CHAPTER 77
SPECIAL PROJECTS AND ACTIVITIES OF THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

SOURCE: Entire Chapter (Articles 1 and 2) added by P.L. 25-027:1 (June 4, 1999).

2026 NOTE: Pursuant to 5 GCA § 1510, I Maga'hågan/Maga'låhen Guåhan means the "Governor of Guam." Pursuant to 2 GCA § 1101, I Liheslaturan Guåhan/Liheslatura means the "Guam Legislature"/"Legislature."

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ARTICLE 1
ADMINISTRATIVE PROVISIONS

§ 77101. Scope.
§ 77102. Rules and Regulations.
§ 77103. Ceiling on Tax Credit Programs.
§ 77104. Sunset Provision for Tax Credit Programs.

§ 77101. Scope.

The provisions of this Chapter shall apply to any projects or activities of the Guam Economic Development Authority authorized by public law, but not set out or identified in its basic organizational charter contained in Chapter 50 of this Title.

§ 77102. Rules and Regulations.

All such special projects or activities shall be administered by rules and regulations developed under the requirements of the Administrative Adjudication Law (AAL). Such rules and regulations may be developed either by the Guam Economic Development Authority acting alone or jointly with one (1) or more other agencies of the government of Guam, unless such joint development is expressly prohibited by Public Law.

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§ 77103. Ceiling on Tax Credit Programs.

Notwithstanding any other provision of law, the fiscal year total amount of new tax credits authorized by the Government of Guam shall not exceed the amount set aside by I Liheslatura in the annual budget law as the General Fund Reserve (Deficit Reduction/Rainy Day Fund). All existing tax credits for each fiscal year shall be reflected in each annual General Appropriations Act (annual Government of Guam Budget Act) as offsets to the applicable revenue source.

SOURCE: Added by P.L. 37-013:2 (May 12, 2023).

§ 77104. Sunset Provision for Tax Credit Programs.

(a) Notwithstanding any other provision of law, tax credit programs pursuant to this Chapter shall automatically expire ten (10) years following enactment of their respective enabling legislation. This provision shall not apply to tax credit programs where I Liheslatura established a specific period for claiming credits.

(b) I Liheslaturan Guåhan may, in its discretion, extend through enacted legislation the eligible period for any tax credit program until such time that all eligible tax credits authorized for the program are exhausted.

SOURCE: Added as § 77103 by P.L. 37-014:2 (May 12, 2023), renumbered by the Compiler pursuant to the authority granted by 1 GCA § 1606.

2026 NOTE: Subsection designations added pursuant to the authority of 1 GCA § 1606.

ARTICLE 2
GUAM RACEWAY PARK

§ 77201. Applicability of Article.
§ 77202. Credits Against Business Privilege Tax.
§ 77203. Limits of Liability.

§ 77201. Applicability of Article.

The provisions of this Article are applicable to the Guam Raceway Park as authorized by the Act.

§ 77202. Credits Against Business Privilege Tax.

To the extent that any business licensed to do business on Guam contributes the cost of design, labor and materials to design and/or construct the Guam Raceway Park, such business must be certified by GEDA to be eligible for any credits against Business Privilege Taxes as authorized by the Act. The maximum amount of such credits authorized on an annual basis shall also be certified by GEDA prior to expenditures by any licensed business for the Guam Raceway Park. The maximum amount of credits authorized shall be subject to the limitations set forth in § 9 of the Act.

NOTE: Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

§ 77203. Limits of Liability.

As the Guam Racing Federation having received a license from the Chamorro Land Trust (Trust) to use Trust property for the Guam Raceway Park, the Trust shall not be liable for any claims resulting from the use of such property. Furthermore, consistent with the provisions of § 3 of the Act, neither GEDA, the Department of Revenue and Taxation, nor any other agency of the government of Guam shall be liable for any claims arising from the use of such property.

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2017 NOTE: As enacted by P.L. 25-027 (June 4, 1999), this provision contained an erroneous reference to "§ 5 of the Act"; however, this reference is manifest error. P.L. 25-027 consists only of Sections 1 through 4 and did not include Section 5. This reference has been corrected by the Compiler pursuant to the authority of 1 GCA § 1606.

ARTICLE 3
SOCCER STADIUM FINANCING

SOURCE: Entire Article added by P.L. 27-085:3 (Apr. 30, 2004).

CROSS REFERENCE: 12 GCA § 50101 (references to GEDCA shall mean GEDA)

§ 77301. Credit Against Business Privilege Taxes.
§ 77302. Limits of Liability.
§ 77303. Event Admissions Assessment.
§ 77304. Fines and Penalties.
§ 77305. Cap on BPT Credits for Design and Construction of the Soccer Stadium and Facilities.
§ 77306. Matching Funds Required.
§ 77307. Public Access to Soccer Stadium.
§ 77308. Filing of Annual Reports.
§ 77309. GEDCA Report.
§ 77310. Rules and Regulations.

§ 77301. Credit Against Business Privilege Taxes.

(a) To the extent that any business contributes the cost of design, labor and materials that are for the construction of the Guam Football (Soccer) Association's soccer stadium and facilities, it shall be entitled to credit of business privilege taxes. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Act shall not exceed the actual dollar amount of the expenditures on the project.

SOURCE: Added by P.L. 27-085:3 (Apr. 30, 2004). Subsection (a) amended by P.L. 30-003:4 (Mar. 13, 2009).

NOTE: Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

§ 77302. Limits of Liability.

(a) Unless a contractor, materials supplier, designer or landlord/less or has direct involvement in the operations of the soccer stadium and facilities as a director, officer, manager, employee, representative or agent of the Guam Football (Soccer) Association, they shall not be held liable for any civil or criminal damages or penalties directly or indirectly arising from or related to the operations, any use, or possession of the soccer stadium and facilities, unless it can be proven that the materials or design work provided were substandard.

(b) As the soccer stadium and facilities is a private venture operated by the Guam Football (Soccer) Association, the government of Guam shall not be liable for any claims or damages arising from the operation of the soccer stadium and facilities.

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(c) The Guam Football (Soccer) Association, its directors, agents, consultants, employees, or other affiliated person or persons shall make no representation that the government of Guam has any interest in the operation of such stadium and facilities.

SOURCE: Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:5 (Mar. 13, 2009).

2017 NOTE: Subsection designations added pursuant to the authority of 1 GCA § 1606.

§ 77303. Event Admissions Assessment.

The organizers of any event held at the soccer stadium and facilities for which a fee is charged for admission, shall pay to the government of Guam, an admissions assessment of Two Dollars ($2.00) per paid admission of ten percent (10%) of the admission charged, whichever is less.

SOURCE: Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:6 (Mar. 13, 2009).

§ 77304. Fines and Penalties.

(a) To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes in addition to payment of the actual taxes due.

(b) To the extent that any individual, officer, director or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly cause such company to take more tax benefits in terms of business privilege taxes than the actual value of the material or services contributed to the project, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars ($5,000) or one (1) year in prison or both.

2017 NOTE: Subsection designations added pursuant to the authority of 1 GCA § 1606.

NOTE: Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

§ 77305. Cap on BPT Credits for Design and Construction of the Soccer Stadium and Facilities.

The total amount of credits against Business Privilege Taxes for the design and construction of the soccer stadium and facilities authorized herein shall not exceed One Million Two Hundred Thousand Dollars ($1,200,000). The development of soccer facilities in the southern part of the island shall be funded using additional tax credits and/or matching funds secured.

SOURCE: Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:7 (Mar. 13, 2009), P.L. 30-101:15 (Mar. 12, 2010), P.L. 31-233:XI:13(a) (Sept. 7, 2012).

NOTE: Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

§ 77306. Matching Funds Required.

The tax credits provided to a contributor shall be in a dollar for dollar matching grant form, wherein every dollar that is given by the government of Guam to the contributor as a tax credit shall be matched by a dollar from the Guam Football (Soccer) Federation, to be expended towards the design and construction of the soccer stadium and facilities.

SOURCE: Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:8 (Mar. 13, 2009).

§ 77307. Public Access to Soccer Stadium.

As a condition for the Guam Football (Soccer) Association and its contributors to be entitled to the tax benefits of the program established in this Article, the soccer stadium and facilities must be available to the

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general public in accordance with the Memorandum of Understanding with the Department of Parks and Recreation governing use of the property.

SOURCE: Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:9 (Mar. 13, 2009).

§ 77308. Filing of Annual Reports.

(a) The Guam Football (Soccer) Association shall annually submit a copy of the financial statement required in 18 GCA §14102 to the Speaker of I Liheslaturan Guåhan, the Public Auditor, and the Administrator of GEDCA.

(b) The Guam Football (Soccer) Association must ensure that it is current with all its Articles and By-Laws, and should there be any amendments to such documents, it should immediately file such amendments to the Department of Revenue and Taxation.

CROSS REFERENCE: 12 GCA § 50101 (references to GEDCA shall mean GEDA)

§ 77309. GEDCA Report.

GEDCA shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the Business Privilege Taxes, sports, and economic activities on Guam. GEDCA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to I Liheslatura on an annual basis until the One Million Dollars ($1,000,000) BPT cap pursuant to § 77305 of this Article is exhausted.

CROSS REFERENCE: 12 GCA § 50101 (references to GEDCA shall mean GEDA)

§ 77310. Rules and Regulations.

