EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

OCT 18 2017

Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuåttro Na Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

GL#34-17-1104
Speaker Benjamin J.F. Cruz

OCT 18 2017
Time: 350 [ ] AM [X] PM File No. 34-1040
Received By:

Dear Mr. Speaker:

Transmitted herewith is Bill No. 24-34 (COR), **"AN ACT TO *ADD* A NEW § 4124 TO CHAPTER 4 OF TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING MONTHLY CONSOLIDATED TAX COLLECTIONS REPORTS,"** which lapsed into law on October 14, 2017, as **Public Law 34-51.**

Senseramente,

EDDIE BAZA CALVO

2017 OCT 18 PM 4:28

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

Bill No. 24-34 (COR)

Introduced by: Michael F.Q. San Nicolas
Thomas C. Ada
FRANK B. AGUON, JR.
William M. Castro
B. J.F. Cruz
James V. Espaldon
Fernando Barcinas Esteves
Régine Biscoe Lee
Tommy Morrison
Louise B. Muña
Telena Cruz Nelson
Dennis G. Rodriguez, Jr.
Joe S. San Agustin
Therese M. Terlaje
Mary Camacho Torres

AN ACT TO *ADD* A NEW § 4124 TO CHAPTER 4 OF TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING MONTHLY CONSOLIDATED TAX COLLECTIONS REPORTS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Short Title. This Act *shall* be cited as the "Monthly Consolidated Tax Collections Reporting Act."

Section 2. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the Department of Revenue and Taxation is responsible for collecting most taxes on Guam.

I Liheslatura finds that the Office of the Inspector General estimated that inefficiencies at the Department of Revenue and Taxation result in a loss of at least Twenty-three Million Five Hundred Thousand Dollars ($23,500,000) each year.

I Liheslatura further finds that since the largest sources of revenue to the government of Guam are the business privilege tax and the Guam territorial income tax, comprised of the individual income tax, the withholding tax, and the corporate income tax, closely monitoring the collections activities of these revenue sources would both encourage improving the effectiveness of collections activities by the Department of Revenue and Taxation, and also provide additional information which may be useful in developing forecasts of revenue based, in part, upon collection inventories and the degree to which such inventories may be expected to result in payments which will be recognized as General Fund revenue.

It is, therefore, the intent of *I Liheslaturan Guåhan* to require the Director of the Department of Revenue and Taxation to prepare a monthly Consolidated Tax Collections Report (CTCR) which *shall* report the monthly activity of the Collection Branch of the Department of Revenue and Taxation for the individual income tax, the withholding tax, the corporate income tax, and the business privilege tax, by adding a new § 4124 to Chapter 4 of Title 5, Guam Code Annotated.

Section 3. Monthly Consolidated Tax Collections Report. A new § 4124 is hereby *added* to Chapter 4 of Title 5, Guam Code Annotated, to read:

"**§ 4124. Monthly Consolidated Tax Collections Report.** The Director of the Department of Revenue and Taxation *shall* prepare a monthly Consolidated Tax Collections Report (CTCR), excluding any identifying information regarding any taxpayer, which *shall* report the aggregate monthly activity of the Collection Branch of the Department of Revenue and Taxation for the individual income tax, the withholding tax, the corporate income tax, and the business privilege tax, which *shall* include, broken down by tax units

and balance, the beginning inventory, referrals received during the month, assessed accruals, total inventory, offsets, payments made to the Treasurer of Guam, payment transfers, inactivation, abatements, total adjustments, and the ending inventory. The Director of the Department of Revenue and Taxation *shall* certify said reports, which *shall* be transmitted to *I Maga'låhen Guåhan* and the Speaker of *I Liheslaturan Guåhan* no later than twenty (20) days after the end of each month."

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

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LÅHEN GUÅHAN*

This is to certify that **Bill No. 24-34 (COR), "AN ACT TO *ADD* A NEW § 4124 TO CHAPTER 4 OF TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING MONTHLY CONSOLIDATED TAX COLLECTIONS REPORTS,"** was on the 29th day of September 2017, duly and regularly passed.

Benjamin J.F. Cruz
Speaker

Attested:

Dennis G. Rodriguez, Jr.
Acting Legislative Secretary

This Act was received by *I Maga'låhen Guåhan* this 2nd day of Oct, 2017, at 4:40 o'clock P.M.

Assistant Staff Officer
Maga'låhi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'låhen Guåhan

Date: OCT 14 2017

Public Law No. 34-51