

rior, for the purpose of establishing an organization which will maintain a satisfactory level of independent audit oversight of the government of American Samoa:

(1) The authority to audit all accounts pertaining to the revenue and receipts of the government of American Samoa, and of funds derived from bond issues, and the authority to audit, in accordance with law and administrative regulations, all expenditures of funds and property pertaining to the government of American Samoa including those pertaining to trust funds held by the government of American Samoa.

(2) The authority to report to the Secretary of the Interior and the Governor of American Samoa all failures to collect amounts due the government, and expenditures of funds or uses or property which are irregular or not pursuant to law.

**(c) Scope of authority transferred**

The authority granted in paragraph (b) shall extend to all activities of the government of American Samoa, and shall be in addition to the authority conferred upon the Inspector General by the Inspector General Act of 1978 (92 Stat. 1101), as amended.

**(d) Transfer of personnel, assets, etc., of office of government comptroller for American Samoa to Office of Inspector General, Department of the Interior**

In order to carry out the provisions of this section, the personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available, of the office of the government comptroller for American Samoa relating to its audit function are hereby transferred to the Office of Inspector General, Department of the Interior.

(Pub. L. 96-205, title V, § 501, as added Pub. L. 97-357, title IV, § 402, Oct. 19, 1982, 96 Stat. 1711; amended Pub. L. 105-362, title IX, § 901(o), Nov. 10, 1998, 112 Stat. 3291.)

REFERENCES IN TEXT

The Inspector General Act of 1978, referred to in subsec. (c), is Pub. L. 95-452, Oct. 12, 1978, 92 Stat. 1101, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

PRIOR PROVISIONS

A prior section 1668, Pub. L. 96-205, title V, § 501, Mar. 12, 1980, 94 Stat. 90, mandated payment of salary and expenses of the government comptroller for American Samoa from funds appropriated to the Department of the Interior, prior to repeal by Pub. L. 97-357, § 402.

AMENDMENTS

1998—Subsec. (a). Pub. L. 105-362 struck out “The Governor shall transmit the comprehensive annual financial report to the Inspector General of the Department of the Interior who shall audit it and report his findings to the Congress.” after “other information required by the Congress.” and “He shall also submit to the Congress, the Secretary of the Interior, and the cognizant Federal auditors a written statement of actions taken or contemplated on Federal audit recommendations within sixty days after the issuance date of the audit report.” after “under applicable Federal law.”

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in the 1st sentence of subsec. (a) of this section relating to the requirement that the Governor submit a comprehensive annual financial report to Congress, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 14th item on page 115 of House Document No. 103-7.

**§ 1669. Administration and enforcement of collection of customs duties; employment and training of residents**

The Secretary of the Treasury shall, upon the request of the Governor of American Samoa, administer and enforce the collection of all customs duties derived from American Samoa, without cost to the government of American Samoa. The Secretary of the Treasury, in consultation with the Governor of American Samoa, shall make every effort to employ and train the residents of American Samoa to carry out the provisions of this section. The administration and enforcement of this section shall commence October 1, 1980.

(Pub. L. 96-205, title V, § 502, Mar. 12, 1980, 94 Stat. 90.)

**§ 1670. Industrial development bonds**

**(a) Issuance**

The legislature of the government of American Samoa may cause to be issued after September 20, 1984, industrial development bonds (within the meaning of section 103(b)(2)<sup>1</sup> of title 26).

**(b) Exemption of all bonds from income taxation by State and local governments**

**(1) In general**

The interest on any bond or other obligation issued by or on behalf of the Government of American Samoa shall be exempt from taxation by the Government of American Samoa and the governments of any of the several States, the District of Columbia, any territory or possession of the United States, and any subdivision thereof.

**(2) Exemption applicable only to income taxes**

The exemption provided by paragraph (1) shall not apply to gift, estate, inheritance, legacy, succession, or other wealth transfer taxes.

**(c) Cross reference**

For exclusion of interest for purposes of Federal income taxation, see section 103 of title 26.

(Pub. L. 98-454, title II, § 202, Oct. 5, 1984, 98 Stat. 1733; Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095; Pub. L. 108-326, § 1(a), Oct. 16, 2004, 118 Stat. 1270.)

REFERENCES IN TEXT

Section 103, referred to in subsec. (a), which related to interest on certain governmental obligations was amended generally by Pub. L. 99-514, title XIII, § 1301(a), Oct. 22, 1986, 100 Stat. 2602, and as so amended relates to interest on State and local bonds. Section 103(b)(2), which prior to the general amendment defined industrial development bond, relates to the applicability of the interest exclusion to arbitrage bonds.

<sup>1</sup> See References in Text note below.

## AMENDMENTS

2004—Subsec. (b). Pub. L. 108-326 amended heading and text generally, substituting provisions relating to exemption of all bonds from income taxation by State and local governments for provisions relating to exemption from taxation and definition of State.

1986—Subsecs. (a), (c). Pub. L. 99-514 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”, which for purposes of codification was translated as “title 26” thus requiring no change in text.

## EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108-326, §2, Oct. 16, 2004, 118 Stat. 1270, provided that: “This Act [amending this section] shall apply to obligations issued after the date of the enactment of this Act [Oct. 16, 2004].”

