

I MINA' TRENTAI DOS NA LIHESLATURAN GUAHAN
2013 (FIRST) Regular Session

Bill No. 167-32 (LS)

Introduced by:

R.J. RESPICIO 

AN ACT TO REPEAL § 23113 OF CHAPTER 23,
TITLE 22 OF THE GUAM CODE ANNOTATED TO
REMOVE THE CURRENT TAX EXEMPTION ON
PREMIUMS COLLECTED BY INSURANCE
COMPANIES AS PART OF THE QC PROGRAM.

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1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 SECTION 1. **Legislative Findings.** In 1996, Public Law 23-109 was
3 enacted into law with the intent of promoting economic development
4 through the creation of a captive insurance industry. As part of this effort,
5 authorization was granted for qualifying certificates providing for tax
6 exemptions on premiums collected for participating insurance companies.
7 In the 16 years since the enactment of this exemption, the captive insurance
8 industry in Guam has not produced sufficient job growth or business
9 opportunity expansion to justify the continuation of this tax exemption and
10 the attendant loss of revenue to the government of Guam. Given these
11 circumstances and inasmuch as the Governor of Guam has called for the
12 elimination of this exemption, the Legislature finds that this exemption

1 should be removed and all QCs issued to insurance companies under this
2 statute should be terminated.

3 **SECTION 2.** § 23113 of Chapter 23, Title 22 of the Guam Code
4 Annotated is hereby repealed.

5 **SECTION 3.** To the extent legally permissible, The Guam Economic
6 Development Authority is hereby directed to terminate all qualifying
7 certificates issued under the provision of § 23113 of Chapter 23, Title 22 of
8 the Guam Code Annotated prior to the enactment of this Act.

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