Title 73.

Social Security.

2. Social Security Board, §§ 51 to 58.
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CHAPTER 1.

General Provisions.

Sec. 1. Short title. - This title is known and may be cited as the “Trust Territory Social Security Act.” (Code 1970, tit. 73, § 1.)

Sec. 2. Declaration of policy. - The purpose of this title is to effect economy and efficiency in the fields of government and business by providing a means whereby employees may be ensured a measure of security in their old age and given an opportunity for leisure without hardship and complete loss of income. Further, to provide survivors’ insurance for wage earners and their dependents and to provide supplemental pension benefits for government employees who have spent many years in government service without an opportunity to obtain benefits under a pension system. (Code 1970, tit. 73, § 2.)

Sec. 3. Definitions. - In this title, unless the context otherwise requires, the following definitions shall be applicable:

(1) “Agricultural labor” includes all service performed on a farm in the employ of the owner or tenant or other operator of a farm in connection with the operation, management, conservation or improvement of such farm and its tools and equipment, or in the production or harvesting of any commodity and its preparation for market. The term “farm” shall include stock, dairy, poultry, fruit orchards and truck garden farms, plantations, ranches, nurseries, greenhouses or similar structures used for raising agricultural or horticultural commodities.

(2) The term “employee” means:
(a) Any officer of a corporation; or
(b) Any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee; or
(c) Any self-employed person who has at least one employee for whom he is required to report in a given quarter; or
(d) Any self-employed person who had more than ten thousand dollars of annual gross revenue in the preceding calendar year.

(3) “Employment” means any service by an employee for the Trust Territory employer employing him, irrespective of where such employment shall be performed, except family employment.
(4) "Family employment" means employment of a worker by a member of his household, his parent, or his son or daughter except that the worker may apply to the board for a determination that such employment is bona fide covered employment subject to this title.

(5) "Wages" means remuneration paid subject to the provisions of this title, including the cash value of all remuneration paid in any medium other than cash and remuneration accruing to a self-employed person. Remuneration accruing to a self-employed person shall be deemed to be twice the amount paid to the highest paid employee reported by the self-employed person in a quarter, subject to one thousand two hundred dollars maximum per quarter. Remuneration accruing to a self-employed person who has no covered employees shall be deemed to be twenty-five percent per quarter of ten percent of the gross revenue of his business for the previous calendar year, subject to one thousand two hundred dollars maximum. Remuneration paid for any service which is more or less than a whole dollar shall, as may be prescribed by regulations, be computed to the nearest dollar. Wages shall not include:

(a) That part of remuneration in excess of one thousand two hundred dollars paid in a quarterly reporting period by one employer.
(b) Any payment on account of sickness or accident disability, or medical or hospitalization expenses made by an employer to or on behalf of an employee.
(c) Any payment made to or on behalf of an employee or to his beneficiary from a trust or annuity.
(d) Remuneration paid in any medium other than cash to an employee for service not in the course of the employer's trade or business or for domestic service in a private home of an employer.
(e) Remuneration paid for casual or intermittent labor not performed in the course of the employer's trade or business when such employment does not exceed employment in more than one week in each calendar month of each quarterly reporting period.

(6) The term "quarter" and the term "calendar quarter," means a period of three calendar months ending on March 31, June 30, September 30, or December 31.

The term "quarter of coverage" means a quarter in which the individual has been paid fifty dollars or more in wages in employment subject to this title.

(7) Insured status for the purposes of this title:

(a) "Fully insured individual" means any individual who has not less than one quarter of coverage for each year beginning after June 30, 1968, or for each year after attaining the age of twenty-one whichever is later, and up to but excluding the year in which he attained retirement age, or became disabled, or died, whichever first occurred, except that in no case shall an individual be a fully insured individual unless he has at least eight quarters of coverage.

(b) "Currently insured individual" means any individual who has had not less than six quarters of coverage during the thirteen quarter period ending with:

(i) The quarter in which he died, or
(ii) The quarter in which he became entitled to old age insurance benefits, or
(iii) The quarter in which he became disabled, whichever first occurs.

(8) "Contributions" shall mean the tax imposed upon income of covered employees and the tax imposed upon employers on account of wages paid to a covered employee.