GEDCA shall submit to I Liheslaturan Guåhan within thirty (30) days upon the enactment of this Article, rules and regulations governing the implementation of the tax credits portion of this Article.

NOTE: Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

CROSS REFERENCE: 12 GCA § 50101 (references to GEDCA shall mean GEDA)

ARTICLE 4
TAX CREDITS FOR CONTRIBUTORS TO PUBLIC SCHOOL SPORTS FACILITIES

SOURCE: Entire Article added by P.L. 27-114:1 (Dec. 2, 2004).

CROSS REFERENCE: 12 GCA § 50101 (references to GEDCA shall mean GEDA)

§ 77401. Legislative Findings and Intent.
§ 77402. Definitions.
§ 77403. Credit Against Business Privilege Taxes.
§ 77404. Cap on Business Privilege Tax Credits for Construction, Development, Upgrading, Repair or Maintenance of Gymnasiums.
§ 77405. Rules and Regulations.
§ 77406. School Operations to Continue.
§ 77407. GEDCA Report.

§ 77401. Legislative Findings and Intent.

(a) I Liheslaturan Guåhan finds that several sports facilities within the Department of Education have fallen into disrepair. Whether the facilities are damaged by natural disaster, old age, or simply due to the

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lack of maintenance, it is of importance that these facilities are restored to a usable and safe condition in order to ensure that students are provided with a venue to hold their physical education classes, athletic competitions among public and private school students, science fairs, school plays, and dances, among other extracurricular activities.

(b) However, I Liheslaturan Guåhan also finds that the government of Guam is financially strapped and therefore cannot afford to allocate additional funding for major works that public school sports facilities require.

(c) Consequently, I Liheslaturan Guåhan calls for community involvement in guaranteeing that our students continue to have functional gymnasiums and other sports field, which can also be used by the public on special events during the weekends, such as the Special Olympics and Relay for Life. In order to provide incentives to those willing to contribute towards the construction, development, upgrading, repair or maintenance of any public school sports facilities, it is the intent of I Liheslaturan Guåhan to authorize tax credits to any individuals making contributions to public school sports facilities for the above purposes.

2026 NOTE: Subsection designations added pursuant to authority granted by 1 GCA § 1606.

2009 NOTE: P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education. References to Guam Public School System have been changed to Department of Education pursuant to P.L. 30-050:3.

§ 77402. Definitions.

As used in this Article:

(a) "Gymnasium" shall mean a public school sports facility, including, but not limited to, gymnasiums and baseball, soccer and football fields constructed, developed, upgraded, repaired, or maintained by an individual, corporation, or limited liability company under the provisions of this Article.

§ 77403. Credit Against Business Privilege Taxes.

(a) Individuals, corporations, or limited liability companies making contributions, as approved by the Superintendent of the Department of Education (DOE), towards the construction, development, upgrading, repair or maintenance of any gymnasium shall be authorized tax credits against Business Privilege Taxes. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation, if any, from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures on the project by the taxpayer.

2009 NOTE: P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education. References to Guam Public School System have been changed to Department of Education pursuant to P.L. 30-050:3.

NOTE: Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

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§77404. Cap on Business Privilege Tax Credits for Construction, Development, Upgrading, Repair or Maintenance of Gymnasiums.

The total amount of credits against Business Privilege Taxes for the construction, development, upgrading, repair or maintenance of gymnasiums as authorized herein shall not exceed One Million Dollars ($1,000,000.00) for all projects.

NOTE: Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

§ 77405. Rules and Regulations.

The Guam Economic Development and Commerce Authority (GEDCA) shall promulgate rules and regulations necessary to implement this Section, in accordance with the Administrative Adjudication Law, within sixty (60) days upon the enactment of this Article.

CROSS REFERENCE: 12 GCA § 50101 (references to GEDCA shall mean GEDA).

§ 77406. School Operations to Continue.

Pursuant to § 77403(a) of this Article, when approving a project, the Superintendent of the Department of Education must ensure that regular school operations, to the greatest extent possible, are not affected by the construction, development, upgrading, repair or maintenance of a gymnasium.

2009 NOTE: P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education. References to Guam Public School System have been changed to Department of Education pursuant to P.L. 30-050:3.

§ 77407. GEDCA Report.

GEDCA shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the Business Privilege Taxes, its monitoring efforts, and any other information related to the program. The report shall be transmitted to I Liheslatura on an annual basis until the One Million Dollars ($1,000,000.00) BPT cap pursuant to § 77404 of this Article is exhausted.

2026 NOTE: The erroneous reference to § 77407 has been corrected by the Compiler pursuant to authority granted by 1 GCA § 1606.

NOTE: Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

CROSS REFERENCE: 12 GCA § 50101 (references to GEDCA shall mean GEDA).

ARTICLE 5
TAX CREDITS FOR CONTRIBUTORS TO THE UNIVERSITY OF GUAM SPORTS COMPLEX

SOURCE: Added as Article 4 (§§ 77401-77407) by P.L. 27-130:1 (Dec. 20, 2004), renumbered to Article 5 (§§ 77501-77507) by the Compiler pursuant to the authority of 1 GCA § 1606.

§ 77501. Legislative Findings and Intent.
§ 77502. Tax Credits.
§ 77503. Maximum Amount of Tax Credits Authorized.
§ 77504. Determination of Amount of Contribution for Donated Merchandise.
§ 77505. Approval of Contributions.
§ 77506. Miscellaneous.
§ 77507. Rules and Regulations.

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§ 77501. Legislative Findings and Intent.

As a result of the damage caused by the typhoons and super-typhoons that have plagued our Island in the last five (5) years, Guam's outdoor sporting facilities have deteriorated dramatically. Guam's youth and adult sporting leagues are left searching for sites to hold their annual sporting competitions. It is the consensus of I Liheslaturan Guåhan that the development and construction of a multi-purpose outdoor sports facility will enhance the growth of such outdoor sports as football, soccer, tennis, baseball, softball, and rugby on Guam and attract not only regional and international events, but also Asian professional and college teams seeking a venue for spring training, giving a much needed boost to Guam's tourism industry. The University of Guam, with its existing outdoor sports facilities provides a suitable location for the development of a first class outdoor multi-purpose sports complex.

§ 77502. Tax Credits.

Guam sole proprietorships, corporations, partnerships, and limited liability companies making contributions towards the development, construction, financing, maintenance, and improvement of an outdoor multi-purpose sports complex at the University of Guam shall be entitled to tax credits against those excise taxes levied against the contributor pursuant to Chapter 22 (Annual Excise and Admission Taxes), Article 3 of Chapter 26 (Alcoholic Beverage Tax), Article 6 of Chapter 26 (Tobacco Tax), and Chapter 28 (Use Tax) of Division 2 of Title 11 of the Guam Code Annotated. All "tax credits" referred to in this Article shall mean tax credits applied against excise tax liabilities.

§ 77503. Maximum Amount of Tax Credits Authorized.

The aggregate amount of tax credits authorized by this Article for all contributors shall not exceed One Million Dollars ($1,000,000).

§ 77504. Determination of Amount of Contribution for Donated Merchandise.

The amount of contribution of any donated merchandise used in the development, construction and improvement of the outdoor multi-purpose sports complex at the University of Guam shall be the actual cost of the item plus the cost of transportation from the point of origin to its destination without profit, mark-up or taxes.

§ 77505. Approval of Contributions.

The University of Guam or its designee shall be responsible for approving the contributions made towards the development, construction, financing, maintenance, and improvement of the outdoor multi-purpose sports complex at the University of Guam.

§ 77506. Miscellaneous.

The tax credits authorized by this Act shall be subject to the following conditions:

(a) Tax credits that cannot be applied during a single tax year may be applied to excise tax liability in subsequent years.

(b) A single contributor shall only be entitled to claim tax credits up to Twenty-Five Thousand Dollars ($25,000.00) per month, not to exceed Three Hundred Thousand Dollars ($300,000.00) per year or tax credits shall not be applied to more than fifty percent (50%) of the contributor's monthly excise tax liability.

(c) To be eligible for the tax credits authorized by this Article, contributors must be licensed to do business on Guam.

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§ 77507. Rules and Regulations.

In accordance with the Administrative Adjudication Law, the Guam Economic Development and Commerce Authority shall formulate rules and regulations governing the issuance of the tax credits and the allocation of the aggregate tax credits among contributors authorized by this Article.

CROSS REFERENCE: 12 GCA § 50101 (references to GEDCA shall mean GEDA).

ARTICLE 6
TAX CREDITS FOR THE TIYAN GYMNASIUM

SOURCE: Entire Article added by P.L. 32-202:2 (Oct. 13, 2014).

§ 77601. Credit Against Eligible Taxes.
§ 77602. Limits of Liability.
§ 77603. Fines and Penalties.
§ 77604. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvement of the Tiyan Gymnasium and Facilities.
§ 77605. Public Access to Tiyan Gymnasium and Facilities.
§ 77606. Filing of Annual Reports.
§ 77607. GEDA [Guam Economic Development Authority] Report.
§ 77608. Rules and Regulations.
§ 77609. Licensing Agreement for Tiyan Gymnasium to Guam Basketball Confederation.
§ 77610. Ancestral Lands.

§ 77601. Credit Against Eligible Taxes.