## CHAPTER 14—TRUST TERRITORY OF THE PACIFIC ISLANDS

|                |   |
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| Sec.           |   |
| 1681.          | Continuance of civil government for Trust Territory of the Pacific Islands; assistance programs; maximum fiscal year costs; reimbursement.  |
| 1681a.         | Appointment of High Commissioner.   |
| 1681b.         | Transfer of functions from government comptroller for Guam to Inspector General, Department of the Interior.  |
| 1681c, 1682.   | Repealed or Omitted.  |
| 1683.          | Auditing of transactions of Trust Territory of the Pacific Islands.   |
| 1684.          | Expenditure of funds for administration of Trust Territory of the Pacific Islands.  |
| 1685.          | Transfer of property or money for administration of Trust Territory of the Pacific Islands.   |
| 1686, 1687.    | Omitted.  |
| 1688.          | Trust Territory of the Pacific Islands Economic Development Loan Fund.  |
| 1689.          | Plan for use of grant to Trust Territory of the Pacific Islands Economic Development Loan Fund; loans; terms.   |
| 1690.          | Loans from Trust Territory of the Pacific Islands Economic Loan Fund; restrictions; guarantees.   |
| 1691.          | Fiscal control and accounting procedures for plan for use of grant.   |
| 1692.          | Comprehensive annual financial report by chief executives of governments of the Marshall Islands, Federated States of Micronesia, Palau, and Northern Mariana Islands; contents; other reports. |
| 1693.          | Audit of government; access to books, records, etc.   |
| 1694 to 1694e. | Transferred.  |
| 1695.          | Federal education and health care programs; nonapplicability or nonparticipation.   |

## TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

The Trust Territory of the Pacific Islands, which included the Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands, and Palau, terminated. The Trusteeship Agreement terminated with respect to the Republic of the Marshall Islands on Oct. 21, 1986, with respect to the Federated States of Micronesia and the Commonwealth of the Northern Mariana Islands on Nov. 3, 1986, and with respect to the Republic of Palau on Oct. 1, 1994. See Proc. No. 5564, Nov. 3, 1986, 51 F.R. 40399, set out as a note under section 1801 of this title, and Proc. No. 6726, Sept. 27, 1994, 59 F.R. 49777, set out as a note under section 1931 of this title.

For provisions relating to the Northern Mariana Islands, formerly set out as notes under section 1681 of this title, see chapter 17 (§1801 et seq.) of this title. For provisions relating to the Federated States of Micro-

nesia, the Marshall Islands, and Palau, formerly set out as notes under section 1681 of this title, see chapter 18 (§1901 et seq.) of this title.

## § 1681. Continuance of civil government for Trust Territory of the Pacific Islands; assistance programs; maximum fiscal year costs; reimbursement

(a) Until Congress shall further provide for the government of the Trust Territory of the Pacific Islands, all executive, legislative, and judicial authority necessary for the civil administration of the Trust Territory shall continue to be vested in such person or persons and shall be exercised in such manner and through such agency or agencies as the President of the United States may direct or authorize.

(b) The head of any department, corporation, or other agency of the executive branch of the Government may, upon the request of the Secretary of the Interior, extend to the Trust Territory of the Pacific Islands, with or without reimbursement, scientific, technical, and other assistance under any program administered by such agency, or extend to the Trust Territory any Federal program administered by such agency, if the assistance or program will promote the welfare of the Trust Territory, notwithstanding any provision of law under which the Trust Territory may otherwise be ineligible for the assistance or program: *Provided*, That the Secretary of the Interior shall not request assistance pursuant to this subsection that involves, in the aggregate, an estimated non-reimbursable cost in any one fiscal year in excess of \$150,000: *Provided further*, That the cost of any program extended to the Trust Territory under this subsection shall be reimbursable out of appropriations authorized and made for the government of the Trust Territory pursuant to section 2 of this Act, as amended. The provisions of this subsection shall not apply to financial assistance under a grant-in-aid program.

(June 30, 1954, ch. 423, §1, 68 Stat. 330; Pub. L. 88-487, §1, Aug. 22, 1964, 78 Stat. 601.)

## REFERENCES IN TEXT

Section 2 of this Act, as amended, referred to in subsec. (b), means section 2 of act June 30, 1954, set out as a note below.

## CODIFICATION

Section was formerly classified to section 1435 of this title.

## AMENDMENTS

1964—Pub. L. 88-487 designated existing provisions as subsec. (a) and added subsec. (b).

## NOTES TRANSFERRED

For provisions relating to the Northern Mariana Islands, formerly set out as notes under this section, see chapter 17 (§1801 et seq.) of this title. For provisions relating to the Federated States of Micronesia, the Marshall Islands, and Palau, formerly set out as notes under this section, see chapter 18 (§1901 et seq.) of this title.

## SIMILAR PROVISIONS

Similar provisions continuing the civil government for the Trust Territory of the Pacific Islands until June 30, 1954, were contained in act Aug. 8, 1953, ch. 383, §§1, 2, 67 Stat. 494, 495.