

TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_ Session, 2021

H. B. 22-27

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A BILL FOR AN ACT

To amend 4 CMC §1407(b) to remove the 15-day grace period and to provide the Division of Customs with the authority to promulgate and establish application fees for low-risk importer applicants; and for other purposes.

**BE IT ENACTED BY THE 22<sup>ND</sup> NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

1           **Section 1. Findings and Purpose.** The Legislature finds that prior to the  
2 enactment of Public Law 21-42, excise tax payments were allowed to be made  
3 within thirty days upon clearance from the customs inspection. However, pursuant  
4 to Public Law 21-42, the Division of Customs was given the authority to grant  
5 minimum deferred payment grace periods of thirty days and fifteen days,  
6 respectively, for post-clearance payments for qualified low-risk importers.  
7 Cognizant of the potential to qualify as a “low-risk importer”, many importers are  
8 applying or have applied to the Division of Customs hoping that they will be able  
9 to avail of such grace periods. Pursuant to such high demand, the Legislature finds  
10 that it would be extremely pertinent to provide the Division of Customs with the  
11 authority to assess fees for such applications. The funds realized and generated from  
12 such fees can be used to stimulate the CNMI’s economy and provide financial

1 cushion to our ailing situation. Furthermore, the Legislature finds that it would be  
2 appropriate to remove the “fifteen-day” grace period to provide for these qualified  
3 low-risk importers with ample time to pay the excise taxes that are due while giving  
4 them an opportunity to conduct their operations in an orderly manner.

5 Therefore, the purpose of this Act is to remove the 15-day grace period and  
6 to provide the Division of Customs with the authority to promulgate and establish  
7 application fees for low-risk importer applicants and for other purposes.

8 **Section 2. Amendment.** 4 CMC §1407(b) is hereby amended to read as  
9 follows:

10 “(b) Customs Inspection and Clearance Required. In the case of  
11 those goods, commodities, resources, or merchandise whose first sale or use  
12 in the Commonwealth requires customs inspection and clearance, payment  
13 shall be made upon clearing customs. Such goods, commodities, resources,  
14 or merchandise may be released prior to the payment of excise tax and upon  
15 the submission of the bill of lading and/or manifest or invoice or any other  
16 form prescribed by the secretary. Where the actual amount of tax cannot be  
17 determined upon clearing Customs, an estimated tax shall be paid, subject  
18 to later adjustment. For good cause, the Director of Customs or his/her  
19 designee ~~in the First, Second and Third Senatorial Districts,~~ shall allow the  
20 excise tax to be paid after clearance. Prior to the implementation of this  
21 section, the Division of Customs shall promulgate regulations, to include

1 but not limited to those that provide minimum deferred payment grace  
2 periods of 30 days ~~and 15 days, respectively,~~ for post-clearance payments  
3 for qualified for low-risk importers, establish application fees for low risk  
4 importer applicants, or are otherwise deemed necessary for the  
5 implementation of this section. However, firearms may not be released until  
6 complete payment of all taxes due and owed are is made, and upon a  
7 showing that the firearm has been properly registered and that the owner  
8 has a valid Weapons Identification Card or Firearms Identification Card.”

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


14 **Section 4. Savings Clause.** This Act and any repealer contained herein  
15 shall not be construed as affecting any existing right acquired under contract or  
16 acquired under statutes repealed or under any rule, regulation, or order adopted  
17 under the statutes. Repealers contained in this Act shall not affect any proceeding  
18 instituted under or pursuant to prior law. The enactment of the Act shall not have  
19 the effect of terminating, or in any way modifying, any liability, civil or criminal,  
20 which shall already be in existence on the date this Act becomes effective.



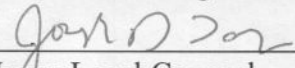
1           **Section 5. Effective Date.** This Act shall take effect upon its approval by  
2 the Governor, or its becoming law without such approval.

Prefiled: 3/4/2021

Date: 3/4/2021

Introduced by:   
Rep. John Paul P. Sablan

Reviewed for Legal Sufficiency by:

  
House Legal Counsel