(9) "Board," as used in this title, means the Trust Territory social security board provided for by section 51, chapter 2 of this title.

(10) "Earnings test" means that an individual who receives a retirement or survivor's pension and who works in covered or noncovered employment shall have his quarterly benefit reduced by one dollar for each two dollars earned in a quarter, except there shall be no reduction for the first two hundred dollars
earned in a quarter. The reduction shall be applied in the subsequent two quarters immediately after the quarter in which the earnings were made.

(11) "Disability" means inability to engage in any substantial gainful employment by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months.

(12) "Became disabled" means the first month in which an individual is under a disability and is both fully and currently insured. (Code 1970, tit. 63, § 3; P.L. No. 4C-19, § 1; P.L. No. 5-7, §§ 1 to 4; P.L. No. 5-15, §§ 4, 5; P.L. No. 6-89, § 1; P.L. No. 6-91, § 1; P.L. No. 6-137, § 1.)

§ 4. Susceptibility of benefits, contributions and funds to legal process or assignment. — The benefits, the employee and employer contributions and the securities in the several funds from all taxes presently or hereafter levied shall not be subject to execution, attachment or garnishment and shall be nonassignable except as specifically provided in this title. (Code 1970, tit. 73, § 4.)

§ 5. Violations; penalties. — (1) Any person who knowingly makes any false statement or who falsifies any report to or record of the Trust Territory social security system in an attempt to defraud the system shall be guilty of a misdemeanor and upon conviction thereof shall be imprisoned for a period of not more than one year, or fined not more than two thousand dollars, or both.

(2) Any person who wilfully fails to report wages paid or pay contributions required thereon shall be guilty of a misdemeanor and, in addition to any other penalty prescribed by law, such a person shall also pay penalties not in excess of one hundred percent of the tax due plus interest to the board as it by regulation shall require.

(3) Any covered employer who fails to submit the quarterly report and pay the social security tax within ten days after the end of the quarter shall be considered delinquent. The board or its authorized representatives shall be vested with the authority to levy a penalty of not more than fifty dollars on delinquent employers. (Code 1970, tit. 73, § 5.)

"Wilfully" connotes evil intent. — The term "wilfully" as applied to the social security act requires more than a mere decision not to contribute; it must include in its definition an essence of evil intent. Trust Territory v. Anderson, 5 TTR 332 (1971).

Tender is the equivalent of payment. — Tender is the exact equivalent of payment, and it does not need to be repeated. Trust Territory v. Anderson, 5 TTR 332 (1971).

§ 6. Budget for and appropriation of costs of administration. — At such time as the social security board may prescribe, but not later than January 3, preceding each regular session of the Congress of Micronesia, the social security administrator shall submit to the congress on forms and in the manner prescribed by the board, a detailed estimate of the amount of money required to be appropriated for the next ensuing fiscal period, from April 1 through March 31 of the following year, for the proper conduct of the social security system, and the number of employees for which provision is made. The budget shall be so presented as to show in addition to the amount which is estimated to be required (1) the actual expenditures for the last completed fiscal period, (2) the estimated expenditures for the fiscal period in progress, together with such summaries, schedules, and supporting data as may be deemed necessary, (3) a statement showing the estimated condition of the Trust Territory social security retirement fund at the close of the fiscal year in progress, and (4) a balanced summary of actual receipts and expenditures under the fund for the last completed fiscal year, and estimated receipts for the
fiscal year in progress, and for the ensuing year. The Congress of Micronesia shall appropriate such amount of monies as shall be deemed necessary for the administrative cost and operations of the social security system from the Trust Territory social security retirement fund. The Trust Territory administration shall budget for and allocate from United States grant funds the amount of funds necessary to cover its contribution as an employer under the provisions of this chapter. (Code 1970, tit. 73, § 6; P.L. No. 6-49, § 5.)
CHAPTER 2.

Social Security Board.

§ 51. Created; composition; terms; organization and procedure; compensation. — There is hereby created a Trust Territory social security board of five members appointed by the High Commissioner to administer the social security and prior government service insurance programs authorized by this title. The board shall serve two-year terms and shall provide for its own organization and procedure. Members of the board who are not government employees shall be paid at the rate of thirty dollars per day and necessary travel expenses when actually attending meetings of the board. If a member of the board is concurrently employed by the government of the Trust Territory, he shall receive his salary during attendance on board meetings; provided, that if his daily salary shall be less than thirty dollars, he shall also be entitled to receive the difference between his daily salary and thirty dollars. (Code 1970, tit. 73, § 51.)

