

I Mina'Trentai Tres Na Liheslaturan Received
Bill Log Sheet

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
221-33 (COR)	FRANK B. AGUON, JR.	AN ACT TO AMEND SUBSECTION (e) OF §26202, CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE BUSINESS PRIVILEGE TAX ON CONTRACTORS.	12/11/2015 4:30 p.m.	12/14/15	Committee on Finance and Taxation, General Government Operations and Youth Development	02/10/16 10:00 a.m.		Fiscal Note Request 12/16/15 Fiscal Note 09/16/16



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature

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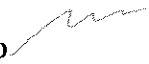
V. Anthony Ada
MINORITY LEADER

Mary C. Torres
MINORITY MEMBER

September 16, 2016

Memorandum

To: Rennae Meno
Clerk of the Legislature

From: Senator Rory J. Respicio 
Chairperson of the Committee on Rules

Subject: Fiscal Note

Hafa Adai!

Attached please find the fiscal note for the bill number listed below.
Please note that the fiscal note is issued on the bill as introduced.

FISCAL NOTE:

Bill No. 221-33(COR)

Please forward the same to MIS for posting on our website. Please contact our office should you have any questions regarding this matter.

Si Yu'os ma'åse'!

2016 SEP 16 PM 3:01

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 221-33 (COR)**

AN ACT TO AMEND SUBSECTION (e) OF §26202, CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE BUSINESS PRIVILEGE TAX ON CONTRACTORS.

Department/Agency Appropriation Information	
Dept./Agency Affected: Revenue and Taxation	Dept./Agency Head: John P. Camacho, Director
Department's General Fund (GF) appropriation(s) to date:	8,889,485
Department's Other Fund (Specify) appropriation(s) to date: Better Public Service Fund (\$2,206,210); Tax Collection Enhancement Fund (\$886,091)	3,092,301
Total Department/Agency Appropriation(s) to date:	\$11,981,786

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2015 Unreserved Fund Balance		\$0	\$0
FY 2016 Adopted Revenues	\$0	\$0	\$0
FY 2016 Appro. (P.L. 33-66 thru P.L. 33-164)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2016 (if applicable)	FY 2017	FY 2018	FY 2019	FY 2020
General Fund ^{1/}	(\$50,000)	\$0	\$0	\$0	\$0	\$0
(Specify Special Fund)	\$0	\$0	\$0	\$0	\$0	\$0
Total	(\$50,000)	\$0	\$0	\$0	\$0	\$0

- Does the bill contain "revenue generating" provisions? / / Yes /X/ No
If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? /X/ N/A / / Yes / / No
If no, what is the additional amount required? \$ /X/ N/A
- Does the Bill establish a new program/agency? / / Yes /X/ No
If yes, will the program duplicate existing programs/agencies? / / N/A / / Yes /X/ No
Is there a federal mandate to establish the program/agency? / / Yes /X/ No
- Will the enactment of this Bill require new physical facilities? / / Yes /X/ No
- Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: /X/ Yes / / No
/ / Requested agency comments not received by due date / / Other:

Analyst: Angela Flores, BMA IV Date: 9/15/16 Director: Jose S. Calvo, Director Date: SEP 15 2016

Footnotes: 1/ The intent of the proposed legislation is to include the Guam business license number on contractors Business Privilege Tax return to avert unintended double taxation. This will allow for claims to reflect the allowable deductions on a sub-contractor return based on Subsection (e) of §26202, Chapter 26, Title 11 of the Guam Code Annotated. Approximately 3 to 5 contractors reported by the Department of Revenue within the year amount to an estimated total tax between \$5,000 to \$10,000 for each. (A low of 3 taxpayers @ \$5,000 ea. totals \$15,000 in tax impact; and up to a high of 5 taxpayers @ \$10,000 each totals \$50,000 in tax impact.) Due to limited data available on this issue, additional impacts may result which cannot be determined at this time, based on the requirement of the full payment of taxes assessed to all Prime Contractors.