

EDDIE BAZA CALVO
Governor



RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

November 16, 2011

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Unu Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

31-11-1094
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date _____ 11/16/11
Time _____ 11:13AM
Received by _____ *[Signature]*

Dear Madame Speaker:

Transmitted herewith is Bill No.1 (4-S), "AN ACT TO AMEND §§24402, 24404, 24405, 24406, AND 24407 OF ARTICLE 4, CHAPTER 24 OF DIVISION 2, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE REAL PROPERTY TAX PROVISIONS; TO AMEND SUBSECTION (c) §1512.3, AND TO ADD A NEW ITEM (4) TO §1512.3(a) OF ARTICLE 5, CHAPTER 1, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GENERAL OBLIGATION BOND AUTHORIZATION", which I signed into law on September 24, 2011 as Public Law 31-78.

Senseramente,

[Signature]
EDDIE BAZA CALVO

Attachment: copy of Bill

2011 NOV 17 AM 10:30
[Signature]

1094

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FOURTH) Special Session

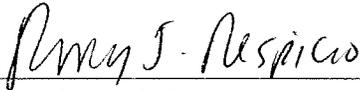
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that **Bill No. 1 (4-S)**, "AN ACT TO *AMEND* §§24402, 24404, 24405, 24406 AND 24407 OF ARTICLE 4, CHAPTER 24 OF DIVISION 2, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE REAL PROPERTY TAX PROVISIONS; TO *AMEND* SUBSECTION (c) §1512.3, AND TO *ADD* A NEW ITEM (4) TO §1512.3(a) OF ARTICLE 5, CHAPTER 1, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GENERAL OBLIGATION BOND AUTHORIZATION," was on the 23rd day of September, 2011, duly and regularly passed.



Judith T. Won Pat, Ed.D.
Speaker

Attested:

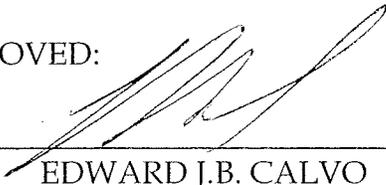


Rory J. Respicio
Acting Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 23rd day of SEPT, 2011, at
6:38 o'clock P. .M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:



EDWARD J.B. CALVO
I Maga'lahaen Guåhan

SEP 24 2011

Date: _____

Public Law No. 31-78

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FOURTH) Special Session

Bill No. 1 (4-S)

As amended by the Committee of the Whole.

Introduced by:

Committee on Rules, Federal,
Foreign, & Micronesian Affairs, and
Human & Natural Resources,
by request of *I Maga'lahaen Guåhan*,
the Governor of Guam, in accordance
with the Organic Act of Guam.

**AN ACT TO AMEND §§24402, 24404, 24405, 24406 AND
24407 OF ARTICLE 4, CHAPTER 24 OF DIVISION 2,
TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO
THE REAL PROPERTY TAX PROVISIONS; TO AMEND
SUBSECTION (c) §1512.3, AND TO ADD A NEW ITEM
(4) TO §1512.3(a) OF ARTICLE 5, CHAPTER 1, TITLE 5,
GUAM CODE ANNOTATED, RELATIVE TO THE
GENERAL OBLIGATION BOND AUTHORIZATION.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Amendment of Real Property Tax Provisions.

(a) **Intent of Amendments.** The intent of the amendments made
by this Section is to allow for the assessment of real property taxes on that
portion of real property otherwise exempted by the Home Tax Exemption,
but to ensure that real property taxpayers *shall* have the same amount of
liability to the government of Guam after the effectiveness of the
amendments as they did before such effectiveness, and the amended sections
shall be administered consistent with that intent.

1 (b) **Amendments.** §§24402, 24404, 24405, 24406 and 24407 of
2 Article 4, Chapter 24 of Division 2, Title 11, Guam Code Annotated, are
3 hereby *amended* to read as follows:

4 “§ 24402. **Home Tax Exemption.**

5 The owner of a home *shall* pay a real property tax on the value
6 of the improvements at a rate equal to the rate that would otherwise
7 apply pursuant to §24103 or §24110, as applicable, times the ratio of
8 (i) the appraised value of the improvements minus Fifty Thousand
9 Dollars (\$50,000.00) (but not less than zero), divided by (ii) the
10 appraised value of the improvements; and *shall* pay a real property tax
11 on the value of the land at a rate equal to the rate that would otherwise
12 be applicable pursuant to §24103 or §24110 times the ratio of (i) the
13 appraised value of the land minus the excess, if any, of Fifty
14 Thousand Dollars (\$50,000.00) over the appraised value of the
15 improvements (but not less than zero), divided by (ii) the appraised
16 value of the land. Those taxpayers who previously qualified for home
17 tax exemptions *shall* automatically qualify for the rates contained
18 herein.”

