

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
327-36 (COR) As amended by the Committee on General Government Operations, Appropriations, and Housing; and further amended in the Committee of the Whole.	Joe S. San Agustin	AN ACT TO ADD A NEW ARTICLE 13, CHAPTER 77, DIVISION 2, TITLE 12, GUAM CODE ANNOTATED RELATIVE TO ALLOWING BUSINESSES CONTRIBUTING TO THE DESIGN AND CONSTRUCTION OF THE GUAM NATIONAL TENNIS FEDERATION TENNIS FACILITIES TO BE ELIGIBLE FOR TAX CREDITS.	7/18/22 2:01 p.m.	7/25/22	Committee on General Government Operations, Appropriations, and Housing	10/7/22 9:00 a.m.	10/24/22 9:49 a.m.	Request: 7/26/22 8/2/22	
	SESSION DATE	TITLE	DATE PASSED	TRANSMITTED	DUE DATE	NOTES			
	12/2/22	AN ACT TO ADD A NEW ARTICLE 13 TO CHAPTER 77 OF DIVISION 2, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO ALLOWING BUSINESSES CONTRIBUTING TO THE DESIGN AND CONSTRUCTION OF THE GUAM NATIONAL TENNIS FEDERATION FACILITIES TO BE ELIGIBLE FOR TAX CREDITS.	12/16/22	12/16/22	12/28/22				



COPY

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
Thirty-Sixth Guam Legislature

December 16, 2022

The Honorable Lourdes A. Leon Guerrero
I Maga'hågan Guåhan
Ufisinan I Maga'håga
Hagåtña, Guam 96910

Dear *Maga'håga* Leon Guerrero:

Transmitted herewith are **Bill Nos. 291-36 (LS), 298-36 (LS), 299-36 (LS), 306-36 (COR), 312-36 (COR), 313-36 (COR), 314-36 (COR), 327-36 (COR), 332-36 (LS), 334-36 (COR), 346-36 (LS), 348-36 (LS), 351-36 (COR), 354-36 (COR), 355-36 (COR), 356-36 (COR), 357-36 (COR), 358-36 (COR), 360-36 (COR);** and **Substitute Bill No. 361-36 (COR)** which were passed by *I Mina'trentai Sais Na Liheslaturan Guåhan* on December 16, 2022.

Sincerely,

AMANDA L. SHELTON
Legislative Secretary

Enclosure (20)

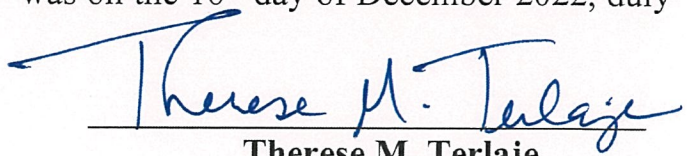
FOS CC Chong 562
12/16/22 10:06 p.m.



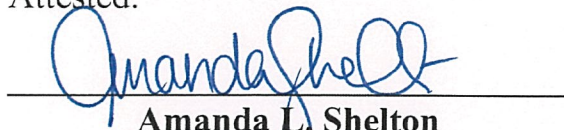
I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2022 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'HÅGAN GUÅHAN*

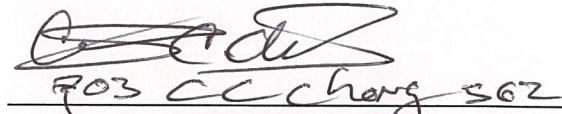
This is to certify that **Bill No. 327-36 (COR)**, "AN ACT TO *ADD A NEW ARTICLE 13 TO CHAPTER 77 OF DIVISION 2, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO ALLOWING BUSINESSES CONTRIBUTING TO THE DESIGN AND CONSTRUCTION OF THE GUAM NATIONAL TENNIS FEDERATION FACILITIES TO BE ELIGIBLE FOR TAX CREDITS,*" was on the 16th day of December 2022, duly and regularly passed.


Therese M. Terlaje
Speaker

Attested:


Amanda L. Shelton
Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 16TH day of Dec,
2022, at 10:06 o'clock P.M.


703 CC Chang 562
Assistant Staff Officer
Maga'håga's Office

APPROVED:

Lourdes A. Leon Guerrero
I Maga'hågan Guåhan

Date: _____

Public Law No. _____

I MINA'TRENTAIS AIS NA LIHESLATURAN GUÅHAN
2022 (SECOND) Regular Session

Bill No. 327-36 (COR)

As amended by the Committee on General Government Operations,
Appropriations, and Housing; and further amended in
the Committee of the Whole.

