


I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2024 (SECOND) Regular Session

Bill No. 265-37 (COR)

Introduced by:

Therese M. Terlaje 

AN ACT TO PROVIDE TAX RELIEF TO PROPERTY OWNERS OF R1 AND A ZONES BY DEFERRING INCREASES IN PROPERTY TAX ASSESSMENT RESULTING FROM THE 2024-2025 ISLAND-WIDE PROPERTY REVALUATION

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

2 **Section 1. Section 1. Legislative Findings and Intent.** *I Liheslaturan*
3 *Guåhan* finds that The Legislature removed the funding authorization for a real
4 property tax assessment from the Governor's FY 24 Budget Bill No. 236-37, now
5 P.L. 37-42 in a Legislative effort to delay any adverse impact on the cost of living
6 on Guam.

7 *I Liheslaturan Guåhan* further finds that according to the Department of
8 Revenue and Taxation, the Governor and Lt Governor are moving forward with an
9 island-wide real property revaluation, reportedly having allocated \$2M from federal
10 American Rescue Plan Act (ARPA) funds for this initiative.

11 *I Liheslaturan Guåhan* finds that Guam law mandates under 11GCA §24306,
12 that a revaluation of all property values in Guam is to occur every five (5) years. The
13 last such revaluation was conducted approximately 10 years ago in 2014-2015.

1 *I Liheslaturan Guåhan* finds that the anticipated revaluation is poised to
2 inflate real property taxes for all categories, due in part to the decade that has elapsed
3 since the last assessment. This increase may significantly escalate the already high
4 cost of living a on the island. This resulting economic strain may put residential
5 landowners at risk of losing their homes and potentially exacerbate the existing
6 housing shortage.

7 Therefore, it is the intent of *I Liheslaturan Guåhan* to protect single family
8 homeowners on R1 properties, bona fide farmers on A zoned properties, and owners
9 of undeveloped R-1 or A zoned properties from a substantial increase in real property
10 taxes following the revaluation, provided that the property is not transferred after the
11 effective date of this law.

12 **Section 2. Deferral of Increased Property Tax Assessment Upon the**
13 **2024-2025 Reevaluation.**

14 Notwithstanding the 2024-2025 revaluation of real property for single family
15 homeowners on R1 (One-Family Dwelling Zone) properties, bona fide farmers on
16 A (Agricultural Zone) properties, and owners of undeveloped R1 or A zoned
17 properties, any increase in property tax assessments resulting from such revaluation
18 shall be deferred by the Department of Revenue and Taxation. This deferral shall
19 remain in effect for the current landowner until such time as the ownership of the
20 property is transferred.

21 **Section 3. Effective Date.** This Act shall become immediately effective
22 upon enactment.