

I Mina'trentai Sais 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
74-36 (COR)	Joe S. San Agustin Tina Rose Muña Barnes Jose "Pedro" Terlaje Clynton E. Ridgell Mary Camacho Torres	AN ACT TO AMEND §26203.2 OF CHAPTER 26 TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO PERMANENTLY INCREASING THE GROSS THRESHOLD FOR LIMITED EXEMPTIONS ON THE BUSINESS PRIVILEGE TAXES FOR CERTAIN SMALL BUSINESSES AND TO FURTHER REPEAL §26203.3 OF CHAPTER 26 TITLE 11, GUAM CODE ANNOTATED.	3/9/21 12:23 p.m.						

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

Bill No. 74-36 (COR)

Introduced by:

Joe S. San Agustin

Tina Rose Muña Barnes

Jose "PEDO" Terlaje

Clynton E. Ridgell

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**AN ACT TO AMEND §26203.2 OF CHAPTER 26 TITLE
11, GUAM CODE ANNOTATED, RELATIVE TO
PERMANENTLY INCREASING THE GROSS
THRESHOLD FOR LIMITED EXEMPTIONS ON THE
BUSINESS PRIVILEGE TAXES FOR CERTAIN SMALL
BUSINESSES AND TO FURTHER REPEAL §26203.3 OF
CHAPTER 26 TITLE 11, GUAM CODE ANNOTATED**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. §26203.2 of Chapter 26, Title 11, Guam Code Annotated is hereby
amended to read as follows:

§ 26203.2. Limited Exemption for Certain Small Businesses.

Notwithstanding any provision of law, the taxes levied under this Article in
excess of those generated from three percent (3%) of the gross proceeds of business
privilege tax referenced in § 26202 shall not apply to the first ~~One Hundred~~
~~Thousand Dollars (\$100,000)~~ Two Hundred Fifty Thousand Dollars (\$250,000)
earned or received per taxable year by any person from real property rentals, rental
others, profession, retailing, service income, commission income, licensed insurance
premium, and/or farming, whose gross annual income is in excess of Fifty Thousand

1 Dollars (\$50,000) but not more than ~~Two Hundred Fifty Thousand Dollars~~
2 ~~(\$250,000)~~ Five Hundred Thousand Dollars (\$500,000) during the most recent tax
3 year; provided, however, that such person(s) shall be fully subject to three percent
4 (3%) of the gross proceeds of business privilege tax referenced in § 26202, subject
5 to the existing requirements and exemptions referenced elsewhere in this Article.
6 The exemption set forth in this Section shall apply annually, commencing on the
7 first day of the month of the new tax year, based on the gross annual income of a
8 person during the most recent year, and shall end on the last day of the last month of
9 the same tax year.

10 **Section 2.** §26203.3 of Chapter 26, Title 11, Guam Code Annotated is hereby
11 *repealed to read as follows:*

12 **~~§ 26203.3. Temporary Limited Exemption for Certain Small Businesses.~~**

13 ~~Notwithstanding any provision of law, the taxes levied under this Article in~~
14 ~~excess of those generated from three percent (3%) of the gross proceeds of business~~
15 ~~privilege tax referenced in § 26202 shall not apply to the first Two Hundred Fifty~~
16 ~~Thousand Dollars (\$250,000) earned or received per taxable year by any person from~~
17 ~~real property rentals, rental others, profession, retailing, service income, commission~~
18 ~~income, licensed insurance premium, and/or farming, whose gross annual income is~~
19 ~~in excess of Fifty Thousand Dollars (\$50,000) but not more than Five Hundred~~
20 ~~Thousand Dollars (\$500,000) during the most recent tax year; provided, however,~~
21 ~~that such person(s) shall be fully subject to three percent (3%) of the gross proceeds~~
22 ~~of business privilege tax referenced in § 26202, subject to the existing requirements~~
23 ~~and exemptions referenced elsewhere in this Article. The exemption set forth in this~~
24 ~~Section shall apply annually, commencing on the first day of the month of the new~~
25 ~~tax year, based on the gross annual income of a person during the most recent year,~~
26 ~~and shall end on the last day of the last month of the same tax year.~~

1 **Section 2. Severability.** If any provision of this Act or its application to any
2 person or circumstance is found to be invalid or contrary to law, such invalidity shall
3 not affect other provisions or applications of this Act that can be given effect without
4 the invalid provision or application, and to this end the provisions of this Act are
5 severable.

6 **Section 3. Effective Date.** This act shall be effective immediately upon
7 enactment.