

THE THIRTY-SECOND LEGISLATURE

First Regular Session

Begun and held at Fagatogo, Tutuila, American Samoa  
on Monday, the tenth day of January  
two thousand and eleven

AN ACT INCREASING THE REVENUES OF THE AMERICAN SAMOA GOVERNMENT BY CREATING AND INSTITUTING A TWO PERCENT WAGE TAX ON ALL WAGES EARNED IN THE TERRITORY AND CREATING A SECTION 11.0606 A.S.C.A.

Preamble:

The American Samoa Government is experiencing a shortfall in revenue for Fiscal Year 2011. The Department of Treasury estimates that ASG is incurring a deficit at the rate of approximately \$600,000 on payroll and recurring obligations from month to month. The great majority of revenue streams for the Territory are down as compared to the same period in fiscal year 2010.

Federal legislation was enacted whereby the U.S. Government lowered the amount of Social Security tax on all wages, from 6.2% to 4.2%. This decrease in federal tax is to be calculated on wages earned beginning on January 1, 2011.

In order to increase lagging revenues and provide sufficient funds in order to fund government operations, this Act is submitted for legislative review and approval.

Due to the urgent need to provide revenues to fill in projected shortfalls in funding for Fiscal Year 2011, this bill shall be effective upon passage by the Legislature and approval by the Governor.

BE IT ENACTED BY THE LEGISLATURE OF AMERICAN SAMOA:

**Section 1. There is created a section 11.0606 which reads:**

**“11.0606 Wage tax.**

**(a) All wages earned in the Territory shall be taxed at the rate of two percent (2%). This tax is in addition to American Samoa’s income tax as set forth in Chapters 4 and 5 of this Title.**

**(b) This tax shall be paid by the wage earner and reported on the wage earner’s tax return.**

**(c) Employers shall immediately increase the minimum withholding for all employees from 4% to 6%.**

(d) This wage tax shall be effective as of January 1, 2011. Revenue generated from this wage tax shall be deposited in the general fund and shall not be subject to earmark pursuant to section 11.0605.”


Sec 2. Sunset provision.

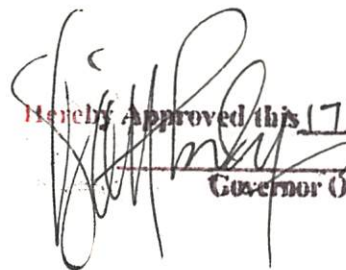
This wage tax shall expire on January 1, 2012.

Sec 3. Effective date.

Due to the urgent need to provide revenues to fill in projected shortfalls in funding for Fiscal Year 2011, this bill shall be effective upon passage by the Legislature and approval by the Governor.

  
GAOTEOTE PALAIE TOFAU  
President of the Senate

  
SAVALI TALAVOU ALE  
Speaker, House of Representatives

  
Hereby Approved this 17<sup>th</sup> day of March 2011  
Governor Of American Samoa

NOFOAIGA TOLUSEFULU-LUA

FONO TELE MUAMUA

Nofoia ma usua i Fagatogo, Tutuila, Amerika Samoa  
Aso Gafua, aso sefulu o Ianuari  
lua afe sefulu tasi

O SE TULAFONO E FAAOPOPO AI TUPEMAUA A LE MALO O AMERIKA SAMOA E ALA I LE FAAVAEINA O SE LAFOGA 2% I TOTOGI UMA LAVA E MAUA I LE TERITORI MA FAAVAE AI SE MAGA 11.0606 T.T.A.S.”

Faatomuaga:

O loo ua feagai nei le Malo o Amerika Samoa ma le tulaga faaletonu o ana tupemaua mo le Tausaga Tupe 2011. E fuafua e le Matagaluega o le Tupe pe a ma le \$600,000 e mumu ai le Malo mai lea masina i lea masina e ala i totogi o tagata faigaluega atoa ai ma isi pili tutupu pea. O le tele o alatupe a le Teritori ua i lalo e faatusatusa atu i le vaitaimi lava leni i le tausaga tupe 2010.

Na pasia se tulafono a le Malo tele e faapa'u ai e le Malo o le Iunaita Setete le lafoga o totogi uma mo le Saogalemu Fealoai mai le 6.2% i le 4.2%. O lea pa'u o le lafoga a le feterale e amata i totogi na maua ia Ianuari 1, 2011.

Ina ia si'isi'i ai i luga tupe-maua ma faatupuina ai le tamaoiga tau tupe e faatupeina ai fuafuaga a le malo, ua faauluina atu ai leni tulafono mo se iloiloga a le Fono ma faamaoniaina.

Talu ai le manaoga vave ina ia maua le tupe e faatumu ai le gaogao lea ua vaai atu i ai i le Tausaga Tupe 2011, o lea o le a amata aloa'ia ai leni pili i le taimi lava e pasia ai e le Fono ma faamaonia e le Kovana.

IA FAATULAFONOINA E LE FONOFAITULAFONO A AMERIKA SAMOA:

**Maga 1. Ua faavae nei se maga 11.0606 e faitauina faapea:**

**“11.0606 Lafoga o totogi.**

**(a) O totogi uma e maua i le Teritori o le a faalafogaina e 2 pasene (2%). O leni lafoga e faaopopo atu i le lafoga o tupemaua a Amerika Samoa e pei ona faatulaga ai i Mataupu 4 ma le 5 o leni Ulutala.**

**(e) O leni lafoga e totogiina e le tagata galue ma lipotia atu i lana lafoga.**

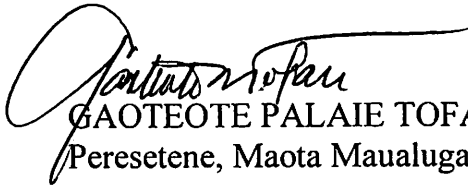
(i) O Pulegaluega uma o le a amata loa lava ona sii o le tupe e taofia mo le lafoga aupito maualalo mai le 4% i le 6%.

(o) O lenei lafoga o totogi e amata aloaia mai ia Ianuari 1, 2011. O tupe e maua mai le lafoga lea o totogi o le a teuina i totonu o le teugatupe tele a le malo ma e le noatia i se tupe faailogaina e tusa ai ma le maga 11.0605.”

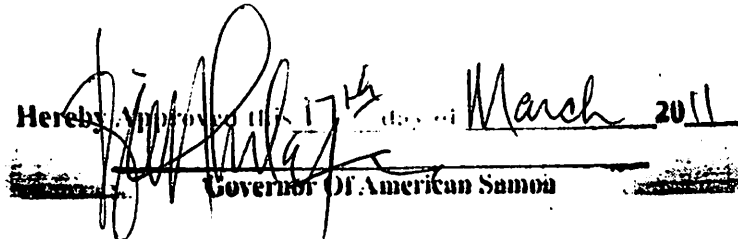
**Maga 2. Aiaiga mo le gagaifo o le la o lenei tulafono.  
O lenei lafoga o totogi e mae'a ia Ianuari 1, 2012.**

**Maga 3. Aso taualoa.**

**Talu ai le manaoga vave ina ia vave maua se tupe e faatumu ai le gaogao o le Tausaga Tupe 2011, o le a taualoa ai lenei pili i le taimi lava e pasia ai e le Fonofaitulafono ma faamaonia e le Kovana.**

  
GAOTEOTE PALAIE TOFAU  
Peresetene, Maota Maualuga

  
SAVALI TALAVOU ALE  
Fofoga Fetalai, Maota o Sui

Hereby Approved this 17<sup>th</sup> day of March 2011  
  
Governor Of American Samoa