(a) To the extent that any business contributes the actual cost of design, labor and materials that are for the rehabilitation and improvement of the Department of Parks and Recreation (DPR) Tiyan Gymnasium and facilities, it shall be entitled to credit of business privilege taxes that are not already pledged for any purpose by Guam law. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Act shall not exceed the actual dollar amount of the expenditures on the project.

§ 77602. Limits of Liability.

Unless a contractor, materials supplier, designer or landlord/lessor has direct involvement in the operations of the Tiyan Gymnasium and facilities as a director, officer, manager, employee, representative or agent of the Guam Basketball Confederation, they shall not be held liable for any civil or criminal damages or penalties directly or indirectly arising from or related to the operations, any use, or possession of the gymnasium and facilities, unless it can be proven that the materials or design work provided were substandard. As the Tiyan Gymnasium and facilities is a private venture operated by the Guam Basketball Confederation, the government of Guam shall not be liable for any claims or damages arising from the operation of the gymnasium and facilities. The Guam Basketball Confederation, its directors, agents, consultants, employees, or other affiliated person or persons shall make no representation that the government of Guam has any interest in the operation of such gymnasium and facilities.

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§ 77603. Fines and Penalties.

To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due. To the extent that any individual, officer, director or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly causes such company to take more tax benefits in terms of business privilege taxes than the actual value of the material or services contributed to the project, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars ($5,000), or one (1) year in prison, or both.

§ 77604. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvement of the Tiyan Gymnasium and Facilities.

(a) The total amount of credits against unpledged business privilege taxes for the rehabilitation and improvement of the Tiyan Gymnasium and facilities authorized herein shall not exceed Two Million Five Hundred Thousand Dollars ($2,500,000) over a ten (10) year period. No more than Two Hundred Fifty Thousand Dollars ($250,000) in tax credits shall be authorized for each year of the program.

(b) If, at the expiration of the ten (10) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, I Liheslaturan Guåhan may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

(c) I Liheslaturan Guåhan may, in its discretion, extend the term and modify any part of the program based on future improvement plans and demand for such facilities in this location.

(d) Construction and professional services and equipment and materials shall be competitively procured.

§ 77605. Public Access to Tiyan Gymnasium and Facilities.

As a condition for the Guam Basketball Confederation and its contributors to be entitled to the tax benefits of the program established in this Article, the gymnasium and facilities must be available to the general public in accordance with the Memorandum of Understanding with the Department of Parks and Recreation governing the use of the property. The Memorandum of Understanding shall incorporate provisions that support opportunities for access to the gymnasium and facilities by individuals with disabilities.

§ 77606. Filing of Annual Reports.

(a) The Guam Basketball Confederation shall annually submit a copy of the financial statement required in § 14102, Chapter 14 of Title 18 GCA to the Speaker of I Liheslaturan Guåhan, the Public Auditor, and the Administrator of GEDA.

(b) The Guam Basketball Confederation must ensure that it is current with all its articles and by-laws, and should there be any amendments to such documents, it should immediately file such amendments to the Department of Revenue and Taxation.

§ 77607. GEDA [Guam Economic Development Authority] Report.

GEDA shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the business privilege taxes, sports, and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to I

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Liheslaturan Guåhan on an annual basis until the tax credit cap pursuant to § 77604 of this Article is exhausted.

§ 77608. Rules and Regulations.

The Guam Economic Development Authority shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs.

§ 77609. Licensing Agreement for Tiyan Gymnasium to Guam Basketball Confederation.

The Department of Parks and Recreation and the Guam Basketball Confederation shall enter into a license agreement for the improvement, rehabilitation and maintenance of the Tiyan Gymnasium for a period of ten (10) years, in accordance with the provisions of the Memorandum of Understanding entered into by the Guam Basketball Confederation and the Department of Parks and Recreation on November 21, 2013. If at any time the Guam Basketball Confederation does not comply with any provision of the Memorandum of Understanding, the license shall be null and void, and management of the property shall revert solely to the Department of Parks and Recreation.

§ 77610. Ancestral Lands.

Nothing in this Article shall prevent the return of ancestral lands upon such time that such ownership is fully reconciled.

ARTICLE 7
TAX CREDITS FOR THE HARMON INDUSTRIAL PARK ROADWAY REHABILITATION AND IMPROVEMENT PROJECT

SOURCE: Entire Article added by P.L. 33-191:2 (Dec. 13, 2016).

2017 NOTE: P.L. 33-191:3 stated the following:

> Section 3. Effective Date. This Act shall be effective upon enactment, except that no tax credits authorized in Section 2 of this Act shall be applied toward the payment of business privilege taxes or use excise taxes until October 1, 2017. Such credits shall only be applied toward the payment of taxes which become due and payable thereafter.

§ 77701. Applicability of Article.
§ 77702. Credits Against Unpledged Business Privilege Tax.
§ 77703. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvement of the Harmon Industrial Park Roadway.
§ 77704. Credits Against Use Excise Tax.
§ 77705. Cap on Use Excise Tax Credits for the Rehabilitation and Improvement of the Harmon Industrial Park Roadway.
§ 77706. GEDA [Guam Economic Development Authority] Report.
§ 77707. Rules and Regulations.
§ 77708. Approval of Contributions.
§ 77709. Fines and Penalties.
§ 77710. Architectural and Engineering Design.

§ 77701. Applicability of Article.

The provisions of this Article are applicable to the Harmon Industrial Park roadway as authorized by this Act.

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§ 77702. Credits Against Unpledged Business Privilege Tax.

(a) A business, to the extent that such business contributes to the cost of design, labor, and materials that is for the rehabilitation and improvement of the Harmon Industrial Park roadway, as identified and approved by GEDA, shall be entitled to credit of unpledged business privilege taxes. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Act shall not exceed the actual dollar amount of the expenditures on the project.

§ 77703. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvement of the Harmon Industrial Park Roadway.

(a) The total amount of credits against unpledged business privilege taxes for the rehabilitation and improvement of the Harmon Industrial Park Roadway authorized herein shall not exceed One Million Dollars ($1,000,000) over a five (5) year period. For the first (1st) year, which initiates on October 1, 2017, up to Seventy-five Thousand Dollars ($75,000) in tax credits shall be authorized. For years two (2), three (3), and four (4), which initiate on October 1, 2018, October 1, 2019, and October 1, 2020, respectively, no more than Two Hundred Fifty Thousand Dollars ($250,000) in tax credits shall be authorized for each year of the program. For the fifth (5th) and final year, which initiates on October 1, 2021, no more than One Hundred Seventy-five Thousand Dollars ($175,000) in tax credits shall be authorized.

(b) If, at the expiration of the five (5) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, I Liheslaturan Guåhan may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

(c) I Liheslaturan Guåhan may, in its discretion, extend the term and modify any part of the program based on future improvement plans and demand in this location.

(d) Construction and professional services and equipment and materials shall be competitively procured.

SOURCE: Added by P.L. 33-191:2 (Dec. 13, 2016). Subsection (a) and (b) amended by P.L. 34-010: 1 (June 7, 2017).

§ 77704. Credits Against Excise Tax.

(a) A business, to the extent that such business contributes to the cost of design, labor, and materials that are for the rehabilitation and improvement of the Harmon Industrial Park Roadway, as identified and approved by the Guam Economic Development Authority (GEDA), shall be entitled to credit of excise taxes, excluding those pledged to the Healthy Futures Fund. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures on the project.

SOURCE: Added by P.L. 33-191:2 (Dec. 13, 2016). Amended by P.L. 35-108:2 (Oct. 30, 2020).

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§ 77705. Cap on Excise Tax Credits for the Rehabilitation and Improvement of the Harmon Industrial Park Roadway.

(a) The total amount of credits against excise taxes, not inclusive of those pledged for the Healthy Futures Fund, for the rehabilitation and improvement of the Harmon Industrial Park Roadway authorized herein shall not exceed the cumulative total of Three Million Dollars ($3,000,000) over a five (5) year period. The combined total of excise tax credits for the project shall not exceed Three Million Dollars ($3,000,000).

(b) If, at the expiration of the five (5) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, I Liheslaturan Guåhan may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

(c) I Liheslaturan Guåhan may, in its discretion, extend the term and modify any part of the program based on future improvement plans and demand in this location.

(d) Construction and professional services and equipment and materials shall be competitively procured.

SOURCE: Added by P.L. 33-191:2 (Dec. 13, 2016). Subsection (a) and (b) amended by P.L. 34-010: 2 (June 7, 2017). Amended by P.L. 35-108:3 (Oct. 30, 2020).

§ 77706. GEDA [Guam Economic Development Authority] Report.

GEDA shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the business privilege taxes, excise taxes, and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to I Liheslaturan Guåhan on an annual basis until the tax credit caps pursuant to §§ 77703 and 77705 of this Article are exhausted.

SOURCE: Added by P.L. 33-191:2 (Dec. 13, 2016). Amended by P.L. 35-108:4 (Oct. 30, 2020).

§ 77707. Rules and Regulations.

The Guam Economic Development Authority shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs.

§ 77708. Approval of Contributions.

GEDA or its designee shall be responsible for approving the contributions made towards the development, construction, financing, maintenance, rehabilitation, and improvement of the Harmon Industrial Park roadway project as identified in this Article.

§ 77709. Fines and Penalties.

(a) To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of unpledged business privilege taxes or use excise taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due.

