

ENACT [sic]

Imposing an excise tax of Five Dollars (\$5.00) or three percent (3%) whichever is greater, on rental for each room of a hotel, lodging house or similar facility located in the State of Koror belonging to a foreign investor or not wholly owned by Palauan citizens, and for other purposes.

THE PEOPLE OF KOROR REPRESENTED IN THE LEGISLATURE OF THE STATE OF KOROR DO ENACT AS FOLLOWS:

SECTION 1. PURPOSE. The purpose of this Act is to impose excise taxes on rooms of hotels, lodging houses or similar facilities for the purpose of creating a general fund to assist a person or persons aspiring to further their knowledge on hotel business management and any the development of other tourist related activities.

SECTION 2. HOTEL ROOM TAX. An excise tax of \$5.00 or three percent (3%) on the daily rental, whichever is greater, is hereby levied which shall be assessed and collected monthly, on each room of a hotel, lodging house or similar facility located in the State of Koror except those businesses wholly owned by Palauan citizens. Every keeper of a hotel, lodging house or similar facility doing business in the State of Koror except those wholly owned by Palauan citizens shall pay to the Koror State' Executive Administrator on or before the 15th day of each month following the month a hotel room tax has become due, all hotel room taxes collected at the rate of \$5.00 per room.

SECTION 3. REPORT AND PAYMENT. The hotelkeeper shall indicate in the report the number of rooms a hotel has together with the payment of due taxes of the previous month, and transmit them to the Koror State Executive Administrator. The Koror State Executive Administrator or his designee shall be authorized to examine records of a hotel, lodging house or a similar facility whenever he has a reason to believe that the hotelkeeper is withholding information

pertaining to payment of hotel room taxes.

SECTION 4. EFFECTIVE DATE. This Act shall take effect on October 01, 1990 upon its approval by the House of Traditional Leaders of the State of Koror, or upon its becoming law without such approval.

PASSED ON: JULY 19, 1990

Certified by: _____ /s/ _____ Attested to by: _____ /s/ _____
Roman Yano Rena Iluches
Speaker Clerk

APPROVED THIS 30th DAY OF July 1990.

_____/s/_____
Ibedul Yutaka M. Gibbons
Paramount Chief
Koror, Republic of Palau