Introduced by:

Joe S. San Agustin
V. Anthony Ada
Frank Blas Jr.
Joanne Brown
Christopher M. Dueñas
James C. Moylan
Tina Rose Muña Barnes
Telen Cruz Nelson
Clynton E. Ridgell
Amanda L. Shelton
Telo T. Taitague
Jose “Pedro” Terlaje
Therese M. Terlaje
Mary Camacho Torres

**AN ACT TO *ADD* A NEW ARTICLE 13 TO CHAPTER 77
OF DIVISION 2, TITLE 12, GUAM CODE ANNOTATED,
RELATIVE TO ALLOWING BUSINESSES
CONTRIBUTING TO THE DESIGN AND
CONSTRUCTION OF THE GUAM NATIONAL TENNIS
FEDERATION FACILITIES TO BE ELIGIBLE FOR TAX
CREDITS.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. A new Article 13 is hereby *added* to Chapter 77 of Division 2, Title 12,
Guam Code Annotated, to read as follows:

“ARTICLE 13

1 **TAX CREDITS FOR CONTRIBUTORS TO THE DESIGN AND**
2 **CONSTRUCTION OF THE GUAM NATIONAL TENNIS FEDERATION**
3 **FACILITIES**

4 § 771300. Legislative Findings.

5 § 771301. Definitions.

6 § 771302. Credits Against Business Privilege Tax.

7 § 771303. Cap on Business Privilege Tax Credits for the Construction,
8 Development, Design, Repair, or Maintenance of the Guam National
9 Tennis Federation Facilities.

10 § 771304. Limits of Liability.

11 § 771305. Fines and Penalties.

12 § 771306. Public Access to Guam National Tennis Federation Center.

13 § 771307. Annual Tennis Clinic for the Department of Youth Affairs.

14 § 771308. Filing of Annual Reports.

15 § 771309. GEDA Report.

16 § 771310. Rules and Regulations.

17 **§ 771300. Legislative Findings.**

18 *I Liheslaturan Guåhan* finds that the Guam National Tennis Federation (GNTF)
19 developed, constructed, and operates a tennis center known as the Guam National Tennis
20 Center (GNTC) at the Department of Parks and Recreation's Guam Sports Complex in
21 Dededo (Dededo Sports Complex) that accommodates local tennis groups and the public.
22 In the last two (2) years, there has been an increase in usage of the GNTC. The GNTC
23 consists of ten (10) tennis courts, of which six (6) are adult courts and four (4) are children's
24 courts. The GNTF is presently building five (5) additional adult courts.

25 *I Liheslatura* finds that the local tennis federation is expanding to provide additional
26 tennis courts for their members and the public. Currently, private businesses are donating

1 to the GNTF for the development, maintenance, and operation of the GNTC, including the
2 construction of additional tennis courts.

3 Therefore, it is the intent of *I Liheslatura* to allow businesses contributing to the
4 construction, development, upgrade, repair, or maintenance of the GNTC to be eligible for
5 tax credits.

6 **§ 771301. Definitions.**

7 (a) Guam National Tennis Federation shall mean the Guam National Tennis
8 Federation, also known as GNTF.

9 (b) Facilities shall mean the Guam National Tennis Federation Center, including
10 all tennis courts, buildings, walkways, and parking areas located at the Department of Parks
11 and Recreation's Guam Sports Complex in *Dededo*, Guam.

12 (c) Business shall mean any business that contributes to the construction,
13 development, upgrade, repair, or maintenance of the Guam National Tennis Federation
14 Center.

15 (d) GEDA shall mean the Guam Economic Development Authority.

16 **§ 771302. Credits Against Business Privilege Tax.**

17 (a) To the extent that any business contributes to the actual cost of construction,
18 development, upgrade, repair, or maintenance, or the debt service currently owed for the
19 cost of the same, of the Guam National Tennis Federation Center facilities, such business
20 shall be entitled to credits of the unpledged business privilege taxes. The basis for the
21 contributions to the project shall be the actual cost of the contribution plus the cost of
22 transportation, if any, from the point of origin to its destination.

23 (b) Any unused credits not used in the current tax period may be carried over into
24 subsequent tax periods until such credits are exhausted.

25 (c) The total credits allowed under this Article shall not exceed the actual dollar
26 amount of the expenditures on the project by the taxpayer.

1 **§ 771303. Cap on Business Privilege Tax Credits for the Construction**
2 **Development, Design, Repair, or Maintenance of the Guam National Tennis**
3 **Federation Facilities.**

4 (a) The total amount of credits against unpledged business privilege taxes for the
5 construction development, design, repair, or maintenance of the Guam National Tennis
6 Federation facilities shall not exceed Six Hundred Thousand Dollars (\$600,000) over a two
7 (2) year period. No more than Three Hundred Thousand Dollars (\$300,000) in tax credits
8 shall be authorized for each year of the program.