(b) To the extent that any individual, officer, director, or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly causes such company to take more tax benefits in terms of business privilege taxes than the actual value of the material or services contributed to the project, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars ($5,000) or one (1) year in prison or both.

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2017 NOTE: Subsection designations added pursuant to the authority of 1 GCA § 1606.

§ 77710. Architectural and Engineering Design.

(a) Prior to the approval of any tax credits under §§ 77702 and 77704 of this Article, as well as the initiation of any rehabilitation or improvement projects identified in this Article, up to Three Hundred Thousand Dollars ($300,000) shall be expended for an Architectural and Engineering Design for the Harmon Industrial Park roadway project identified in this Article. This design must identify all the projects, including the total costs that would qualify under the tax credits of this Article. The design must be completed no later than May 1, 2018.

(b) Upon completion of the Architectural and Engineering Design, I Liheslaturan Guåhan may authorize the initiation of the rehabilitation and improvement of the Harmon Industrial Park roadway, along with the approval of the remaining credits under §§ 77702 and 77704 of this Article.

(c) Any costs associated with the Architectural and Engineering Design, with a maximum amount of Three Hundred Thousand Dollars ($300,000), shall qualify for the credits identified under §§ 77702 and 77704 of this Article, and shall be subject to the cap of the credits identified in §§ 77703 and 77705 of this Article.

(d) The Architectural and Engineering Design that is approved and incorporated by I Liheslaturan Guåhan shall be the framework for the project identified in this Article. Notwithstanding any other provision of law, rule, or regulation, if upon completion, the total cost of the project identified in the approved Architectural and Engineering Design pursuant to this Article is below the total amount of the cap of the tax credits identified in §§ 77703 and 77705 of this Article, additional streets in the Harmon Industrial Park which were not identified for repairs in the original framework of the design, shall be repaired and rehabilitated, if

(1) the Department of Public Works approves the plan; and

(2) the total costs of such additional repairs remain within the cap and timelines of the tax credits identified in §§ 77703 and 77705 of this Article.

(e) The Department of Public Works shall have regulatory oversight, to the extent appropriate, of the rehabilitation and improvement of the Harmon Industrial Park roadway envisaged by this Article, to include, but not limited to, the Architectural and Engineering Design described in this Section.

SOURCE: Added by P.L. 33-191:2 (Dec. 13, 2016). Subsection (a) amended by P.L. 34-010: 3 (June 7, 2017). Amended by P.L. 35-108:5 (Oct. 30, 2020).

ARTICLE 8
GUAM MULTI-PURPOSE COMMUNITY STADIUM COMPLEX COMMISSION

[REPEALED]

SOURCE: Added as Article 7 by P.L. 33-229 (Jan. 9, 2017), renumbered to Article 8 by the Compiler pursuant to authority of 1 GCA § 1606. Repealed by P.L. 37-036:1 (Aug. 11, 2023).

ARTICLE 9
ESPETÅT-TA. LINA'LÅ-TA. – OUR HOSPITAL. OUR LIFE. PLANNING TASK FORCE ACT OF 2019

SOURCE: Entire Article added by P.L. 35-058:1 (Nov. 30, 2019).

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§ 77901. Title.
§ 77902. Legislative Statement.
§ 77903. Creation and Membership.
§ 77904. Administrative Support for the Task Force.
§ 77905. Adoption of Rules.
§ 77906. Meetings.
§ 77907. General Powers and Responsibilities of the Task Force.
§ 77908. Development of a New Public Hospital Facility; Recommendations Required.
§ 77909. Reporting.

§ 77901. Title.

This Act shall be known and may be cited as the "Espetåt-ta. Lina'lå-ta. – Our Hospital. Our Life. Planning Task Force Act of 2019."

§ 77902. Legislative Statement.

(a) I Liheslaturan Guåhan recognizes the urgency of improving safety conditions and the quality of care provided to the people of Guam by the island's only public hospital, the Guam Memorial Hospital Authority (GMHA). Although task force groups were established and community conversations have occurred during the past several years regarding the rehabilitation and modernization of GMHA facilities and services, a clear path forward that will guide the development of a new public hospital facility has yet to materialize.

(b) It is, therefore, the position of I Liheslaturan Guåhan that a task force be established to coordinate efforts by the government of Guam to develop a new public hospital facility, including rehabilitation and/or replacement plans involving the current Guam Memorial Hospital Authority facility. I Liheslatura acknowledges the development of a new public hospital facility as a critical planning initiative of the government of Guam through the support of the Guam Economic Development Authority (GEDA). Included within the enabling statute of GEDA is 12 GCA § 50103(a), which recognizes that "…there exists an acute shortage of adequate, modern and efficient hospital facilities in Guam and that unless measures are adopted to alleviate such conditions, the need for such facilities will become increasingly more urgent and serious. It is hereby declared that the safety, health and welfare of the people of Guam requires the provision of adequate, modern and efficient hospital facilities in the various parts of Guam, and that it is the policy of Guam and a purpose of this Division to provide the means necessary for the acquisition, construction and provision of hospital facilities to serve the general public and to make reasonably accessible to all the people of Guam modern and efficient hospital facilities."

2026 NOTE: Subsection designations added pursuant to the authority of 1 GCA § 1606. References in subsection (b) to the "Territory" replaced with "Guam" pursuant to 1 GCA § 420.

§ 77903. Creation and Membership.

The Espetåt-ta. Lina'lå-ta. – Our Hospital. Our Life. Planning Task Force (Task Force) is hereby created and shall consist of nine (9) members.

(a) Task Force members shall serve for a term of eighteen (18) months.

(b) The following nine (9) individuals shall serve as appointed members of the Task Force:

(1) the Administrator of the Guam Economic Development Authority or his/her designee;

(2) the Administrator of the Guam Memorial Hospital Authority or his/her designee;

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(3) the Speaker of I Liheslaturan Guåhan or his/her designee who shall be a member of I Liheslaturan Guåhan;

(4) a member of I Liheslaturan Guåhan appointed by the Speaker of I Liheslaturan Guåhan;

(5) a member of the general public with a background in business and/or finance or experience in developing a public or private hospital facility who shall be appointed by I Maga'hågan/Maga'låhen Guåhan;

(6) a member of the Department of Land Management's Application Review Committee who shall be appointed by I Maga'hågan/Maga'låhen Guåhan;

(7) a member of the general public who shall be appointed by the Speaker of I Liheslaturan Guåhan.

(8) the Legislative committee chairperson with jurisdiction on health matters or his/her designee; and

(9) the Minority Leader of I Liheslaturan Guåhan or his/her designee.

(c) Five (5) members of the Task Force shall constitute a quorum for the exercise of the authority conferred upon the Task Force, and a concurrence of at least five (5) members is necessary to render a choice or a decision by the Task Force.

(d) A Chairperson shall be elected from among the appointed members and shall serve in such capacity for a term of eighteen (18) months.

(e) The members of the Task Force shall serve without compensation.

§ 77904. Administrative Support for the Task Force.

(a) The Task Force shall be established within GEDA for administrative purposes. The Administrator of GEDA shall ensure that the administrative provisions contained in this Article are properly adhered to; and shall further ensure that GEDA provides all the necessary administrative and clerical support, and anything else deemed necessary for the efficient operation of the Task Force.

(b) The Chairperson of the Task Force, in cooperation with the GEDA Administrator, may request for budgetary support from I Liheslaturan Guåhan.

(c) Nothing in this Article shall require that GEDA funds be utilized to cover any costs that are the direct result of the Task Force carrying out its defined duties and responsibilities pursuant to this Article.

§ 77905. Adoption of Rules.

The Task Force may adopt rules as necessary for its own procedures.

§ 77906. Meetings.

The Task Force shall meet as often as it deems appropriate and necessary to accomplish its powers, responsibilities and duties.

(a) The first meeting of the Task Force shall be held no later than twenty (20) days after the enactment of this Article.

(b) All meetings of the Task Force shall be subject to the Open Government Law found in Chapter 8 of Title 5, Guam Code Annotated.

§ 77907. General Powers and Responsibilities of the Task Force.

The Task Force shall:

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(a) coordinate and oversee any and all efforts by the government of Guam concerning the development of a new public hospital facility or other health care facility models, including rehabilitation and/or replacement plans involving the current Guam Memorial Hospital Authority facility;

(b) identify the preferable location(s) for a new public hospital facility;

(c) identify possible funding sources for a new public hospital facility;

(d) work with all pertinent stakeholders necessary to establish an organized approach by the government of Guam in developing a new public hospital facility;

(e) obtain a feasibility study with regards to the building, maintenance, and economic impact of a new public hospital facility;

(f) review previous Guam Memorial Hospital Task Force Reports, Advisory Council Reports, Expansion or Modernization Plans, and GMH Facilities Masterplans; and report to I Liheslaturan Guåhan about all the areas or recommendations still feasible, requiring additional information, or ruled out at this point.

§ 77908. Development of a New Public Hospital Facility; Recommendations Required.

The Task Force shall develop recommendations summarizing the best path forward in developing a new public hospital facility through a purchase agreement, municipal lease program, public-private partnership, or other financing option determined to be most beneficial to the taxpayers of Guam. The recommendations shall include, but not be limited to, recommended funding sources and maintenance plans. The Task Force shall provide an oral presentation to I Liheslaturan Guåhan through the Committee on Health within the timeframe required under § 77909(c) of this Article.