§ 52. Powers and duties generally. — The board shall have the powers and privileges of a corporation, shall have an official seal, and shall in the name "Trust Territory Social Security System Board" transact all business, enter into contracts, invest all funds, or retain a firm to invest or reinvest funds under the board’s supervision and, under the rules, regulations and conditions the board may issue from time to time, transfer or assign such funds as herein authorized, purchase annuities, and hold in trust for the purposes for which received all cash, securities and other properties of the system. In the name "Trust Territory Social Security System Board" it may be sue and be sued. The general administration and responsibility for the proper operation of this title shall be vested in the board, which shall have power to delegate duties and responsibilities to such employees as it deems feasible and desirable to carry out the provisions of this title. (Code 1970, tit. 73, § 52.)

§ 53. Promulgation of regulations; hearings; employees; annual report. — The board may adopt, amend or rescind regulations for the administration of this title subject to the approval of the High Commissioner. It may hold hearings or make decisions upon hearings delegated to others for the purpose of determining any question involving any right, benefit or obligation of any person subject to this title. It may hire and fix the compensation of such employees it deems necessary within the limits of available administrative funds budgeted for its operation and it may contract for special actuarial and insurance counseling on a fee basis. It shall bond itself and its employees in such amounts as it shall fix. It shall submit to the High Commissioner and the Congress of Micronesia for each fiscal year a report of its operations and the conditions of its funds, and in such report shall make recommendations for amendments to this title it deems desirable. (Code 1970, tit. 73, § 53.)
§ 54. Maintenance of records; disclosure of records. — The board shall receive and maintain files and records of all employers and all employees subject to this title. Such records shall not be disclosed to any person except as may be required in the administration of this title, or in connection with a hearing conducted in accordance with the provisions of this title. (Code 1970, tit. 73, § 54.)

§ 55. Appointment of district directors. — The board shall have the authority to appoint district directors and delegate such power to such directors as it may by regulation prescribe. (Code 1970, tit. 73, § 55.)

§ 56. Audit of records; power to subpoena; administration of oaths. — The board and its authorized representatives shall have the power to audit employer records, issue subpoenas and administer oaths appropriate to the administration of this title. (Code 1970, tit. 73, § 56.)

§ 57. Actuaries and actuarial valuations. — The board shall employ or contract with actuaries or actuarial firms for the purpose of making actuarial valuations of the Trust Territory social security system not less frequently than each three years after the date of commencement of the system. Such reports made to the board shall be submitted with appropriate recommendations for changes in the system and amendments to this title to the High Commissioner and the Congress of Micronesia. (Code 1970, tit. 73, § 57.)

§ 58. Review of board determinations. — Any person aggrieved by a final order of the board may obtain a review of the order in the trial division of the high court by filing in court, within sixty days after the entry of the order, a written petition praying that the order be modified or set aside in whole or in part. A copy of the petition shall be served on the board, by service on its secretary or other designated agent, and thereupon the board shall certify and file in court a copy of the record upon which the order was entered. The findings of the board as to the facts, if supported by competent, material and substantial evidence, shall be conclusive. If either party applies to the court for leave to adduce additional material evidence, and shows to the satisfaction of the court that there were reasonable grounds for failure to adduce the evidence in the hearing before the board or its authorized representatives, and that such evidence is competent, material and substantial, the court may order the additional evidence to be taken by the board and to be adduced upon the hearing in such manner and upon such conditions as the court considers proper. The board may modify its findings and order after receipt of further evidence together with any modified or new findings or order. The judgment of the court upon the record shall be final, subject to review by the appellate division of the high court upon petition of any aggrieved party, including the board, within sixty days from judgment. (Code 1970, tit. 73, § 58.)
CHAPTER 3.

COVERAGE AND BENEFITS.

