

*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
65-34 (COR)	Michael F.Q. San Nicolas	AN ACT TO REQUIRE THE DIRECTOR OF THE DEPARTMENT OF REVENUE AND TAXATION TO, IN COLLABORATION WITH THE BANKING AND INSURANCE COMMISSIONER, DETERMINE THE GUAM-SOURCED INCOME GENERATED BY BUSINESSES ENGAGED IN MORTGAGE-FINANCING ACTIVITIES AND BANKING, INSURANCE, TRUST, AND INVESTMENT ENTITIES 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.	4/4/17 4:46 p.m.						

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

Bill No. 65-34 (COR)

Introduced by:

Michael F.Q. San Nicolas 

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AN ACT TO REQUIRE THE DIRECTOR OF THE DEPARTMENT OF REVENUE AND TAXATION TO, IN COLLABORATION WITH THE BANKING AND INSURANCE COMMISSIONER, DETERMINE THE GUAM-SOURCED INCOME GENERATED BY BUSINESSES ENGAGED IN MORTGAGE-FINANCING ACTIVITIES AND BANKING, INSURANCE, TRUST, AND INVESTMENT ENTITIES 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'LÅHEN GUÅHAN* AND THE SPEAKER OF *I LIHESLATURAN GUÅHAN*.

2017 APR -4 PM 4:46  
*MSM*

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

2 **Section 1. Short Title.** This Act *shall* be cited as the “Mortgage Financing  
3 and Banking, Insurance, and Investment Section 30 Reconciliation Act.”

4 **Section 2. Legislative Findings and Intent.** *I Liheslaturan Guåhan* 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

1 Forces and pensions paid to retired civilians and military employees of the  
2 United States, or their survivors, who are residents of, or who are domiciled  
3 in, Guam), and all quarantine, passport, immigration, and naturalization fees  
4 collected in Guam shall be covered into the treasury of Guam and held in  
5 account for the government of Guam and shall be expended for the benefit  
6 and government of Guam in accordance with the annual budgets.”

7 *I Liheslaturan Guåhan* further finds that federal taxes on Guam-sourced  
8 income from sources such as credit card interest, withholding taxes on dividends  
9 and capital gains, merchant services fees, fees generated by businesses engaged in  
10 mortgage-financing activities, and banking, insurance, trust, and investment  
11 entities who do not file their taxes on Guam, should be reimbursable to the  
12 Government of Guam under Section 30 of the Organic Act. If it is found that the  
13 U.S. Federal Government underestimated reimbursable taxes from any such  
14 source, Section 30 reimbursements could increase, inclusive of any lump sum  
15 reimbursements from prior year accruals, providing additional revenue for the  
16 benefit of the people of Guam and potential revenue for war claims.

17 It is therefore the intent of *I Liheslaturan Guåhan* to require the Director of  
18 the Department of Revenue and Taxation to, in collaboration with the Banking and  
19 Insurance Commissioner, determine the Guam-sourced income generated by  
20 businesses engaged in mortgage-financing activities and banking, insurance, and  
21 investment entities who do not file their taxes on Guam, reconcile such information  
22 with the Section 30 reimbursements attributable to such income, and report its  
23 findings for further action to *I Maga'låhen Guåhan* and the Speaker of *I*  
24 *Liheslaturan Guåhan*.

25 **Section 3. Mortgage-Financing Business and Banking, Insurance, and**  
26 **Investment Section 30 Reconciliation.** The Director of the Department of  
27 Revenue and Taxation shall, in collaboration with the Banking and Insurance

1 Commissioner, determine the Guam-sourced income generated by businesses  
2 engaged in mortgage-financing activities and banking, insurance, trust, and  
3 investment entities who do not file their taxes on Guam, reconcile such information  
4 with the Section 30 reimbursements attributable to such income, and report its  
5 findings for further action to *I Maga'låhen Guåhan* and the Speaker of *I*  
6 *Liheslaturan Guåhan*, not later than one hundred eighty (180) days from the  
7 enactment of this Act.