19 “§ 24404. **Limitation.**

20 The rates provided by §24402 *shall not* be allowed for more
21 than one (1) home for any one (1) owner.”

22 “§ 24405. **Same: Husband and Wife.**

23 A husband and wife *shall* be permitted one (1) home subject to
24 the rates provided in §24403, where entitled thereto, whether the
25 home is community property or not, and *shall not* be permitted those
26 rates for separate homes for each of them, *unless* they are living

1 separate and apart, in which case the amount of the exemption *shall*
2 be divided equally between them.”

3 **“§ 24406. Same: Commercial Use.**

4 A person whose home comprises property that is used in part
5 for commercial purposes *shall not* be entitled to the rates provided by
6 §24402, *except* as to a building, or a separate portion thereof or
7 apartment therein, that is exclusively used and occupied by him or her
8 as his or her permanent residence; provided, further, that in the case of
9 a separate portion or apartment, the amount of the exemption *shall* be
10 prorated on the basis that the appraised value of the separate portion
11 or apartment bears to the total appraised value of the building.”

12 **“§ 24407. Same: Ownership in Common.**

13 Where property is owned in common, the Fifty Thousand
14 Dollars (\$50,000) amount provided in the formulas in §24402 *shall* be
15 prorated among the owners.”

16 **Section 2. Amendment of General Obligation Bond Authorization.**

17 Subsection (c) of §1512.3 of Article 5, Chapter 1 of Title 5, Guam Code
18 Annotated, is hereby *amended* to read as follows:

19 “(c) Valid and Binding General or Limited Obligations. The
20 certificate or indenture pursuant to which the bonds authorized by this
21 Section are issued *shall* provide that the bonds constitute the valid and
22 legally binding general or limited obligations of the government of
23 Guam payable from the sources described in the certificate or indenture.
24 If and to the extent that the bonds are general obligation bonds, (i) the
25 government of Guam pledges its full faith and credit for the punctual
26 payment of both principal of and interest on the bonds and covenants
27 that there *shall* be collected annually in the same manner and at the

1 same time as government revenue for other purposes is collected, such
2 sum as is required to pay the principal of and interest on the bonds; and
3 (ii) there are hereby appropriated from the General Fund such sums as
4 may be necessary in each year, in addition to the amounts appropriated
5 under Subsection (d)(2) of this Section to equal the amount of money
6 necessary to pay the principal and interest on such bonds. All officers
7 charged by law with any duty in the collection of the revenues of the
8 government from which debt service on the bonds will be payable *shall*
9 do every lawful thing necessary to collect such sum. The validity of
10 any such bonds *shall not* be affected by the validity or regularity of any
11 proceedings for the payment of the expenses paid or to be paid with the
12 proceeds of the bonds.”

13 **Section 3.** A new Item (4) is *added* to §1512.3(a) of Article 5, Chapter 1
14 of Title 5, Guam Code Annotated, to read as follows:

15 “(4) *I Maga’lahen Guåhan shall* utilize the 2011 Real Property Tax
16 Assessment Roll as certified by the Board of Equalization in accordance
17 with §24518 of Chapter 24, Title 11, Guam Code Annotated, in calculating
18 the amount available for future debt obligation under the Debt Limit
19 (Ceiling) for the bond issuance authorized in this §1512.3(a) of Article 5 of
20 Chapter 1 of Title 5, Guam Code Annotated.”

6
without
engrossment

I MINA' TRENTAI UNU NA LIHESLATURAN GUÅHAN

2011 (FOURTH) Special Session

Date: 09/23/11

VOTING SHEET

Bill No. 1 (4-S)

Resolution No. _____

Question: _____

<u>NAME</u>	<u>YEAS</u>	<u>NAYS</u>	<u>NOT VOTING/ ABSTAINED</u>	<u>OUT DURING ROLL CALL</u>	<u>ABSENT</u>
ADA, Thomas C.	✓				
ADA, V. Anthony	✓				
BLAS, Frank F., Jr.	✓				
CRUZ, Benjamin J. F.		✓			
DUENAS, Christopher M.	✓				
GUTHERTZ, Judith Paulette	✓				
MABINI, Sam	✓				
MUNA-BARNES, Tina Rose					EA
PALACIOS, Adolpho Borja, Sr.	✓				
PANGELINAN, vicente (ben) cabrera		✓			
RESPICIO, Rory J.	✓				
RODRIGUEZ, Dennis G., Jr.	✓				
SILVA TAIJERON, Mana	✓				
WON PAT, Judith T.		✓			
YAMASHITA, Aline A.	✓				

TOTAL

11 3 _____ _____ 1

CERTIFIED TRUE AND CORRECT:

Clerk of the Legislature

* 3 Passes = No vote
EA = Excused Absence

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FOURTH) Special Session

BILL NO. 1 (4-5)

Introduced by:

Committee on Rules, Federal, Foreign
& Micronesian Affairs and Human &
Natural Resources

Randy J. Respiro
by request of *I Maga'lalten Guåhan*, the
Governor of Guam, in accordance with the
Organic Act of Guam.