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§ 101. Scope of coverage. — (1) All employees as defined by this title, wherever employed by a Trust Territory employer, shall be covered by this title unless both the employer and the employee are currently subject to the United States social security system or any other recognized social security system. For the purposes of this title, any elected official in any government unit or body in the Trust Territory is deemed to be an employee employed by a Trust Territory employer. The governmental unit or body to which such person is elected is subject to the provisions in this title relating to the duty and obligations of a Trust Territory employer. Persons in family employment are excepted from the provisions of this title.

(2) Every person who (a) is a fully insured individual, as defined in this title, (b) has attained age sixty years, and (c) has filed application for old age insurance shall be entitled to an old age insurance benefit for each month, beginning with the month of July, 1970, for which both paragraphs (a) and (b) of this subsection are satisfied, whichever is later, and ending with the month preceding the month in which he dies, subject to the earnings test as defined in this title. (Code 1970, tit. 63, § 101; P.L. No. 4C-18, §§ 1, 2; P.L. No. 4C-19, § 2; P.L. No. 5-7, § 5; P.L. No. 6-89, § 2.)

§ 102. Prior service credit. — (1) All citizens of the Trust Territory who had not less than five years of employment by the Trust Territory government prior to July 1, 1968 shall be given prior service credit for establishment of insured status and determination of benefits for himself, his surviving spouse or dependent children as provided in this title.

(2) Creditable prior service shall include employment for the Trust Territory for the number of years prior to July 1, 1968, that is in excess of five years, such service to be computed on a monthly basis with employment in any month credited as a full month.

(3) Prior service credit shall be canceled upon termination of employment prior to accumulation of five years creditable service.

(4) Employment by the government of the Trust Territory for prior service credits shall include district but not municipal employment and shall include employment by any United States administering department or agency. (Code 1970, tit. 73, § 102; P.L. No. 6-90, § 1.)

§ 103. Surviving spouse’s benefits generally. — The surviving spouse of an individual who died fully insured, if such spouse has filed application, shall be entitled to a survivor’s insurance benefit for each month beginning with the month of July, 1970, or, if death occurred after July, 1970, the month of death of his or her fully insured spouse and ending with the month preceding the month in which he or she dies or the month preceding the month in which he or she remarries; provided, that such benefit shall be subject to the earnings test as defined in this title. (Code 1970, tit. 73, § 103; P.L. No. 4C-19, § 3.)
§ 104. Dependents' benefits generally; disability benefits generally. — (1) Every surviving child who was dependent upon an individual entitled to old age benefits, or who was dependent upon an individual who dies fully insured or currently insured, shall be entitled, upon filing application, to a child's insurance benefit for each month beginning with the month of January, 1970, or the month of death of such individual, whichever is later, and ending with the month preceding whichever of the following first occurs:  
(a) Attainment of age eighteen years, except that benefits are payable until the month before the attainment of age twenty-two so long as the beneficiary is a bona fide student, and except that benefits are payable during the disability of a child who was disabled before the attainment of age twenty-two;  
(b) Marriage; or  
(c) Adoption, except for adoption by a step-parent, grandparent, aunt or uncle subsequent to the death of the fully insured individual upon whom the child is dependent.  
(2) A child shall be deemed dependent upon his parent or adopting parent unless such individual was not living in the same household with or contributing to the support of such child. Child's insurance benefits shall be paid to the individual upon whom the child is currently dependent, except such benefit shall be subject to the earnings test as defined in this title.  
(3) Every individual who is a fully and currently insured individual and is disabled and has been disabled for at least five full calendar months, upon filing an application for disability insurance benefits, shall be entitled to a disability retirement pension for each month beginning with the month of January, 1974, or the month the individual becomes eligible for disability, whichever is later, and ending with the month preceding the month in which he dies or recovers from his disability, subject to the earnings test as defined in this title. (Code 1970, tit. 73, § 104; P.L. No. 4C-19, § 4; P.L. No. 5-7, § 6; P.L. No. 6-89, § 3.)

