





I Mina'trentai Sais Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
4-36 (COR)	James C. Moylan V. Anthony Ada Christopher M. Duenas Frank F. Blas Jr.	AN ACT TO ADD A NEW § 24103(c) TO CHAPTER 24, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO TEMPORARILY SUSPENDING THE ADDITIONAL REAL PROPERTY TAX LEVIED ON IMPROVEMENTS WITH A VALUE OF ONE MILLION DOLLARS (\$1,000,000) OR MORE.	1/4/21 11:05 a.m.						

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

Bill No. 4-36 (COR)

Introduced by:

James C. Moylan 
V. Anthony Ada 
Christopher M. Duenas 
Frank F. Blas Jr. 

**AN ACT TO ADD A NEW § 24103(c) TO CHAPTER 24,
TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO
TEMPORARILY SUSPENDING THE ADDITIONAL
REAL PROPERTY TAX LEVIED ON IMPROVEMENTS
WITH A VALUE OF ONE MILLION DOLLARS
(\$1,000,000) OR MORE.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. *I Liheslaturan Guåhan* finds that the Covid-19 pandemic has created an economic crisis on island which has severely impacted many island residents and businesses alike. The global epidemic has and is projected to continue to adversely affect our tourism industry, Guam's primary economic pillar, with experts estimating that pre COVID-19 arrival numbers *may not* be experienced until 2022. The hotel industry has unfortunately experienced a major setback, as thousands of employees have either been furloughed or have had their hours reduced.

In 2019, Public Law 1-35 was enacted to correct language from a previous mandate which levied an additional tax on those properties with improvements valued at one million dollars or more. Unfortunately, this Act directly affects many in the tourism industry, particularly hotels, and hence any opportunity to provide some financial relief to these entities may be positively shifted to employees in

1 Simultaneously, as Guam's tourism market is impacted, a circular effect
2 would resonate into many other industries who either directly or indirectly support
3 the visitor industry. This would include island residents, whose jobs were adversely
4 affected and are living in apartment units where PL 1-35 may have increased their
5 rent, or even businesses in industrial zones whose overhead expenditures increased
6 due to an increase in the tax levy.

7 The intent of this Act is to temporarily suspend the provisions of PL 1-35 for
8 Fiscal Years 2021 and 2022 for those with improvements valued at \$1,000,000 or
9 more in all Zones, other than those on a R1-One Family Dwelling Zone, to provide
10 some tax relief, particularly to those in the tourism and other industries. If these
11 savings can be transferred to employees in terms of additional working hours, the
12 governments losses from the additional property tax levies may be off set through
13 withholding taxes as well as the disposable spending from benefitting individuals
14 and entities.

15 **Section 2.** A new § 24103(c) is hereby *added* to Chapter 24, Title 11, Guam
16 Code Annotated, to read as follows:

17 **§ 24103. Levy.**

18 (a) There is hereby levied on all land property in Guam a yearly tax at
19 the rate of seven seventy-seconds percent (7/72%) of the value thereof and
20 seven eighteenths percent (7/18%) of the value of the improvements thereon.
21 Such tax shall be assessed and collected in the manner prescribed in this
22 Chapter. All proceeds derived by the government under any provision of this
23 Chapter shall be deposited in the Guam Educational Facilities Fund.

24 (b) In addition to the levy in Subsection (a), there is hereby levied on
25 improvements on all land property in Guam with a value of One Million
26 Dollars (\$1,000,000) or more a yearly tax at the rate of seven eighteenths
27 percent (7/18%) of the value thereon. Such tax shall be assessed and collected

1 in the manner prescribed in this Chapter. All proceeds derived by the
2 government under any provision of this Chapter shall be deposited in the
3 Guam Educational Facilities Fund.

4 (c) Notwithstanding any other provisions of the law, the levy pursuant to
5 § 24103(b) of this Chapter, *shall be* suspended for Fiscal Year 2021 and Fiscal
6 Year 2022 on improvements for all Zones pursuant to Article 2 of Chapter 61,
7 Title 21, Guam Code Annotated, *except* for the R1-One Family Dwelling Zone.

8 **Section 2. Severability.** If any provision of this Act or its application to any
9 person or circumstance is found to be invalid or contrary to law, such invalidity *shall*
10 *not* affect other provisions or applications of this Act that can be given effect without
11 the invalid provision or application, and to this end the provisions of this Act are
12 severable.

13 **Section 3. Effective Date.** This Act *shall be* effective retroactively to
14 January 1, 2021 and *shall* expire on December 31, 2022.