon Guerrero  
Speaker, House of Representatives  
Eighteenth Northern Marianas  
Commonwealth Legislature  
Saipan, MP 96950

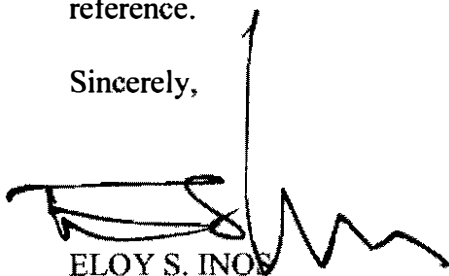
Honorable Ralph DLG. Torres  
Senate President, The Senate  
Eighteenth Northern Marianas  
Commonwealth Legislature  
Saipan, MP 96950

Dear Mr. Speaker and Mr. President:

This is to inform you that I have signed into law House Bill No. 18-44, HD1, entitled, "To require the Department of Finance, Division of Revenue and Taxation's to make periodic inspections of sales receipts in the CNMI; and for other purposes," which was passed by the House of Representatives and the Senate of the Eighteenth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 18-27**. Copies bearing my signature are forwarded for your reference.

Sincerely,



ELOY S. INOS

cc: Lt. Governor; Lt. Governor's Legal Counsel; Attorney General's Office; Press Secretary; Department of Finance; Special Assistant for Administration; Special Assistant for Programs and Legislative Review



# *House of Representatives*

18<sup>th</sup> NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

P.O. BOX 500586  
SAIPAN, MP 96950

October 2, 2013

The Honorable Eloy S. Inos  
Governor  
Commonwealth of the Northern  
Mariana Islands  
Capitol Hill  
Saipan, MP 96950

Dear Governor Inos:

I have the honor of transmitting herewith for your action **H. B. No. 18-44, HD1**, entitled: "To require the Department of Finance, Division of Revenue and Taxation's to make periodic inspections of sales receipts in the CNMI; and for other purposes.", which was passed by the House of Representatives and the Senate of the Eighteenth Northern Marianas Commonwealth Legislature.

Sincerely yours,

A handwritten signature in black ink, appearing to be "L. Muña".

Linda B. Muña

House Clerk

Attachment



*Eighteenth Legislature  
of the  
Commonwealth of the Northern Mariana Islands*  
**IN THE HOUSE OF REPRESENTATIVES**

**First Special Session**

**April 18, 2013**

Representative Ralph N. Yumul, of Saipan, Precinct 3 (*for himself*, Representative John Paul P. Sablan) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

**H. B. No. 18-44**

**AN ACT**

**TO REQUIRE THE DEPARTMENT OF FINANCE, DIVISION OF  
REVENUE AND TAXATION'S TO MAKE PERIODIC  
INSPECTIONS OF SALES RECEIPTS IN THE CNMI; AND FOR  
OTHER PURPOSES.**

The Bill was referred to the House Committee on Ways and Means, which submitted Standing Committee Report 18-30, adopted on June 21, 2013.

**THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON  
FIRST AND FINAL READING, JUNE 21, 2013;**  
*with amendments* in the form of H. B. 18-44, HD1 and transmitted to the  
**THE SENATE.**

The Bill was referred to the Senate Committee on Fiscal Affairs.  
**THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, SEPTEMBER 23, 2013;**  
*without amendments* and returned to  
**THE HOUSE OF REPRESENTATIVES.**

**THE BILL WAS FINALLY PASSED ON JUNE 21, 2013.**

A handwritten signature in black ink, appearing to be "L. Muña", written over a horizontal line.

**Linda B. Muña, House Clerk**



*Eighteenth Legislature  
of the  
Commonwealth of the Northern Mariana Islands*  
**IN THE HOUSE OF REPRESENTATIVES**

**FIRST DAY, FIFTH SPECIAL SESSION**

**JUNE 21, 2013**

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**H. B. 18-44, HD1**

**AN ACT**

**TO REQUIRE THE DEPARTMENT OF FINANCE, DIVISION OF  
REVENUE AND TAXATION'S TO MAKE PERIODIC INSPECTIONS  
OF SALES RECEIPTS IN THE CNMI; AND FOR OTHER PURPOSES.**

**Be it enacted by the Eighteenth Northern Marianas Commonwealth  
Legislature:**

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

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

9           **Section 2. Enactment.** Subject to proper codification by the CNMI Law Revision  
10          the following new provision is hereby enacted:

**HOUSE BILL 18-44, HD1**

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“101. Random Inspection of Establishments and Enforcement.

The Department of Finance, Division of Revenue and Taxation’s 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 Act.

(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 act 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 Act.”

**Section 3. Severability.** If any provisions of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

**Section 4. Savings Clause.** This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes

**HOUSE BILL 18-44, HD1**

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1 repealed or under any rule, regulation, or order adopted under the statutes. Repealers  
2 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.  
3 The enactment of the Act shall not have the effect of terminating, or in any way modifying,  
4 any liability, civil or criminal, which shall already be in existence on the date this Act  
5 becomes effective.


**HOUSE BILL 18-44, HD1**

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**Section 5. Effective Date.** This Act shall take effect upon its approval by the Governor, or its becoming law without such approval.

Attested to by:   
**Linda B. Muña, House Clerk**

Certified by:   
**ACTING SPEAKER FRANCISCO S. DELA CRUZ**  
House of Representatives  
18<sup>th</sup> Northern Marianas Commonwealth Legislature

~~Approved~~ this 30<sup>TH</sup> day of OCTOBER, 2013  
  
**ELOY S. INOS**  
Governor  
Commonwealth of the Northern Mariana Islands