§ 105. Amount of retirement and disability insurance benefits. — (1) An insured, eligible individual shall be paid a monthly old age retirement pension for life, except for any month of disqualification as provided by this title, in an amount calculated upon an annual basis of 9.9 percent of the first ten thousand dollars of cumulative covered earnings, plus 1.65 percent of cumulative covered earnings in excess of ten thousand dollars but not in excess of the next thirty thousand dollars, plus .825 percent of cumulative covered earnings in excess of forty thousand dollars. Earnings for employment after commencement of payments for old age or disability insurance benefits shall be included in benefit calculations upon subsequent application for benefits, but such earnings shall be applicable for benefits for months after the calendar year in which such earnings occurred.  
(2) An insured, eligible individual shall be paid a minimum monthly pension of twenty-six dollars and forty cents if the pension amount calculated in accordance with subsection (1) of this section is less than twenty-six dollars and forty cents monthly.  
(3) An individual who is both fully and currently insured and who has been under a disability for five full calendar months shall be paid a monthly pension for life or until recovery from the disability, except for any month of disqualification as provided by this title, in an amount calculated in accordance with the preceding subsections of this section. Further, the amount of the pension as so determined shall, if the individual is receiving a periodic workmen's compensation benefit, be reduced each month by the excess of the sum of the workmen's compensation benefit for that month payable under this title over eighty percent of one-twelfth of the highest annual covered wages in the period consisting of the year in which the disability occurred and the preceding five years. If a workmen's compensation benefit was payable in
§ 106. Reemployment after retirement. — In the event an individual who is receiving retirement insurance benefits returns to covered employment, his benefit shall be recomputed at the end of the calendar year and paid as provided in this title beginning with the year after the calendar year the earnings were made. (Code 1970, tit. 73, § 106; P.L. No. 4C-19, § 5.)

§ 107. Amount of survivors’ insurance benefits. — (1) The surviving spouse of a fully insured worker eligible in accordance with section 103 of this chapter shall be paid a monthly pension in an amount equal to sixty percent of the retirement insurance benefit calculated for the deceased spouse at the date of death.

(2) Each eligible child of an insured worker shall be entitled to a monthly pension of fifteen percent of the retirement insurance benefit calculated for the deceased parent at the date of death.

(3) If the spouse of the insured worker is eligible for retirement pension based on his or her own employment coverage, the survivor’s insurance pension shall be reduced by the amount of such retirement pension.

(4) In no event shall the total survivor’s pension paid to the spouse and children, as provided in this title, exceed the retirement pension calculated for the decedent as of the date of death, nor shall it be less than twenty-six dollars and forty cents a month computed prior to the application of subsection (3) of this section. (Code 1970, tit. 73, § 107; P.L. No. 5-7, § 8; P.L. No. 6-91, §§ 4, 5.)

§ 108. Lump sum benefits. — (1) When a worker dies before becoming entitled to a pension or after retirement and he and his dependents have received pension payments less than four percent of his cumulative covered earnings, the survivors, heirs or the estate of such individual shall be paid a lump sum benefit after all rights to survivors’ benefits have terminated in an amount equal to four percent of the decedent’s cumulative covered earnings, reduced by the amount of any pension paid to the insured worker and his eligible dependents, other than prior service benefits paid for service for the Trust Territory government.

(2) In the absence of a will, survivors shall be paid in the following order:
   (a) Spouse, children in equal shares, or guardian, if such children are minors;
   (b) Parents in equal shares;
   (c) Duly appointed legal representatives of the deceased or, if none, person or persons determined to be entitled thereto under the laws and customs of the last domicile of the deceased person. (Code 1970, tit. 73, § 108.)

§ 109. Prior service benefits. — (1) An individual having prior service credits for employment by the Trust Territory government shall receive upon retirement (including disability retirement, when the individual has qualified for disability retirement benefits under section 105 and section 104(3) of this title), in addition to any other benefits for which he may be eligible under this title, a prior service pension in an amount equal to three percent of such employee’s salary (not exceeding two hundred fifty dollars per month) received as of July 1, 1968, if employee was employed by the Trust Territory government on July 1, 1968 or, if not so employed, the salary received as of the month in which the employee terminated from Trust Territory government
prior to July 1, 1968 multiplied by the number of years creditable prior service
credited to him, with a minimum of ten dollars per month.

(2) Survivor’s insurance benefits for such employee shall be determined by
including prior service benefits in determination of the amount of survivors’
insurance benefits as provided in this title.

(3) Prior service benefits shall be funded from general funds appropriated for
operation of the Trust Territory government and shall be paid into the
retirement fund in advance upon quarterly calculation of ensuing prior service
benefit payments by the retirement board. (Code 1970, tit. 73, § 109; P.L. No.
5-7, § 9; P.L. No. 6-90, § 2.)

