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I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2013 (FIRST) Regular Session

Bill No. 101-32(LS)

Introduced by: Michael F.Q. San Nicolas

AN ACT TO AMEND §24204 OF ARTICLE 2, CHAPTER 24, TITLE 11, GUAM CODE ANNOTATED; RELATIVE TO REDUCING THE STATUTE OF LIMITATIONS ON THE COLLECTION OF REAL PROPERTY TAX DUE TO THE GOVERNMENT OF GUAM FROM THIRTY (30) YEARS TO TEN (10) YEARS.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Short Title. This Act shall be cited as the "Responsible
3 Real Property Tax Statute of Limitations Act."

4 Section 2. Legislative Findings and Intent. I Liheslaturan Guåhan
5 finds that the thirty (30) year statute of limitations on Guam's Real
6 Property Tax was established as part of the general enactment of the Real
7 Property Tax, signed into law by Governor Carlton Skinner on Wednesday,
8 August 29, 1951, as Public Law 1-32.

9 I Liheslatura finds that some members of the community have been
10 informed of tax assessments that extend to the thirty (30) year statute of
11 limitations of the tax. This poses a problem because it would be difficult
12 for an individual to prove that the tax had been duly paid up to thirty (30)

1 years prior. Further, if the tax record from up to thirty (30) years ago is in
2 error, and the taxpayer does not have records, then it would be an injustice
3 to make a taxpayer bear the burden of the government's mistake. It is
4 overly burdensome on the individual taxpayer to expect that property tax
5 records *shall* be maintained for thirty (30) years.

6 *I Liheslaturan Guåhan* further finds that the taxes which are
7 administered by the Department of Revenue and Taxation under the
8 United States Internal Revenue Code, pursuant to §1421(i) of the Organic
9 Act of Guam, have a statute of limitations of ten (10) years.

10 In the interest of property owners, *I Liheslatura* finds that the statute
11 of limitations on the Real Property Tax should reflect the ten (10) year
12 statute of limitations of the mirror Internal Revenue Code.

13 It is therefore the intent of *I Liheslatura* that the statute of limitations
14 on the Real Property Tax be reduced to ten (10) years, which is consistent
15 with other taxes administered by the Department of Revenue and Taxation,
16 pursuant to the Internal Revenue Code.

17 **Section 3. Removal of the Real Property Tax Lien.** § 24204 of
18 Article 2, Chapter 24, Title 11, Guam Code Annotated hereby *amended*, to
19 read:

20 **“§ 24204. Same: Removal.**

21 After ten (10) ~~thirty (30)~~ years succeeding the time, heretofore or
22 hereafter, when any tax becomes a lien, *if* the lien has not been otherwise

1 removed, *then* the lien ceases to exist and the tax *is* conclusively presumed
2 to have been paid. The tax collector *shall* mark the tax paid in the records.”

3 **Section 4. Effect upon Enactment: Payments Made Prior to**
4 **Enactment for Liens Ten (10) Years or Older.** No payment made prior to
5 the date of enactment of this Act to the government of Guam *shall* be held
6 invalid due to the provisions of § 3 of this Act.