

I Mina'trentai Siette 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
4-37 (COR)	Jesse A. Lujan	AN ACT TO TEMPORARILY SUSPEND THE BUSINESS PRIVILEGE TAX ON FOOD AND MEDICINE, FOR TWELVE (12) CONSECUTIVE MONTHS.	1/6/23 11:55 a.m.						

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2023 (FIRST) Regular Session

Bill No. 4-37 (COR)

Introduced by:

Jesse A. Lujan



**AN ACT TO TEMPORARILY SUSPEND THE
BUSINESS PRIVILEGE TAX ON FOOD AND
MEDICINE, FOR TWELVE (12) CONSECUTIVE
MONTHS.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that due to the effects of the Covid-19 Pandemic, rising inflation, and the slow recovery of the tourism industry, the cost of living on Guam has increased significantly and is negatively impacting the people of Guam. As many are experiencing financial strain and hardship at this time, suspending BPT taxes on food and medicine will assist our citizens. The governing body that is the legislature should explore all solutions possible and utilize the resources necessary to immediately provide relief to the residents. The purpose of this legislation is to establish a Business Privilege tax suspension period of twelve (12) consecutive months on the sale of food and medicine, as defined in section 4 below.

Section 2. Business Privilege Tax Increase of Public Law 34-116 is hereby amended.

Section 3. The Business Privilege Tax shall be suspended for twelve (12) consecutive months on food and medicine.

1 **Section 4. Defining Food & Medicine.** The suspension period of twelve
2 (12) consecutive months on the Business Privilege Tax shall be on the proceeds
3 received from the sale of food and medicine, as defined below.

4 (a) Food. For the purpose of this section, “Food” is defined as
5 substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated
6 form, that is sold for ingestion or chewing by humans and are consumed for
7 their taste or nutritional value. “Food” is also defined in the term “groceries”
8 which pertains to any food or food product intended for home consumption.
9 Lastly, “Food” is defined and refers to the food products purchased with the
10 intent of preparing it for sale and consumption outside of the home. Therefore,
11 this exemption shall be applicable to the percentage of revenue generated by
12 the sale of food at restaurants, grocery stores, “mom and pop” stores, and any
13 retail outlet or business that sells food.

14 (b) Medicine. For the purpose of this section, “Medicine” is defined as
15 “Nonprescription drugs,” which refers to packaged, bottled, non-bulk
16 chemicals, drugs, or medicine that may be lawfully sold without a medical
17 practitioner's order, and may be disbursed at a certified healthcare facility,
18 pharmacy, retail store or another business establishment.

19 **Section 5. Severability.** If any provision of this Act or its application to any
20 person or circumstances is found to be invalid or contrary to law, such invalidity
21 *shall* not affect other provisions or applications of this Act that can be given effect
22 without the invalid provision or application, and to this end the provisions of this
23 Act are severable.

24 **Section 6. Effective Date.** This Act shall go into effect on the first (1st) day
25 of the month following enactment.