§ 110. Adjustments to correct for overpayments and underpayments.
— (1) Whenever an error has been made with respect to insurance payments
to an individual, proper adjustment shall be made, under regulations
promulgated by the board in accordance with law, by increasing or decreasing
subsequent payments to which such individual is entitled. If such individual
dies before such adjustment has been completed, adjustment shall be made by
increasing or decreasing subsequently paid survivors’ benefit payments
payable with respect to the wages which were the basis of benefits of such
deceased individual.

(2) No adjustment shall be made when adjustment or recovery would be
against equity and good conscience. (Code 1970, tit. 73, § 110.)

§ 111. Payment of benefits to foreign citizens outside Trust Territory.
— (1) Notwithstanding any other provision of this chapter, no monthly benefits
shall be paid under this chapter to any individual who is not a citizen or
national of the Trust Territory for any month which is:

(a) After the sixth consecutive calendar month during all of which the
administrator finds, on the basis of information furnished to him by the
Attorney General or information which otherwise comes to his attention, that
such individual is outside the Trust Territory; and

(b) Prior to the first month thereafter for all of which such individual has
been in the Trust Territory.

For purposes of this paragraph (1), after an individual has been outside the
Trust Territory for any period of thirty consecutive days he shall be treated as
remaining outside the Trust Territory until he has been in the Trust Territory
for a period of thirty consecutive days.

(2) Paragraph (1) of this section shall not apply to any individual who is a
citizen of a foreign country which the administrator finds has in effect a social
insurance or pension system which is of general application in such country
and under which:

(a) Periodic benefits, or the actuarial equivalent thereof, are paid on account
of old age, retirement, or death, and

(b) Individuals who are citizens of the Trust Territory but not citizens of
such foreign country and who qualify for such benefits are permitted to receive
such benefits or the actuarial equivalent thereof while outside such foreign
country without regard to the duration of the absence. (P.L. No. 6-89, § 5.)
CONTRIBUTIONS

CHAPTER 4.

Contributions.

§ 151. Employee contributions. — (1) There is hereby imposed on the income of every employee a tax equal to the following percentages of wages received by him with respect to employment subject to this title:
(a) With respect to wages paid from July 1, 1968 through June 30, 1976, the rate shall be one percent;
(b) With respect to wages paid from July 1, 1976 through June 30, 1980, the rate shall be one and one-half percent;
(c) With respect to wages paid from July 1, 1980 through June 30, 1985, the rate shall be two percent;
(d) With respect to wages paid from July 1, 1985 through June 30, 1990, the rate shall be three percent;
(e) With respect to wages paid from July 1, 1990 through June 30, 1995, the rate shall be four percent;
(f) With respect to wages paid from July 1, 1995 through June 30, 2000, the rate shall be five percent;
(g) With respect to wages paid after June 30, 2000, the rate shall be six percent.

(2) The tax imposed shall be collected by the employer of the taxpayer, by deducting the amount of the tax from the wages as and when paid. Every employer required to so deduct the tax shall be liable for the payment of such tax to the board, and shall be indemnified against the claims and demands of any person for the amount of any such payment made by such employer. (Code 1970, tit. 73, § 151; P.L. No. 5-15, § 1; P.L. No. 6-91, § 6.)

§ 152. Employer contributions. — There is hereby imposed on every employer an excise tax, with respect to having an individual in his employ, equal to the following percentages of wages, paid by him with respect to employment subject to this title:
(1) With respect to wages paid from July 1, 1968 through June 30, 1976, the rate shall be one percent;
(2) With respect to wages paid from July 1, 1976 through June 30, 1980, the rate shall be one and one-half percent;
(3) With respect to wages paid from July 1, 1980 through June 30, 1985, the rate shall be two percent;
(4) With respect to wages paid from July 1, 1985 through June 30, 1990, the rate shall be three percent;
(5) With respect to wages paid from July 1, 1990 through June 30, 1995, the rate shall be four percent;
(6) With respect to wages paid from July 1, 1995 through June 30, 2000, the rate shall be five percent;
(7) With respect to wages paid after June 30, 2000, the rate shall be six percent. (Code 1970, tit. 73, § 152; P.L. No. 5-15, § 2; P.L. No. 6-91, § 7.)

