

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

March 10, 2022

HONORABLE THERESE M. TERLAJE

Speaker

I Mina'trentai Sais Na Liheslaturan Guåhan

36th Guam Legislature

Guam Congress Building

163 Chalan Santo Papa

Hagåtña, Guam 96910

Doc Type: 36GL-22-1738
OFFICE OF THE SPEAKER
THERESE M. TERLAJE

-03- 10 2022

Time: 4:37 pm
Received: [Signature]

Re: **BILL NO. 202-36 (COR) – AN ACT TO AMEND § 26203.2 OF ARTICLE 2, CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE GROSS THRESHOLD FOR LIMITED EXEMPTIONS ON THE BUSINESS PRIVILEGE TAXES FOR CERTAIN SMALL BUSINESSES**

Hafa Adai Madame Speaker,

Bill No. 202-36 proposes to increase the gross threshold for limited exemptions on the business privilege tax (“BPT”) for small businesses. This bill will provide welcome relief for small businesses, many of which suffered, and continue to suffer, substantial losses as a result of the COVID-19 pandemic. This measure promises to ease more of the economic burden on these businesses, and, coupled with the assistance programs Lt. Governor Josh Tenorio and I have implemented, will help these businesses navigate this difficult time. As we collectively explore ways in which we can strengthen our small businesses, we must also remain mindful of the fact that a reduction of government revenue will further deplete General Fund unappropriated revenues, and underscores the fact that the Legislature should not attempt to appropriate such funds in advance of the final audit. With this in mind, I am signing Bill No. 202-36 into law. It is now known as ***Public Law No. 36-81***.

Senseremente,

LOURDES A. LEON GUERRERO

Maga'hāgan Guåhan

Governor of Guam

COMMITTEE ON RULES

RECEIVED:

March 10, 2022

5:13 P.M.


Enclosure: Bill No. 202-36 (COR) *nka P.L. No. 36-81*

cc via email: *Honorable Joshua F. Tenorio, Sigundo Maga'låhen Guåhan*
Compiler of Laws

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2022 (SECOND) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'HÅGAN GUÅHAN

This is to certify that **Bill No. 202-36 (COR)**, "AN ACT TO *AMEND* § 26203.2 OF ARTICLE 2, CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE GROSS THRESHOLD FOR LIMITED EXEMPTIONS ON THE BUSINESS PRIVILEGE TAXES FOR CERTAIN SMALL BUSINESSES," was on the 25th day of February 2022, duly and regularly passed.




Therese M. Terlaje
Speaker

Attested:




Amanda L. Shelton
Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 28th day of Feb.,
2022, at 4: o'clock p.M.



Marilyn Tablante
Assistant Staff Officer
***Maga'håga's* Office**

APPROVED:



Lourdes A. Leon Guerrero
I Maga'hågan Guåhan

Date: 3/10/2022

Public Law No. 36-81

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÁHAN
2021 (FIRST) Regular Session

Bill No. 202-36 (COR)

As amended by the Committee on General Government Operations,
Appropriations, and Housing; and further amended
in the Committee of the Whole.

Introduced by:

Mary Camacho Torres
James C. Moylan
Tina Rose Muña Barnes
Jose "Pedo" Terlaje
Joe S. San Agustin
Christopher M. Dueñas
V. Anthony Ada
Frank Blas Jr.
Joanne Brown
Telena Cruz Nelson
Sabina Flores Perez
Clynton E. Ridgell
Amanda L. Shelton
Telo T. Taitague
Therese M. Terlaje

AN ACT TO AMEND § 26203.2 OF ARTICLE 2, CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE GROSS THRESHOLD FOR LIMITED EXEMPTIONS ON THE BUSINESS PRIVILEGE TAXES FOR CERTAIN SMALL BUSINESSES.

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

2 **Section 1.** § 26203.2 of Article 2, Chapter 26, Title 11, Guam Code
3 Annotated, is hereby *amended* to read:

1 **“§ 26203.2. Limited Exemption for Certain Small Businesses.**

2 Notwithstanding any other provision of law, the taxes levied under this Article
3 in excess of those generated from three percent (3%) of the gross proceeds of
4 business privilege tax referenced in § 26202 shall not apply to the first Five
5 Hundred Thousand Dollars (\$500,000) earned or received per taxable year by
6 any person from real property rentals, rental others, profession, retailing,
7 service income, commission income, licensed insurance premium, and/or
8 farming, whose gross annual income is in excess of Fifty Thousand Dollars
9 (\$50,000) but not more than Five Hundred Thousand Dollars (\$500,000)
10 during the most recent tax year; provided, however, that such person(s) shall
11 be fully subject to three percent (3%) of the gross proceeds of business
12 privilege tax referenced in § 26202, subject to the existing requirements and
13 exemptions referenced elsewhere in this Article. The exemption set forth in
14 this Section shall apply annually, commencing on the first day of the month
15 of the new tax year, based on the gross annual income of a person during the
16 most recent year, and shall end on the last day of the last month of the same
17 tax year.”

18 **Section 2. Severability.** If any provision of this Act or its application to any
19 person or circumstance is found to be invalid or contrary to law, such invalidity shall
20 not affect other provisions or applications of this Act that can be given effect without
21 the invalid provision or application, and to this end the provisions of this Act are
22 severable.

23 **Section 3. Effective Date.** This Act shall be effective on July 1, 2022. This
24 Act shall apply retroactive to January 1, 2022.