

MINA' TRENTAI TRES NA LIHESLATURAN GUÅHAN
2015 (FIRST) Regular Session

Bill No. 224 -33 (COR)

Introduced by:

D.G. RODRIGUEZ, JR. *av*

AN ACT AMEND ITEM (37) OF SUBSECTION (k) OF § 26203, CHAPTER 26, 11 GCA, RELATIVE TO EXTENDING THE BUSINESS PRIVILEGE TAX EXEMPTIONS FOR CHILD CARE CENTERS AND GROUP CHILD CARE HOMES SO AS TO CONTINUE TO PROMOTE EARLY CHILDHOOD LEARNING AND DEVELOPMENT OPPORTUNITIES FOR MODERN CHILD CARE FACILITIES.

Jim Micks
2015 DEC 30 AM 11:08

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Finding and Intent.** *I Liheslaturan Guåhan* finds
3 that the standards and objectives of child care facilities have progressed nationwide
4 to that of being early educational facilities. It has clearly been determined that
5 such an environment is beneficial in the early development of children exposed to
6 genuine learning experiences.

7 With the discussion and eventual passage of the Child Care Facilities and
8 Group Child Care Homes rules and regulations pursuant to P.L. 31-73, many
9 facility operators' considered the new higher standards objectives unattainable due
10 to increases in costs. To address the anticipated increase in costs, *I Liheslaturan*
11 *Guåhan* deemed it appropriate to make available an exemption of Business
12 Privilege Taxes, the use of which would significantly augment the needed
13 improvements to achieve compliance with the significantly more stringent rules
14 and regulations.

1 The outstanding issues relative to costs of compliance remain, and must
2 continue to be addressed. It is the intent of *I Liheslaturan Guåhan* that continuing
3 the tax relief provided herein is necessary so as to alleviate the need for child care
4 facilities and group child care homes to increase their fees, which could negatively
5 impact their clients.

6 **Section 2.** Item (37) of § 26203(k), Article 2, Chapter 26, Title 11, Guam
7 Code Annotated, as provided pursuant to Public Law 31-127, is *amended* to read:

8 “(37) All the gross proceeds received by child care facilities and group care
9 homes which are duly licensed pursuant to Article 4 – Child Welfare Services Act,
10 of Chapter 2, Division 1 of Title 10, Guam Code Annotated, ~~for a period of five (5)~~
11 ~~years~~ commencing on the date that any business privilege tax would otherwise be
12 required to be paid to the government of Guam. This Item shall be effective
13 through December 31, 2021, after which date this Item shall be deemed repealed.”

14 **Section 3. Severability.** If any provision of this Act or its application to
15 any person or circumstance is found to be invalid or contrary to law, such
16 invalidity shall not affect other provisions or applications of this Act which can be
17 given effect without the invalid provisions or application, and to this end the
18 provisions of this Act are severable.