



Office of the Governor of Guam

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Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

25 SEP 2007

Handwritten vertical note: 11:40 AM 9/25/07

The Honorable Mark Forbes
Speaker
Mina' Bente Nuebi Na Liheslaturan Guåhan
155 Hessler Street
Hagåtña, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 53(EC), "AN ACT TO AMEND §51102 and §51106 OF CHAPTER 51 OF TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO EXPEDITING PAYMENT OF INCOME TAX REFUNDS" now designated as Public Law 29-17.

Sinseru yan Magåhet,

Handwritten signature of Felix P. Camacho

FELIX P. CAMACHO
I Maga'låhen Guåhan
Governor of Guam

Attachment: copy of Bill

cc: The Honorable Ray Tenorio
Senator and Legislative Secretary



29-07-0867

Office of the Speaker
MARK FORBES

Date: 9/25/07
Time: 7:46 AM
Rec'd by: [Signature]
P.O. Name: [Signature]

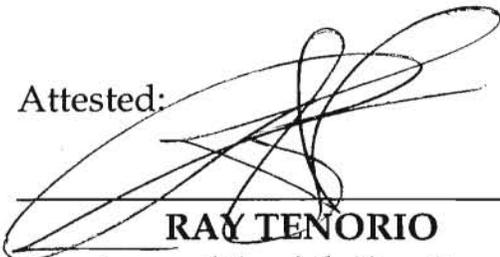
0867

I MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
2007 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that **Bill No. 53 (EC), AN ACT TO AMEND §51102 AND §51106 OF CHAPTER 51 OF TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO EXPEDITING PAYMENT OF INCOME TAX REFUNDS,** returned without approval of *I Maga'lahen Guåhan*, was reconsidered by *I Liheslaturan Guåhan* and after such consideration, did agree, on the 23rd day of September, 2007, to pass said bill notwithstanding the veto of *I Maga'lahen Guåhan* by a vote of ten (10) Members.

Attested:

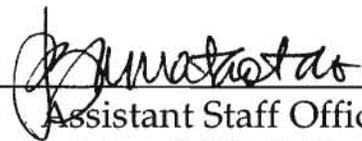


RAY TENORIO
Senator and Legislative Secretary



EDWARD J.B. CALVO
Acting Speaker

This Act was received by *I Maga'lahen Guåhan* this 24 day of Sept - _____, 2007, at
6:00 o'clock P.M.



Assistant Staff Officer
Maga'lahi's Office

Public Law No. 29-17

I MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
2007 (FIRST) Regular Session

Bill No. 53 (EC)

As amended by the author.

Introduced by:

v. c. pangelinan
Frank F. Blas, Jr.
James V. Espaldon
Edward J.B. Calvo
Mark Forbes
Judith Paulette Guthertz
Frank T. Ishizaki
J. A. Lujan
Tina Rose Muña Barnes
A. B. Palacios, Sr.
R. J. Respicio
David L.G. Shimizu
Ray Tenorio
A. R. Unpingco
J. T. Won Pat

**AN ACT TO *AMEND* §51102 AND §51106 OF CHAPTER 51 OF
TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO
EXPEDITING PAYMENT OF INCOME TAX REFUNDS.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** Income tax refunds are
3 overpayments of withholding tax made by individual and corporate taxpayers that
4 are not the property of the government but are held in trust until the overpayment is
5 determined and refunded. Any overpayment made by a Guam taxpayer *should* be
6 refunded in a timely and consistent manner.

7 *I Liheslatura* sets aside the estimated amount of overpayments to provide for
8 income tax refunds, earned income tax credit, and child tax credit payments when

1 it enacts the annual operating budget of the government of Guam. Setting aside
2 cash to refund overpayments should not impact the resources available to operate
3 the government.

4 Therefore, *I Liheslaturan Guahan* intends to create an efficient tax refund
5 trust fund that automatically receives deposits from income tax payments
6 including, but *not* limited to, individual, corporate, withholding tax, interest and
7 penalties received by the government to ensure that cash is available to make
8 timely refunds.

9 **Section 2.** §51102 of Chapter 51 of Title 11 Guam Code Annotated is
10 hereby *amended* to read as follows:

11 **“51102. Deposit of Funds.** The Director of the Department of
12 Administration (DOA) *shall* directly deposit, upon receipt of any payment of
13 income tax, including, but *not* limited to, individual, corporate and withholding
14 taxes, interest and penalties, to the Trust Fund a portion of the tax payment
15 received to be calculated by multiplying the amount of the tax payment received by
16 the quotient derived by the provision for tax refunds (the dividend) divided by the
17 total income taxes, including, but *not* limited to, individual, corporate and
18 withholding taxes, interest and penalties, (the divisor) amounts adopted in the
19 pertinent government of Guam fiscal year budget, so that, at the end of the fiscal
20 year, the total amount set aside in said budget for income tax refunds, the earned
21 income tax credit and advanced child tax credits *shall* have been deposited in said
22 Fund. The funds deposited in the Trust Fund by the Director of Administration
23 *shall* immediately be transferred to the Income Tax Reserve Fund upon the written
24 request of the Tax Commissioner for payments made pursuant to §50105 of
25 Chapter 50, Division 2 of Title 11 of the Guam Code Annotated. The interest
26 earned by money in the Trust Fund *shall* be held in the Fund.”

1 **Section 3.** §51106 of Chapter 51 of Title 11 Guam Code Annotated is
2 *amended* to read:

3 “**§51106. Reports.** The Tax Commissioner and the Director of
4 Administration *shall* report to *I Maga’lahen Guåhan* and *I Liheslaturan*
5 *Guåhan* regarding the total deposits in each month and the current balance
6 of the Trust Fund within fifteen (15) calendar days of the end of each
7 month.”

8 **Section 4. Severability.** *If* any of the provisions of this Act or the
9 application thereof to any person or circumstance is held invalid, such invalidity
10 shall *not* affect any other provision or application of this Act which can be given
11 effect without the invalid provision or application, and to this end the provisions of
12 this Act are severable.