



Revenue and Taxation Department of Finance



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REVENUE AND TAXATION ANNOUNCEMENT NO. 2023-02

RE: Local Economic Impact Payment Exempt from Earnings Tax

On January 31, 2023, H.B. 22-120 was approved by Governor Arnold I. Palacios and became P.L. 22-31, by which local stimulus payments are not subject to earnings tax.

Unlike the Economic Impact Payments (EIP), which are not taxable income, the Local EIP is taxable under the Northern Marianas Territorial Income Tax (NMTIT). The Local EIP is includible in NMTIT and reported on Schedule 1CM, Line 8z as other income but exempted from earnings tax.

For more information, contact the Division of Revenue and Taxation by calling (670) 664-1040 or by email at revtaxinfo@dof.gov.mp.

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