§ 77909. Reporting.

(a) The Task Force shall file quarterly reports with I Liheslaturan Guåhan detailing the progress of the development of the recommendations.

(b) The Task Force shall file a complete and detailed written report quarterly with I Maga'hågan/Maga'låhen Guåhan and the Speaker of I Liheslaturan Guåhan, in the form and within the time provided by the General Appropriations Act, accounting for all funds received and disbursed by the Task Force during the preceding fiscal year.

(c) No later than eighteen (18) months after its first duly convened meeting, the Task Force shall submit to I Maga'hågan/Maga'låhen Guåhan and I Liheslaturan Guåhan the recommendations as required in § 77908 of this Article.

ARTICLE 10
TAX CREDITS FOR GUAM'S PARTICIPATION IN THE 2019-2021 FIBA ASIA CUP COMPETITIONS

SOURCE: Entire Article added by P.L. 35-062:2 (Feb. 5, 2020).

§ 771001. Credit Against Eligible Taxes.
§ 771002. Limits of Liability.
§ 771003. Fines and Penalties.
§ 771004. Cap on Business Privilege Tax Credits for the Rehabilitation, Improvement, and Participation of the Guam Basketball Confederation at the FIBA Asia Cup.
§ 771005. Filing of Annual Reports.

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§ 771006. Guam Economic Development Authority Report.
§ 771007. Rules and Regulations.

§ 771001. Credit Against Eligible Taxes.

(a) To the extent that any business contributes to the Guam Basketball Confederation (GBC) to acquire the required equipment and make enhancements to facilities on Guam, as well as the training and transportation of the Guam Men's National Team for FIBA Asia Cup competitions from 2019 through 2021, it shall be entitled to credit of business privilege taxes that are not already pledged for any purpose by Guam law. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into three (3) subsequent tax periods only, and shall expire after the third (3rd) tax period has ended.

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures on the project.

(d) The total credits allowed under this Article shall not be transferrable to any other business than the original recipient of the credits.

§ 771002. Limits of Liability.

Unless a contractor, materials supplier, designer or landlord/lessor has direct involvement in the operations of the facilities as a director, officer, manager, employee, representative or agent of the Guam Basketball Confederation, they shall not be held liable for any civil or criminal damages or penalties directly or indirectly arising from or related to the operations, any use, or possession of the gymnasium and facilities, unless it can be proven that the materials or design work provided were substandard. As the University of Guam Calvo Field House and facilities is a private venture operated by the University of Guam and for use by the Guam Basketball Confederation, the government of Guam shall not be liable for any claims or damages arising from the operation of the gymnasium and facilities. The Guam Basketball Confederation, its directors, agents, consultants, employees, or other affiliated person or persons shall make no representation that the government of Guam has any interest in the operation of such gymnasium and facilities.

§ 771003. Fines and Penalties.

To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due. To the extent that any individual, officer, director or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly causes such company to take more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars ($5,000), or one (1) year in prison, or both.

§ 771004. Cap on Business Privilege Tax Credits for the Rehabilitation, Improvement, and Participation of the Guam Basketball Confederation in the FIBA Asia Cup.

(a) The total amount of credits against unpledged business privilege taxes for the GBC's preparation of facilities and participation in the FIBA Asia Cup competitions authorized herein shall not exceed Four Hundred Thousand Dollars ($400,000) over a two (2) year period.

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(b) If, at the expiration of the two (2) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, I Liheslaturan Guåhan may, in its discretion, extend the eligible period for one (1) additional year.

(c) I Liheslaturan Guåhan may, in its discretion, extend the term and modify any part of the program based on future opportunities to host and participate in international competitions and promote teams from Guam.

(d) The Guam Basketball Confederation shall create a memorandum of understanding with the University of Guam in order to detail the enhancement and use of the University of Guam Calvo Field House (UOG Field House) for sports competitions organized by GBC, to include operational plans for equipment being acquired by GBC for use at the UOG Field House.

(e) Equipment, labor, materials, construction, transportation, accommodations and professional services shall be competitively procured.

§ 771005. Filing of Annual Reports.

(a) The Guam Basketball Confederation shall annually submit a copy of the financial statement required pursuant to § 14102, Chapter 14, Title 18 GCA to the Speaker of I Liheslaturan Guåhan, the Public Auditor, and the Administrator of GEDA.

(b) The Guam Basketball Confederation shall annually submit a detailed report of the expenses eligible for tax credits incurred to the Speaker of I Liheslaturan Guåhan, the Public Auditor, and the Administrator of GEDA.

(c) The Guam Basketball Confederation shall ensure that its articles and by-laws are current, and should there be any amendments to such articles and by-laws, it shall immediately file such amendments with the Department of Revenue and Taxation.

§ 771006. Guam Economic Development Authority Report.

The Guam Economic Development Authority (GEDA) shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the business privilege taxes, sports, and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to I Liheslaturan Guåhan on an annual basis until the tax credit cap pursuant to § 77904 of this Article is exhausted.

§ 771007. Rules and Regulations.

GEDA shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs. Notwithstanding any other provision of law, GEDA shall have the authority to incorporate and add rules and regulations necessary to process travel-related tax credits which shall use, at a minimum, the Federal Travel Regulation as a basis for such rules and regulations.

ARTICLE 11
TAX CREDITS FOR THE GUAM MEMORIAL HOSPITAL AUTHORITY

SOURCE: Added by P.L. 35-138:2 (Jan. 16, 2021), effective on October 1, 2021 pursuant to P.L. 35-138:3.

§ 771101. Applicability of Article.
§ 771102. Credits Against Unpledged Business Privilege Tax and Exemption of Use Tax.

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§ 771103. Cap on Business Privilege Tax Credits for Required Medical Equipment at the Guam Memorial Hospital Authority.
§ 771104. Guam Economic Development Authority Report.
§ 771105. Rules and Regulations.
§ 771106. Approval of Contributions.
§ 771107. Fines and Penalties.

§ 771101. Applicability of Article.

The provisions of this Article are applicable to required medical equipment at the Guam Memorial Hospital Authority (GMHA) as authorized by this Article.

§ 771102. Credits Against Unpledged Business Privilege Tax and Exemption of Use Tax.

(a) A business, to the extent that such business contributes to the Guam Memorial Hospital Authority the required medical equipment needed by the GMHA, as identified and approved by the Board of Trustees of the GMHA, shall be entitled to credit of business privilege taxes not already pledged for any purpose by Guam law. The basis for contribution for such required medical equipment needs shall be the actual cost of the contribution plus the cost of transportation, if any, from the point of origin to its destination. The GMHA shall coordinate the processing and receipt of the costs of the medical equipment from contributing businesses and shall certify that such costs are for the intended authorized purposes herein. Such certification of costs shall be provided to the Guam Economic Development Authority (GEDA).

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures for required medical equipment.

(d) One hundred percent (100%) of use taxes shall be exempt with respect to costs directly associated with the transportation and delivery of medical equipment for the GMHA contributed under this Article. Only such use taxes directly associated with contributing such medical equipment shall be exempted. The GMHA shall coordinate the processing and receipt of such costs directly associated with such medical equipment and shall certify that such costs are for the intended authorized purposes. Such certification shall be provided to the Guam Economic Development Authority.

§ 771103. Cap on Business Privilege Tax Credits for Required Medical Equipment at the Guam Memorial Hospital Authority.

(a) The total amount of credits against unpledged business privilege taxes for medical equipment needs of the GMHA authorized herein shall not exceed Five Million Dollars ($5,000,000) over a five (5) year period. The five-year period will begin in the first fiscal year I Liheslaturan Guåhan allocates One Million Dollars ($1,000,000) from unpledged business privilege taxes through the budget act. This period will continue to count in each subsequent fiscal year as long as this One Million Dollars ($1,000,000) appropriation is maintained in future budget acts.

(b) [Implicitly repealed by P.L. 38-136:XII:35 (Aug. 28, 2026).]

(c) [Implicitly repealed by P.L. 38-136:XII:35 (Aug. 28, 2026).]

(d) [Implicitly repealed by P.L. 38-136:XII:35 (Aug. 28, 2026).]

SOURCE: Added by P.L. 35-138:2 (Jan. 16, 2021), effective on October 1, 2021 pursuant to P.L. 35-138:3. Subsection (a) amended by P.L. 38-060:XII:50 (Sept. 29, 2025). Subsection (a) amended, (b)-(d) implicitly repealed by P.L. 38-136:XII:35 (Aug. 28, 2026).

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2026 NOTE: Prior to the implicit repeal by P.L. 38-136:XII:35 (Aug. 28, 2026), subsections (b) through (d) stated:

(b) If, at the expiration of the five (5)-year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, then I Liheslaturan Guåhan may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

(c) I Liheslaturan Guåhan may, in its discretion, extend the term and modify any part of the program.

(d) Medical equipment purchases shall be competitively procured.

§ 771104. Guam Economic Development Authority Report.

The Guam Economic Development Authority shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the unpledged business privilege taxes and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to I Liheslaturan Guåhan on an annual basis until the tax credit caps pursuant to § 771103 of this Article are exhausted.

§ 771105. Rules and Regulations.

GEDA shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs and any additional rules and regulations adopted specifically for this program.

§ 771106. Approval of Contributions.

GEDA or its designee shall be responsible for approving the contributions made towards the purchase of required medical equipment for the GMHA as identified in this Article.

