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#34-17-1106
Speaker Benjamin J.F. Cruz

OCT 18 2017
Time: 351 [ ] AM [ ] PM File No. 34-1050
Received By:

Dear Mr. Speaker:

Transmitted herewith is Bill No. 64-34 (COR), **"AN ACT TO REQUIRE THE DEPARTMENT OF REVENUE AND TAXATION, IN COLLABORATION WITH THE A.B. WON PAT GUAM INTERNATIONAL AIRPORT AUTHORITY (GIAA), TO DETERMINE THE AIR TRANSPORTATION TAXES PAID BY THE INHABITANTS OF GUAM SINCE THE ESTABLISHMENT OF SUCH TAX, RECONCILE SUCH INFORMATION WITH THE SECTION 30 REIMBURSEMENTS ATTRIBUTABLE TO AIR TRANSPORTATION TAXES, AND REPORT ITS FINDINGS FOR FURTHER ACTION TO *I MAGA'LÅHEN GUÅHAN* AND THE SPEAKER OF *I LIHESLATURAN GUÅHAN*,"** which lapsed into law on October 14, 2017, as **Public Law 34-53.**

2017 OCT 18 PM 4:28 C.J.

Senseramente,

EDDIE BAZA CALVO

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

Bill No. 64-34 (COR)
As amended on the Floor.

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 REQUIRE THE DEPARTMENT OF REVENUE AND TAXATION, IN COLLABORATION WITH THE A.B. WON PAT GUAM INTERNATIONAL AIRPORT AUTHORITY (GIAA), TO DETERMINE THE AIR TRANSPORTATION TAXES PAID BY THE INHABITANTS OF GUAM SINCE THE ESTABLISHMENT OF SUCH TAX, RECONCILE SUCH INFORMATION WITH THE SECTION 30 REIMBURSEMENTS ATTRIBUTABLE TO AIR TRANSPORTATION TAXES, AND REPORT ITS FINDINGS FOR FURTHER ACTION TO *I MAGA'LÅHEN GUÅHAN* AND THE SPEAKER OF *I LIHESLATURAN GUÅHAN*.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Short Title. This Act *shall* be cited as the "Air Transportation Tax Section 30 Reconciliation Act."

Section 2. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that 48 U.S.C. § 1421h (Section 30 of the Organic Act of Guam) reads, in part:

> "All customs duties and Federal income taxes derived from Guam, the proceeds of all taxes collected under the internal revenue laws of the United States on articles produced in Guam and transported to the United States, its Territories, or possessions, or consumed in Guam, and the proceeds of any other taxes which may be levied by the Congress on the inhabitants of Guam (including, but not limited to, compensation paid to members of the Armed Forces and pensions paid to retired civilians and military employees of the United States, or their survivors, who are residents of, or who are domiciled in, Guam), and all quarantine, passport, immigration, and naturalization fees collected in Guam shall be covered into the treasury of Guam and held in account for the government of Guam and shall be expended for the benefit and government of Guam in accordance with the annual budgets."

I Liheslaturan Guåhan further finds that 26 U.S.C. §§ 4261 - 4283, provides for taxes on persons and property transported by air. Under Section 30 of the Organic Act, these taxes should be reimbursable to the extent that such taxes are levied on the inhabitants of Guam. If it is found that the U.S. federal government underestimated reimbursable taxes, Section 30 reimbursements could increase, inclusive of any lump sum reimbursements from prior year accruals, providing additional revenue for the benefit of the people of Guam and potential revenue for war claims.

It is, therefore, the intent of *I Liheslaturan Guåhan* to require the Department of Revenue and Taxation, in collaboration with the A.B. Won Pat Guam International Airport Authority (GIAA), to determine the air transportation taxes paid by the inhabitants of Guam since the establishment of such tax, reconcile such

information with the Section 30 reimbursements attributable to air transportation taxes, and report its findings for further action to *I Maga'låhen Guåhan* and the Speaker of *I Liheslaturan Guåhan*.

Section 3. Air Transportation Tax Section 30 Reconciliation. The Department of Revenue and Taxation *shall*, in collaboration with the A.B. Won Pat Guam International Airport Authority (GIAA), determine the total air transportation taxes paid by the inhabitants of Guam since the establishment of such tax, reconcile such information with the Section 30 reimbursements attributable to air transportation taxes, and report its findings for further action to *I Maga'låhen Guåhan* and the Speaker of *I Liheslaturan Guåhan*, no later than one hundred eighty (180) days from the date of enactment of this Act, and, thereafter, the first business day in January of every calendar year for the preceding twelve (12) months.

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. 64-34 (COR), "AN ACT TO REQUIRE THE DEPARTMENT OF REVENUE AND TAXATION, IN COLLABORATION WITH THE A.B. WON PAT GUAM INTERNATIONAL AIRPORT AUTHORITY (GIAA), TO DETERMINE THE AIR TRANSPORTATION TAXES PAID BY THE INHABITANTS OF GUAM SINCE THE ESTABLISHMENT OF SUCH TAX, RECONCILE SUCH INFORMATION WITH THE SECTION 30 REIMBURSEMENTS ATTRIBUTABLE TO AIR TRANSPORTATION TAXES, AND REPORT ITS FINDINGS FOR FURTHER ACTION TO *I MAGA'LÅHEN GUÅHAN* AND THE SPEAKER OF *I LIHESLATURAN GUÅHAN*,"** 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. 34-53