§ 153. Employee refunds. — When a covered employee is credited with earnings in excess of the quarterly maximum provided by law for a quarter and taxes on the excess are withheld and paid into the Trust Territory social security retirement fund, the excess employee’s tax credited to the employee
during the four quarters ending June 30th of each year shall be refunded to the employee within ninety days of that date; provided, that the excess employee's taxes are one dollar or more. No refund, however, shall be granted to the employer or employers of such employee of taxes paid by such employers on account of wages paid by them to the employee. (Code 1970, tit. 73, § 153; P.L. No. 5-15, § 3; P.L. No. 6-91, § 8.)

§ 154. Reporting; social security card and number. — The board shall furnish each employer forms for record keeping and reporting of contributions which shall show in addition to other information specified by the board the employer account number and the employee social security number. Numbers shall be issued by the board from a permanent register maintained by it. Each employer shall report quarterly, on the prescribed forms, and pay taxes due thereon to the board in accordance with the board regulation and subject to interest and penalty for failure so to do. Each employee shall be assigned a social security number and a card bearing this number. (Code 1970, tit. 73, § 154.)
§ 201. Created; administration. — There shall be a Trust Territory social security retirement fund separate and apart from all public monies or funds of the Trust Territory, which shall be administered by the social security board exclusively for the purposes of this title. (Code 1970, tit. 73, § 201.)

§ 202. Composition; handling. — (1) The retirement fund shall consist of:
(a) All employee contributions;
(b) All employer contributions;
(c) All penalties and interest collected on account of contributions;
(d) All gifts, donations and fund transfers authorized by law; and,
(e) All interest and earnings from investment of the funds.
(2) All monies in the fund shall be deposited, administered and disbursed in the same manner and under the same conditions and requirements as provided by law or regulation for other public monies or funds of the Trust Territory government. (Code 1970, tit. 73, § 202.)

§ 203. Contingency reserve account. — There shall be a contingency reserve account within the retirement fund for the purpose of payment of insurance benefits. Funds in the retirement fund in excess of the amount required for maintenance of the contingency reserve account shall be invested by the board as provided in this title. (Code 1970, tit. 73, § 203.)

§ 204. Investment of funds; generally. — The board, after investigation and study, shall determine the methods of investing its trust funds to insure the greatest return commensurate with sound financing adequately safeguarded. The board may invest and reinvest the monies in its funds and may hold, purchase, sell, assign, transfer and dispose of any of the securities and investments in which any of the monies of its funds are invested, and, upon such sale, the proceeds thereof shall be redeposited in the funds of the board subject to reinvestment and payment therefrom by order of the board. (Code 1970, tit. 73, § 204.)

§ 205. Same; authorized investments enumerated. — The board may invest and reinvest its monies:
(1) In bonds or other evidences of indebtedness of the United States or any of its agencies or instrumentalities.
(2) In bonds or other evidences of indebtedness of any state, any county or incorporated municipality or duly organized school district of any state or territory of the United States, including bonds or evidences of indebtedness which are payable from revenues or earnings specifically pledged for the payment of the principal and interest on such obligations, and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained, but only if no default in payment of principal or interest on the obligations to be purchased has occurred within five years of the date of investment therein, or, if such obligations were issued less than five years prior to the date of investment, no default in payment of principal or interest has occurred on the obligations to be purchased nor on any other obligations of the issuer within five years of such investments.
(3) Bonds, debentures, notes and other evidences of indebtedness issued or assumed by Trust Territory institutions, created or existing under the laws of the Trust Territory, including housing authorities, when such obligations are guaranteed as to principal and interest by the government of the Trust Territory.

(4) Bonds, debentures, notes and other evidences of indebtedness issued, assumed or guaranteed by any solvent institution created or existing under the laws of the United States or of any state or territory thereof, or of the Trust Territory, which are not in default as to principal or interest and which are secured by collateral worth at least fifty percent more than the par value of the entire issue of such obligations, but only if not more than one-third of the total value of such required collateral shall consist of common stock.

(5) Common stock. (Code 1970, tit. 73, § 205.)