SOURCE: Added by P.L. 35-138:2 (Jan. 16, 2021), effective on October 1, 2021 pursuant to P.L. 35-138:3. Amended by P.L. 38-060:XII:50 (Sept. 29, 2025).

§ 771107. Fines and Penalties.

(a) To the extent that a business providing required medical equipment for the program claims more tax credits in terms of unpledged business privilege taxes than the actual value of the medical equipment contributed to the program, that business shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due.

(b) To the extent that any individual, officer, director, or other person having interest in a business providing required medical equipment for the program contained herein knowingly and willingly causes such business to claim more tax credits for business privilege taxes than the actual value of the medical equipment contributed to the program, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars ($5,000) or one (1) year in prison or both.

ARTICLE 12
TAX CREDITS TO REPAIR AND REHABILITATE THE SOUTHERN HIGH SCHOOL AUDITORIUM

SOURCE: Added as Article 11 (§§771101-771109) by P.L. 35-143:2 (Jan. 22, 2021), renumbered by the Compiler pursuant to 1 GCA § 1606.

2021 NOTE: P.L. 35-143:4 (Jan. 22, 2021) states: "This Act shall be effective upon enactment; however, the tax credits authorized under this Act shall not be authorized until the approval of the designs for the repair and rehabilitation of the Southern High School Auditorium and the development of a long-term maintenance plan for the same."

§ 771201. Applicability of Article.
§ 771202. Southern High School Auditorium.

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§ 771203. Credits Against Unpledged Business Privilege Tax.
§ 771204. Cap on Business Privilege Tax for the Repair and Rehabilitation of the Southern High School Auditorium.
§ 771205. GEDA Report.
§ 771206. Rules and Regulations.
§ 771207. Approval of Contributions and GEDA's Responsibility.
§ 771208. Regulatory Oversight, Approval, and Marketing.
§ 771209. Fines and Penalties.

§ 771201. Applicability of Article.

The provisions of this Article are applicable to the repair and rehabilitation of the Southern High School Auditorium as authorized by this Act.

§ 771202. Southern High School Auditorium.

For the purposes of this Article, the repair and rehabilitation of the Southern High School Auditorium shall be prioritized as follows:

(a) the repair of the air conditioning system or replacement of the air conditioning system if it is determined to be beyond repair; and

(b) the rehabilitation associated with the mold resulting from the lack of air conditioning. Notwithstanding any other provision of law, if any tax credits pursuant to the cap established in § 771204 of this Article remain after satisfactorily completing items (a) and (b) of this Section, the Guam Economic Development Authority shall be authorized to approve any other rehabilitation projects within the Southern High School Auditorium, gymnasium, football field, and swimming pool, in such order, as long as it remains within the cap established pursuant to § 771204 of this Article.

2021 NOTE: Subsection designations amended pursuant to authority granted by 1 GCA § 1606.

§ 771203. Credits Against Unpledged Business Privilege Tax.

(a) A business, to the extent that such business contributes to the cost of the labor, materials, construction, and/or the design for the repair and rehabilitation of the Southern High School Auditorium, as identified and approved by the Guam Economic Development Authority (GEDA), shall be entitled to credits against unpledged business privilege taxes. The basis of the contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures.

§ 771204. Cap on Business Privilege Tax for the Repair and Rehabilitation of the Southern High School Auditorium.

(a) The total amount of credits against unpledged business privilege taxes for the repair and rehabilitation of the Southern High School Auditorium shall not exceed One Million Dollars ($1,000,000) over a two (2) year period. No more than Five Hundred Thousand Dollars ($500,000) in tax credits shall be authorized for each year of the program.

(b) If, at the expiration of the two (2) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, then I Liheslaturan Guåhan may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

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(c) I Liheslaturan Guåhan may, in its discretion, extend the terms and modify any part of the program based on the needs of the Southern High School Auditorium.

(d) Construction and professional services and equipment, materials and furnishings shall be competitively procured.

§ 771205. GEDA Report.

GEDA shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the business privilege taxes and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to I Liheslaturan Guåhan on an annual basis until the tax credit caps pursuant to § 771204 of this Article are exhausted.

§ 771206. Rules and Regulations.

GEDA shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs.

§ 771207. Approval of Contributions and GEDA's Responsibility.

GEDA, or its designee, shall be responsible for approving the contributions made towards the labor, materials, construction and/or the design for the repair and rehabilitation of the Southern High School Auditorium pursuant to this Article, and to process tax credits pursuant to §§ 771203 and 771204 of this Article; and to ensure that such requests are in conformance with law and applicable rules and regulations.

§ 771208. Regulatory Oversight, Approval, and Marketing.

(a) The Guam Department of Education shall have the regulatory oversight, and the authority to approve the repair and rehabilitation plan of the Southern High School Auditorium pursuant to this Article, along with the selection of the contributors, based on criteria established by the Guam General Services Agency. This responsibility shall be extended to, but may not be limited to, obtaining price quotations, pursuant to applicable procurement rules, regulations, and laws, along with program marketing.

(b) Apart from the repair and rehabilitation plan of the Southern High School Auditorium, GDOE shall develop a long-term maintenance plan for the Auditorium.

(c) The management of the Southern High School shall have the authority to manage the Southern High School Auditorium, and its marketing and revenue stream. The Guam Department of Education and the management of the Southern High School shall also have the authority to reach out to the community to market this program and seek contributors.

(d) The Guam Department of Education shall provide copies of all required documents associated with this Article to GEDA, including, but not limited to, providing necessary reports and updates.

2021 NOTE: Subsection designations added pursuant to authority granted by 1 GCA § 1606.

§ 771209. Fines and Penalties.

To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of unpledged business privilege or excise taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due. To the extent that any individual, officer, director, or other person having interest in a company providing materials or services for the project contained herein knowingly and willfully causes such company to take more tax benefits in terms of business privilege or excise taxes than the actual value of the material or services contributed to the project, such individual shall

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be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars ($5,000), or one (1) year in prison, or both.

ARTICLE 13
TAX CREDITS FOR CONTRIBUTORS TO THE DESIGN AND CONSTRUCTION OF THE GUAM NATIONAL TENNIS FEDERATION FACILITIES

SOURCE: Added as §§ 771300-771310 by P.L. 36-128:1 (Dec. 28, 2022), renumbered by the Compiler pursuant to 1 GCA § 1606.

§ 771301. Legislative Findings.
§ 771302. Definitions.
§ 771303. Credits Against Business Privilege Tax.
§ 771304. Cap on Business Privilege Tax Credits for the Construction, Development, Design, Repair, or Maintenance of the Guam National Tennis Federation Facilities.
§ 771305. Limits of Liability.
§ 771306. Fines and Penalties.
§ 771307. Public Access to Guam National Tennis Federation Center.
§ 771308. Annual Tennis Clinic for the Department of Youth Affairs.
§ 771309. Filing of Annual Reports.
§ 771310. GEDA Report.
§ 771311. Rules and Regulations.

§ 771301. Legislative Findings.

(a) I Liheslaturan Guåhan finds that the Guam National Tennis Federation (GNTF) developed, constructed, and operates a tennis center known as the Guam National Tennis Center (GNTC) at the Department of Parks and Recreation's Guam Sports Complex in Dededo (Dededo Sports Complex) that accommodates local tennis groups and the public. In the last two (2) years, there has been an increase in usage of the GNTC. The GNTC consists of ten (10) tennis courts, of which six (6) are adult courts and four (4) are children's courts. The GNTF is presently building five (5) additional adult courts.

(b) I Liheslatura finds that the local tennis federation is expanding to provide additional tennis courts for their members and the public. Currently, private businesses are donating to the GNTF for the development, maintenance, and operation of the GNTC, including the construction of additional tennis courts.

(c) Therefore, it is the intent of I Liheslatura to allow businesses contributing to the construction, development, upgrade, repair, or maintenance of the GNTC to be eligible for tax credits.

2026 NOTE: Subsection designations added pursuant to authority granted by 1 GCA § 1606.

§ 771302. Definitions.

(a) "Guam National Tennis Federation" shall mean the Guam National Tennis Federation, also known as GNTF.

(b) "Facilities" shall mean the Guam National Tennis Federation Center, including all tennis courts, buildings, walkways, and parking areas located at the Department of Parks and Recreation's Guam Sports Complex in Dededo, Guam.

(c) "Business" shall mean any business that contributes to the construction, development, upgrade, repair, or maintenance of the Guam National Tennis Federation Center.

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(d) "GEDA" shall mean the Guam Economic Development Authority.

§ 771303. Credits Against Business Privilege Tax.

(a) To the extent that any business contributes to the actual cost of construction, development, upgrade, repair, or maintenance, or the debt service currently owed for the cost of the same, of the Guam National Tennis Federation Center facilities, such business shall be entitled to credits of the unpledged business privilege taxes. The basis for the contributions to the project shall be the actual cost of the contribution plus the cost of transportation, if any, from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures on the project by the taxpayer.

§ 771304. Cap on Business Privilege Tax Credits for the Construction Development, Design, Repair, or Maintenance of the Guam National Tennis Federation Facilities.

(a) The total amount of credits against unpledged business privilege taxes for the construction development, design, repair, or maintenance of the Guam National Tennis Federation facilities shall not exceed Six Hundred Thousand Dollars ($600,000) over a two (2) year period. No more than Three Hundred Thousand Dollars ($300,000) in tax credits shall be authorized for each year of the program.