9 (b) If, at the expiration of the three (3) year period authorized pursuant to this
10 Article, there are still unclaimed authorized tax credits, then *I Liheslaturan Guåhan*, may,
11 in its discretion, extend the eligible period until such time that all eligible tax credits are
12 exhausted.

13 (c) *I Liheslaturan Guåhan* may, in its discretion, extend the terms and modify any
14 part of the program based on the needs of the Guam National Tennis Federation.

15 **§ 771304. Limits of Liability.**

16 Unless a contractor, material supplier, designer, or landlord/lesser has direct
17 involvement in the operations of the Guam National Tennis Federation facilities as a
18 director, officer, manager, employee, representative or agent of the Guam National Tennis
19 Federation, they shall not be held liable for any civil or criminal damages or penalties
20 directly or indirectly arising from or related to the operations, any use, or processions of
21 the facilities, unless it can be proven that the materials and design work provided were
22 substandard. As the Guam National Tennis Federation Center is a private venture operated
23 by the Guam National Tennis Federation, the government of Guam shall not be liable for
24 any claims or damages arising from the operation of the Guam National Tennis Center.
25 The Guam National Tennis Federation, its directors, agents, consultants, employees, or
26 other affiliated person or persons shall make no representation that the government of
27 Guam has any interest in the operation of Guam National Tennis Center.

1 **§ 771305. Fines and Penalties.**

2 To the extent that a company providing materials and services for the project
3 contained herein takes more tax benefits in terms of business privilege taxes than the actual
4 value of the materials or services contributed to the project authorized herein, that company
5 shall be required to pay all interest and penalties applicable under Guam law and the
6 Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes
7 due. To extent that any individual, officer, director, or other person having interest in a
8 company providing materials or services for the project contained herein knowingly and
9 willingly causes such company to take more tax benefits in terms of business privilege
10 taxes than the actual value of the material or services contributed to the project, such
11 individual shall be guilty of a felony in the third degree punishable by a fine of not less
12 than Five Thousand Dollars (\$5,000), or one (1) year in prison, or both.

13 **§ 771306. Public Access to Guam National Tennis Federation Center.**

14 (a) As a condition for the Guam National Tennis Federation and its contributors
15 to be entitled to the tax benefits of the program established in this Article, the Guam
16 National Tennis Federation shall allocate time during which the public may utilize the
17 Guam National Tennis Center Facilities in accordance with the rules and policies adopted
18 by the Guam National Tennis Federation for the GNTC.

19 (b) As a condition for the Guam National Tennis Federation and its contributors
20 to be entitled to the tax benefits of the program established in this Article, the Guam Tennis
21 Federation shall grant access to the Guam Department of Education (GDOE) on weekdays
22 from 9:00 a.m. to 4:00 p.m. during the school year for the usage of the facilities for tennis
23 or pickleball classes or for interscholastic league tennis practices negotiated by the parties,
24 at no charge, subject to advanced scheduling. Nothing herein shall prevent GDOE from
25 allowing charter schools usage of the facilities during the allotted time.

26 **§ 771307. Annual Tennis Clinic for the Department of Youth Affairs.**

1 The Guam National Tennis Federation and the Department of Youth Affairs shall
2 work in partnership to host two (2) annual tennis clinics per year to the clients of the
3 Department of Youth Affairs. Department of Youth Affairs shall lead the partnership to
4 ensure that such annual tennis clinics are conducted.

5 **§ 771308. Filing of Annual Reports.**

6 (a) The Guam National Tennis Federation shall annually submit a copy of the
7 financial statement required in § 14102 of Chapter 14, Title 18 GCA to the Speaker of *I*
8 *Liheslaturan Guåhan*, the Public Auditor, and the Administrator of GEDA.

9 (b) The Guam National Tennis Federation must ensure that it is current with all
10 its articles and by-laws, and should there be any amendments to such documents, it should
11 immediately file such amendments to the Department of Revenue and Taxation.

12 **§ 771309. GEDA Report.**

13 GEDA shall submit a report to *I Liheslaturan Guåhan* detailing the impact of the
14 program on the business privilege taxes, sports, and economic activities on Guam. GEDA
15 shall also include in its report its monitoring efforts and any other information related to
16 the program. The report shall be transmitted to *I Liheslaturan Guåhan* on an annual basis
17 until the tax credit cap pursuant to § 771303 of this Article is exhausted.

18 **§ 771310. Rules and Regulations.**

19 The Guam Economic Development Authority shall implement and monitor the tax
20 credit program authorized pursuant to this Article based on rules and regulations already
21 adopted by GEDA for previous tax credit programs.”

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

26 **Section 3. Effective Date.** This Act shall be effective upon enactment.