

I Mina'trentai Siette 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
17-37 (COR)	Telo T. Taitague Joanne Brown Sabina Flores Perez Roy Anthony Benavente Quinata Jesse A. Lujan	AN ACT TO ADD A NEW § 77103 TO ARTICLE 1 OF CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO ENSURING FISCAL RESPONSIBILITY BY LIMITING THE TOTAL AUTHORIZED AMOUNT OF TAX CREDITS EACH YEAR TO THE AMOUNT SET ASIDE BY I LIHESLATURAN GUÅHAN AS THE GENERAL FUND RESERVE (DEFICIT REDUCTION/RAINY DAY FUND).	1/27/23 8:03 a.m.						

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2023 (FIRST) Regular Session

Bill No. 17-37 (COR)

Introduced by:

Telo T. Taitague
Joanne Brown
Sabina Flores Perez *SFP*
Roy A.B. Quinata *R.A.B.Q.*
Jesse A. Lujan

AN ACT TO *ADD* A NEW § 77103 TO ARTICLE 1 OF CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO ENSURING FISCAL RESPONSIBILITY BY LIMITING THE TOTAL AUTHORIZED AMOUNT OF TAX CREDITS EACH YEAR TO THE AMOUNT SET ASIDE BY *I LIHESLATURAN GUÅHAN* AS THE GENERAL FUND RESERVE (DEFICIT REDUCTION/RAINY DAY FUND).

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the budget impact of tax credit programs must be reflected in each annual Government of Guam budget or the likelihood of a budget deficit is definite.

I Liheslaturan Guåhan further finds the budget impact of new tax credit programs will also have an impact on the reduction of anticipated revenues for the fiscal year that such programs commence particularly when such tax benefits were not factored into the budget act.

It is the intent of *I Liheslaturan Guåhan* to (1) make sure that each existing tax credit program is factored in to each budget and (2) that future tax credit programs do not exceed the amount reserved in the Rainy Day Fund for situations

1 where excess or surplus revenues may be insufficient to cover the amount of these
2 tax benefit programs.

3
4 **Section 2.** A new § 77103 is *added* to Article 1 of Chapter 77, Title 12,
5 Guam Code Annotated, to read:

6 **“§ 77103. Ceiling on Tax Credit Programs.** Notwithstanding any other
7 provision of law, the fiscal year total amount of *new* tax credits authorized by the
8 Government of Guam shall not exceed the amount set aside by *I Liheslatura* in the
9 annual budget law as the General Fund Reserve (Deficit Reduction/Rainy Day
10 Fund). All existing tax credits for each fiscal year shall be reflected in each annual
11 General Appropriations Act (annual Government of Guam Budget Act) as offsets
12 to the applicable revenue source.”

13
14 **Section 3. Effective Date.** This Act shall become effective immediately.