

AN ACT

To further amend Title 41, as amended by RPPL 9-35, to specify that a self-employed person with no employees is presumed to receive in any quarter, as remuneration, ten percent of that person's gross revenue in the current calendar year, rather than the preceding calendar year; and for other related purposes.

THE PEOPLE OF PALAU REPRESENTED IN THE OLBIIIL ERA KELULAU DO ENACT AS FOLLOWS:

1 Section 1. Legislative findings.

2 The Olbiil Era Kelulau finds that it is difficult for a business owner to report his
3 own income with a delay of one year. The process would be simplified if business
4 owners were directed to report quarterly on income from the current calendar year,
5 rather than from the previous calendar year. As such, the Olbiil Era Kelulau finds it
6 necessary to further amend Title 41, as amended by RPPL 9-35, to specify that
7 reporting for self-employed individuals shall be on earnings in the current calendar
8 year, rather than those in the preceding calendar year.

9 Section 2. Amendment. Title 41 of the Palau National Code, as amended by
10 RPPL 9-35, is further amended to read as follows:

11 "§ 741. Self-employed persons.

12 (a) . . .

13 . . .

14 (c) A self-employed person who has, in a given quarter, no employee who
15 receives remuneration from him, shall be presumed to receive in any quarter, as
16 remuneration, ten percent (10%) of the self-employed person's gross revenue in the
17 current calendar year. However, if the self-employed person has reached retirement
18 age under Section 753, the self-employed person is exempt from contributions under
19 this subsection.

20 Section 3. Effective date.

21 This Act shall take effect upon its approval by the President of the Republic of
22 Palau, or upon its becoming law without such approval.

Approved this 9th day of MAY, 2017.


HE ~~Tommy~~ E. Remengesau, Jr.
President
Republic of Palau