

I Mina'Trentai Kuáttro Na Liheslaturan
BILL STATUS

| BILL NO. | SPONSOR | TITLE | DATE INTRODUCED | DATE REFERRED | CMTE REFERRED | PUBLIC HEARING DATE | DATE COMMITTEE REPORT FILED | FISCAL NOTES | NOTES |
|-------------|--------------------------|---|---------------------|---------------|---------------|---------------------|-----------------------------|--------------|-------|
| 63-34 (COR) | Michael F.Q. San Nicolas | AN ACT TO REQUIRE THE DIRECTOR OF THE DEPARTMENT OF REVENUE AND TAXATION TO DETERMINE THE GUAM-SOURCED INCOME GENERATED FROM FEDERALLY-CONTRACTED ACTIVITY BY CONTRACTORS WHO DO NOT FILE THEIR TAXES ON GUAM, RECONCILE SUCH INFORMATION WITH THE SECTION 30 REIMBURSEMENTS ATTRIBUTABLE TO SUCH INCOME, AND REPORT ITS FINDINGS FOR FURTHER ACTION TO I MAGA'LÁHEN GUÅHAN AND THE SPEAKER OF I LIHESLATURAN GUÅHAN. | 4/4/17 4:46 p.m. | | | | | | |

I MINA'TRENTAI KUATTRO NA LIHESLATURAN GUÁHAN
2017 (FIRST) Regular Session

Bill No. 63-34 (rev)

Introduced by:

Michael F.Q. San Nicolas



AN ACT TO REQUIRE THE DIRECTOR OF THE DEPARTMENT OF REVENUE AND TAXATION TO DETERMINE THE GUAM-SOURCED INCOME GENERATED FROM FEDERALLY-CONTRACTED ACTIVITY BY CONTRACTORS WHO DO NOT FILE THEIR TAXES ON GUAM, RECONCILE SUCH INFORMATION WITH THE SECTION 30 REIMBURSEMENTS ATTRIBUTABLE TO SUCH INCOME, AND REPORT ITS FINDINGS FOR FURTHER ACTION TO *I MAGA'LÁHEN GUÁHAN* AND THE SPEAKER OF *I LIHESLATURAN GUÁHAN*.

2017 APR -4 PM 4: 46


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

2 **Section 1. Short Title.** This Act *shall* be cited as the “Federally-Contracted
3 Activities Section 30 Reconciliation Act.”

4 **Section 2. Legislative Findings and Intent.** *I Liheslaturan Guáhan* finds
5 that §1421h of 48 USC (§30 of the Organic Act of Guam) reads, in part:

6 “All customs duties and Federal income taxes derived from Guam, the
7 proceeds of all taxes collected under the internal revenue laws of the United
8 States on articles produced in Guam and transported to the United States, its
9 Territories, or possessions, or consumed in Guam, and the proceeds of any
10 other taxes which may be levied by the Congress on the inhabitants of Guam
11 (including, but not limited to, compensation paid to members of the Armed
12 Forces and pensions paid to retired civilians and military employees of the
13 United States, or their survivors, who are residents of, or who are domiciled

1 in, Guam), and all quarantine, passport, immigration, and naturalization fees
2 collected in Guam shall be covered into the treasury of Guam and held in
3 account for the government of Guam and shall be expended for the benefit
4 and government of Guam in accordance with the annual budgets.”

5 *I Liheslaturan Guåhan* further finds that federal taxes on Guam-sourced
6 income generated from federally-contracted construction activity by contractors
7 who do not file their taxes on Guam should be reimbursable to the Government of
8 Guam under Section 30 of the Organic Act. If it is found that the U.S. Federal
9 Government underestimated reimbursable taxes from this source, Section 30
10 reimbursements could increase, inclusive of any lump sum reimbursements from
11 prior year accruals, providing additional revenue for the benefit of the people of
12 Guam and potential revenue for war claims.

13 It is therefore the intent of *I Liheslaturan Guåhan* to require the Director of
14 the Department of Revenue and Taxation to utilize expanded data sources,
15 including the USASpending.gov website, determine the Guam-sourced income
16 generated from Federally-contracted activity by contractors who do not file their
17 taxes on Guam, reconcile such information with the Section 30 reimbursements
18 attributable to such income, and report its findings for further action to *I*
19 *Maga'låhen Guåhan* and the Speaker of *I Liheslaturan Guåhan*.

20 **Section 3. Federally-Contracted Activities Section 30 Reconciliation.** The
21 Director of the Department of Revenue and Taxation shall, utilizing expanded data
22 sources, including the USASpending website, determine the Guam-sourced income
23 generated from federally-contracted activity by contractors who do not file their
24 taxes on Guam, reconcile such information with the Section 30 reimbursements
25 attributable to such income, and report its findings for further action to *I*
26 *Maga'låhen Guåhan* and the Speaker of *I Liheslaturan Guåhan*, not later than one
27 hundred eighty (180) days from the enactment of this Act.