

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.)

**Editorial Notes**

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.

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.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108-326, §2, Oct. 16, 2004, 118 Stat. 1270, provided that: “This Act [amending this section] shall

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

apply to obligations issued after the date of the enactment of this Act [Oct. 16, 2004].”

**CHAPTER 14—TRUST TERRITORY OF THE PACIFIC ISLANDS**

- 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 controller 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.

**Executive Documents**

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 Micronesia, 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