(b) If, at the expiration of the three (3) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, then I Liheslaturan Guåhan, may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

(c) I Liheslaturan Guåhan may, in its discretion, extend the terms and modify any part of the program based on the needs of the Guam National Tennis Federation.

§ 771305. Limits of Liability.

Unless a contractor, material supplier, designer, or landlord/lesser has direct involvement in the operations of the Guam National Tennis Federation facilities as a director, officer, manager, employee, representative or agent of the Guam National Tennis Federation, they shall not be held liable for any civil or criminal damages or penalties directly or indirectly arising from or related to the operations, any use, or processions of the facilities, unless it can be proven that the materials and design work provided were substandard. As the Guam National Tennis Federation Center is a private venture operated by the Guam National Tennis Federation, the government of Guam shall not be liable for any claims or damages arising from the operation of the Guam National Tennis Center. The Guam National Tennis Federation, its directors, agents, consultants, employees, or other affiliated person or persons shall make no representation that the government of Guam has any interest in the operation of Guam National Tennis Center.

§ 771306. Fines and Penalties.

To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due. To extent that any individual, officer, director, or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly causes such company to take more tax benefits in terms of business privilege taxes than the actual value of the material or services contributed to the project, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars ($5,000), or one (1) year in prison, or both.

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§ 771307. Public Access to Guam National Tennis Federation Center.

(a) As a condition for the Guam National Tennis Federation and its contributors to be entitled to the tax benefits of the program established in this Article, the Guam National Tennis Federation shall allocate time during which the public may utilize the Guam National Tennis Center Facilities in accordance with the rules and policies adopted by the Guam National Tennis Federation for the GNTC.

(b) As a condition for the Guam National Tennis Federation and its contributors to be entitled to the tax benefits of the program established in this Article, the Guam Tennis Federation shall grant access to the Guam Department of Education (GDOE) on weekdays from 9:00 a.m. to 4:00 p.m. during the school year for the usage of the facilities for tennis or pickleball classes or for interscholastic league tennis practices negotiated by the parties, at no charge, subject to advanced scheduling. Nothing herein shall prevent GDOE from allowing charter schools usage of the facilities during the allotted time.

§ 771308. Annual Tennis Clinic for the Department of Youth Affairs.

The Guam National Tennis Federation and the Department of Youth Affairs shall work in partnership to host two (2) annual tennis clinics per year to the clients of the Department of Youth Affairs. Department of Youth Affairs shall lead the partnership to ensure that such annual tennis clinics are conducted.

§ 771309. Filing of Annual Reports.

(a) The Guam National Tennis Federation shall annually submit a copy of the financial statement required in § 14102 of Chapter 14, Title 18 GCA to the Speaker of I Liheslaturan Guåhan, the Public Auditor, and the Administrator of GEDA.

(b) The Guam National Tennis Federation must ensure that it is current with all its articles and by-laws, and should there be any amendments to such documents, it should immediately file such amendments to the Department of Revenue and Taxation.

§ 771310. GEDA Report.

GEDA shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the business privilege taxes, sports, and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to I Liheslaturan Guåhan on an annual basis until the tax credit cap pursuant to § 771304 of this Article is exhausted.

§ 771311. Rules and Regulations.

The Guam Economic Development Authority shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs.

ARTICLE 14
TAX CREDITS FOR THE REHABILITATION AND IMPROVEMENTS OF THE FOOTBALL FIELDS OPERATED BY THE GUAM NATIONAL YOUTH FOOTBALL FEDERATION

SOURCE: Added as Article 13 (§§ 771301-771310) by P.L. 36-129:2 (Dec. 28, 2022), renumbered by the Compiler pursuant to 1 GCA § 1606.

§ 771401. Applicability of Article.
§ 771402. Credits Against Unpledged Business Privilege Tax.

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§ 771403. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvements of Football Fields Operated by the Guam National Youth Football Federation.
§ 771404. Credits Against Excise Tax.
§ 771405. Cap on Excise Tax Credits for the Rehabilitation and Improvements of the Football Fields Operated by the Guam National Youth Football Federation.
§ 771406. Guam Economic Development Authority (GEDA) Report.
§ 771407. Rules and Regulations.
§ 771408. Approval of Contributions.
§ 771409. Fines and Penalties.
§ 771410. Submission of Plan.

§ 771401. Applicability of Article.

The provisions of this Article are applicable to the football fields operated by the Guam National Youth Football Federation (GNYFF), as authorized by this Article, and shall include those under the jurisdiction of the municipal planning council of the respective village the field may be in, the Department of Parks and Recreation (DPR), and nonprofit organizations, which shall include:

(a) the Tamuning Field;

(b) the Tiyan Field;

(c) the Hals Angels Field (formerly the Wettengel Field);

(d) the Talo'fo'fo Field; and

(e) fields that are utilized as practice field(s) by the GNYFF teams.

To qualify for the tax credits, the GNYFF shall not charge any individual an entrance fee to enter a GNYFF-operated field to watch a GNYFF game.

§ 771402. Credits Against Unpledged Business Privilege Tax.

(a) A business, to the extent that such business contributes to the cost of design, labor, and materials that is for the rehabilitation and improvements of the football fields operated by the GNYFF, as identified, and approved by the Guam Economic Development Authority (GEDA), shall be entitled to credit of unpledged business privilege taxes. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures on the project.

§ 771403. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvements of Football Fields Operated by the Guam National Youth Football Federation.

(a) The total amount of credits against unpledged business privilege taxes pursuant to § 771402 of this Article for the rehabilitation and improvements of the football fields operated by the GNYFF authorized herein shall not exceed Three Million Dollars ($3,000,000) over a five (5) year period, and shall be executed as follows:

(1) For the first (1st) year, beginning in Fiscal Year 2026 which commences on October 1, 2025, up to One Million Dollars ($1,000,000) in tax credits shall be authorized.

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(2) For years two (2), three (3), four (4), and five (5) which commence on October 1, 2026, October 1, 2027, October 1, 2028, and October 1, 2029, respectively, no more than Five Hundred Thousand Dollars ($500,000) in tax credits shall be authorized for each year of the program.

(3) No more than Six Hundred Thousand Dollars ($600,000) in unpledged business privilege tax credits pursuant to § 771402 of this Article shall be issued for any one (1) field within the five (5) year period pursuant to this Section.

(b) If, at the expiration of the five (5) year period authorized pursuant to this Section, there are still unclaimed authorized tax credits, I Liheslaturan Guåhan may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

(c) I Liheslaturan Guåhan may, in its discretion, extend the term and modify any part of the program based on future improvement plans and demand in this location.

(d) Construction and professional services, equipment, and materials shall be competitively procured.

SOURCE: Added as § 771303 by P.L. 36-129:2 (Dec. 28, 2022), renumbered by the Compiler pursuant to 1 GCA § 1606. Subsection (a)(1), (2) amended by P.L. 38-071:2 (Oct. 17, 2025).

2026 NOTE: Prior the amendment by P.L. 38-071:2 (Oct. 17, 2025), subsection (a)(1)-(2) stated:

> (a) The total amount of credits against unpledged business privilege taxes pursuant to § 771402 of this Article for the rehabilitation and improvements of the football fields operated by the GNYFF authorized herein shall not exceed Three Million Dollars ($3,000,000) over a five (5) year period, and shall be executed as follows:
>
> (1) For the first (1st) year, beginning in Fiscal Year 2023 which commences on October 1, 2022, up to One Million Dollars ($1,000,000) in tax credits shall be authorized.
>
> (2) For years two (2), three (3), four (4), and five (5) which commence on October 1, 2023, October 1, 2024, October 1, 2025, and October 1, 2026, respectively, no more than Five Hundred Thousand Dollars ($500,000) in tax credits shall be authorized for each year of the program.

§ 771404. Credits Against Excise Tax.

(a) A business, to the extent that such business contributes to the cost of design, labor, and materials that are for the rehabilitation and improvements of the football fields operated by the GNYFF, as identified, and approved by the Guam Economic Development Authority (GEDA), shall be entitled to credit of excise taxes, excluding those pledged to the Healthy Futures Fund. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits not used in the current tax period may be carried over into subsequent tax periods until such credits are exhausted.

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures on the project.

§ 77405. Cap on Excise Tax Credits for the Rehabilitation and Improvements of the Football Fields Operated by the Guam National Youth Football Federation.

(a) The total amount of credits against excise taxes, not inclusive of those pledged for the Healthy Futures Fund pursuant to § 771404 of this Article for the rehabilitation and improvements of the football fields operated by the GNYFF authorized herein, shall not exceed the cumulative total of Two Million Dollars ($2,000,000) over a five (5) year period, and shall be executed as follows:

(1) For the first (1st) year, beginning in Fiscal Year 2026 which commences on October 1, 2025, up to Five Hundred Thousand Dollars ($500,000) in tax credits shall be authorized.

(2) For years two (2), three (3), four (4), and five (5) which commence on October 1, 2026, October 1, 2027, October 1, 2028, and October 1, 2029, respectively, no more than Three Hundred

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Seventy-five Thousand Dollars ($375,000) in tax credits shall be authorized for each year of the program.