**AN ACT TO AMEND THE REAL PROPERTY TAX
PROVISIONS AND THE GENERAL OBLIGATION BOND
AUTHORIZATION, AND FOR OTHER PURPOSES.**

2011 SEP 20 AM 11:14

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

2 **Section 1. Amendment of Real Property Tax Provisions.**

3 (a) **Intent of Amendments.** The intent of the amendments made by this Section is to
4 allow for the assessment of real property taxes on that portion of real property otherwise
5 exempted by the Home Tax Exemption, but to ensure that real property taxpayers shall have the
6 same amount of liability to the government of Guam after the effectiveness of the amendments
7 as they did before such effectiveness, and the amended sections shall be administered consistent
8 with that intent.

9 (b) **Amendments.** §§ 24402, 24404, 24405, 24406 and 24407 of Article 4 Chapter
10 24 Division 2 of Title 11 GCA are hereby amended to read as follows:

11 **“§ 24402. Home Tax Exemption.**

12 The owner of a home shall ~~be entitled to an exemption in determining the value thereof for the~~
13 ~~purpose of assessing real property to the following extent: the first Fifty Thousand Dollars~~
14 ~~(\$50,000.00) of the appraised value of improvements, consisting of a building used as a dwelling~~

1 ~~and any outbuilding, and the land on which it is located, the exemption being applied first to the~~
2 ~~improvements and the balance, if any, to the land.~~ pay a real property tax on the value of the
3 improvements at a rate equal to the rate that would otherwise apply pursuant to Section 24103 or
4 Section 24110, as applicable, times the ratio of (i) the appraised value of the improvements
5 minus Fifty Thousand Dollars (\$50,000.00) (but not less than zero), divided by (ii) the appraised
6 value of the improvements; and shall pay a real property tax on the value of the land at a rate
7 equal to the rate that would otherwise be applicable pursuant to Section 24103 or Section 24110
8 times the ratio of (i) the appraised value of the land minus the excess, if any of Fifty Thousand
9 Dollars (\$50,000.00) over the appraised value of the improvements (but not less than zero),
10 divided by (ii) the appraised value of the land. Those taxpayers who previously qualified for
11 home tax exemptions shall automatically qualify for the rates contained herein.”

12 **“§ 24404. Limitation.**

13 The ~~exemption~~ rates provided by Section 24402 shall not be allowed for more than one home for
14 any one owner.”

15 **“§ 24405. Same: Husband and Wife.**

16 A husband and wife shall be permitted one home ~~exemption~~ subject to the rates provided in
17 Section 24403, where entitled thereto, whether the home is community property or not, and shall
18 not be permitted ~~an exemption~~ those rates for separate homes for each of them, unless they are
19 living separate and apart, in which case the amount of the exemption shall be divided equally
20 between them.”

21 **“§ 24406. Same: Commercial Use.**

22 A person whose home comprises property that is used in part for commercial purposes shall not
23 be entitled to ~~an exemption~~ the rates provided by Section 24402, except as to a building, or a
24 separate portion thereof or apartment therein, that is exclusively used and occupied by him or her
25 as his or her permanent residence; provided, further, that in the case of a separate portion or
26 apartment, the amount of the exemption shall be prorated on the basis that the appraised value of
27 the separate portion or apartment bears to the total appraised value of the building.”

1 “§ 24407. **Same: Ownership in Common.**

2 Where property is owned in common, the ~~exemption~~ \$50,000 amount provided in the formulas in
3 Section 24402 shall be prorated among the owners.”

4 **Section 2. Amendment of General Obligation Bond Authorization.** Subsection (c) of
5 § 1512.3 of Title 5 Guam Code Annotated is hereby amended to read as follows:

6 **(c) Valid and Binding General or Limited Obligations.** The certificate or
7 indenture pursuant to which the bonds authorized by this Section are issued shall provide
8 that the bonds constitute the valid and legally binding general or limited obligations of the
9 government of Guam payable from the ~~revenues as defined~~ sources described in the
10 certificate or indenture. If and to the extent that the bonds are general obligation bonds, (i)
11 the government of Guam pledges its full faith and credit for the punctual payment of both
12 principal of and interest on the bonds and covenants that there shall be collected annually
13 in the same manner and at the same time as government revenue for other purposes is
14 collected, such sum as is required to pay the principal of and interest on the bonds; and (ii)
15 there are hereby appropriated from the General Fund such sums as may be necessary in
16 each year in addition to the amounts appropriated under subsection (d)(2) of this Section
17 to equal the amount of money necessary to pay the principal and interest on such bonds.
18 ~~The validity of any such bonds shall not be affected by the validity or regularity of any~~
19 ~~proceedings for the payment of the costs and expenses funded by such bonds.~~ All officers
20 charged by law with any duty in the collection of the revenues of the government from
21 which debt service on the bonds will be payable shall do every lawful thing necessary to
22 collect such sum. The validity of any such bonds shall not be affected by the validity or
23 regularity of any proceedings for the payment of the expenses paid or to be paid with the
24 proceeds of the bonds.