(3) No more than Four Hundred Thousand Dollars ($400,000) in excise tax credits pursuant to § 771404 of this Article shall be issued for any one (1) field within the five (5) year period pursuant to this Section.

(b) If, at the expiration of the five (5) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, I Liheslaturan Guåhan may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

(c) I Liheslaturan Guåhan may, in its discretion, extend the term and modify any part of the program based on future improvement plans and demand in this location.

(d) Construction and professional services, equipment and materials shall be competitively procured.

SOURCE: Added as § 771305 by P.L. 36-129:2 (Dec. 28, 2022), renumbered by the Compiler pursuant to 1 GCA § 1606. Subsection (a) amended by P.L. 38-071:3 (Oct. 17, 2025).

2026 NOTE: Prior the amendment by P.L. 38-071:3 (Oct. 17, 2025), subsection (a)(1)-(2) stated:

> (a) The total amount of credits against excise taxes, not inclusive of those pledged for the Healthy Futures Fund pursuant to § 771404 of this Article for the rehabilitation and improvements of the football fields operated by the GNYFF authorized herein, shall not exceed the cumulative total of Two Million Dollars ($2,000,000) over a five (5) year period, and shall be executed as follows:
>
> (1) For the first (1st) year, beginning in Fiscal Year 2023 which commences on October 1, 2022, up to Five Hundred Thousand Dollars ($500,000) in tax credits shall be authorized.
>
> (2) For years two (2), three (3), four (4), and five (5) which commence on October 1, 2023, October 1, 2024, October 1, 2025, and October 1, 2026, respectively, no more than Three Hundred Seventy-five Thousand Dollars ($375,000) in tax credits shall be authorized for each year of the program.

§ 771406. Guam Economic Development Authority (GEDA) Report.

GEDA shall submit a report to I Liheslaturan Guåhan detailing the impact of the program on the business privilege taxes, excise taxes, and economic activities in Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to I Liheslaturan Guåhan on an annual basis until the tax credit caps pursuant to § 771403 and § 771405 of this Article are exhausted.

§ 771407. Rules and Regulations.

The Guam Economic Development Authority shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs; and shall process the tax credits pursuant to § 771402 and § 771404 of this Article, and ensure that such requests are in conformance with the law and applicable rules and regulations.

§ 771408. Approval of Contributions.

(a) GEDA or its designee, in coordination with the GNYFF, shall be responsible for approving the contributions made towards the development, construction, financing, maintenance, rehabilitation, and improvements of the football fields operated by the GNYFF, as identified in this Article.

(b) The Department of Parks and Recreation, the respective Mayor, or the non-profit group, which has jurisdiction over the respective football field, shall have regulatory and advisory oversight, to the extent appropriate, of the rehabilitation and improvements of the football fields operated by the GNYFF, pursuant to this Article, with the scope of authority limited to ensuring that any rehabilitation and improvement plan is within the realms of existing statutes.

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(c) The entity which has jurisdiction over the field, pursuant to § 771401 of this Article, shall be responsible for submitting the plan pursuant to § 771410 of this Article, and this responsibility shall be extended to, but may not be limited to, obtaining price quotations, pursuant to applicable procurement rules, regulations, and laws, along with program marketing.

2026 NOTE: Subsection designations added pursuant to authority granted by 1 GCA § 1606.

§ 771409. Fines and Penalties.

(a) To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of unpledged business privilege taxes or excise taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due.

(b) To the extent that any individual, officer, director, or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly causes such company to take more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project, such individual shall be guilty of a felony in the third (3rd) degree punishable by a fine of not less than Five Thousand Dollars ($5,000) or one (1) year in prison or both.

§ 771410. Submission of Plan.

The Guam Economic Development Authority shall not accept any requests for tax credits, pursuant to this Article, until the GNYFF submits a viable development plan for the fields proposed for said development.

ARTICLE 15
ENHANCING TOURISM AESTHETICS PROGRAM

SOURCE: Entire Article added by P.L. 38-114:2 (Apr. 18, 2026).

2026 NOTE: The signature date on P.L. 38-114 is April 18, 2026; however, it was received by the Compiler's Office on April 8, 2026.

§ 771501. Short Title.
§ 771502. Definitions.
§ 771503. Scope and Purpose.
§ 771504. Tax Incentive Menu Options.
§ 771505. Application and Approval Process.
§ 771506. Program Caps and Sunset Provision.
§ 771507. Recapture and Enforcement.
§ 771508. Rulemaking and Coordination.
§ 771509. Reporting and Transparency.
§ 771510. Allocation for Guam Economic Development Authority (GEDA).
§ 771511. Severability.

§ 771501. Short Title.

This Article shall be cited as the "Enhancing Tourism Aesthetics Program" (hereinafter referred to as the Program).

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§ 771502. Definitions.

For purposes pursuant to Article 4 of this Chapter:

(a) "Agency" means the Guam Economic Development Authority (GEDA).

(b) "Qualified Business" or "Qualified Commercial Structure" means any commercial entity operating on Guam that:

(1) Is current on all tax obligations to the Government of Guam; and

(2) Holds all licenses and permits necessary for lawful operation.

(c) "Qualified Improvement" means any exterior renovation, facade restoration, landscaping, signage, lighting, or other aesthetic enhancement visible from a public right-of-way or frequented by visitors and residents, which enhances the tourism and community environment of Guam. For purposes of this Article, "facade restoration" means preserving or restoring the aesthetic appearance and/or character of a building's frontage or exterior.

(d) "Project Cost" means the verified total cost of materials, labor, and professional services directly related to a qualified improvement.

(e) "Applicant" means either the property owner or a tenant with written consent from the property owner.

§ 771503. Scope and Purpose.

The Program shall apply island-wide to qualified commercial structures that are visible to the public and contribute to Guam's tourism image and community environment. GEDA shall assign priority consideration to projects located within designated tourism and village revitalization corridors, including but not limited to Tumon, Hagåtña, along Guam Highway 1 (Marine Corps Drive), and other high-visibility commercial areas. Nothing in this section shall preclude other tourism-related facilities located outside of Tumon, Hagåtña, or anywhere other than along Guam Highway 1 (Marine Corps Drive) from availing of this program.

§ 771504. Tax Incentive Menu Options.

(a) A qualified business may apply for tax incentives on qualified improvements pursuant to this Article under one or more of the following categories, subject to verification and fiscal caps:

(1) Business Privilege Tax Credit: A credit against the unpledged portion of the Business Privilege Tax (BPT) owed.

(2) Real Property Tax Abatement: A one hundred percent (100%) abatement for up to three (3) years on the assessed value of improvements to the property.

(3) Use Tax Exemption: A one hundred percent (100%) exemption on materials, equipment, and fixtures imported for use in the qualified improvement, if claimed within one (1) year of completion.

(b) The aggregate incentive value issued to any applicant shall not exceed twenty-five percent (25%) of verified project cost or Two Hundred Fifty Thousand Dollars ($250,000), whichever is less.

(c) Approved credits not fully utilized in the first tax year may be carried forward for up to two (2) subsequent tax years.

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§ 771505. Application and Approval Process.

(a) A qualified business shall submit an application to GEDA prior to commencing construction, including project description, cost estimates, timeline, renderings, proof of tax compliance, and, if applicable, written consent from the property owner.

(b) GEDA shall evaluate based on visual impact, contribution to tourism, environmental sustainability, compliance with building and zoning codes, and use of local labor.

(c) GEDA may approve, modify, or deny applications and shall issue a Tax Incentive Certificate upon completion.

(d) Credits may be released fifty percent (50%) upon verified completion and fifty percent (50%) after one (1) year, contingent upon continued maintenance.

(e) Each recipient shall maintain the approved improvements in good visual and structural condition for not less than three (3) years following completion and shall submit an annual self-certification of compliance to GEDA.

§ 771506. Program Caps and Sunset Provision.

(a) The aggregate value of all incentives issued under this Article shall not exceed Five Million Dollars ($5,000,000) per fiscal year.

(b) Unused credits, not exceeding Two Hundred Fifty Thousand Dollars ($250,000), may be carried forward for one (1) additional fiscal year.

(c) No single applicant or affiliated group shall receive incentives exceeding the per-applicant cap established pursuant to § 771504(b) of this Article.

(d) This Article shall expire five (5) years after enactment unless reauthorized by I Liheslaturan Guåhan.

(e) GEDA shall submit a comprehensive evaluation to I Maga'håga/Maga'låhi and I Liheslaturan Guåhan six (6) months before sunset, including total incentives issued by type, private investment leveraged, jobs created, geographic distribution, and measurable tourism or business impact indicators.

2026 NOTE: Reference to the "Governor" replaced with I Maga'håga/Maga'låhi pursuant to 5 GCA § 1510.

§ 771507. Recapture and Enforcement.

GEDA and the Department of Revenue and Taxation (DRT) may recapture any incentives if improvements are incomplete, not maintained for three (3) years, or transferred without approval. Recaptured amounts shall be treated as unpaid tax liabilities.

§ 771508. Rulemaking and Coordination.

GEDA shall promulgate rules pursuant to this Article within One Hundred Twenty (120) days from enactment, in consultation with DRT, Department of Administration (DOA), Department of Public Works (DPW), the Mayors' Council of Guam (MCOG), Guam Historic Preservation Office (GHPO), and Guam Environmental Protection Agency (GEPA). Agencies shall enter a Memorandum of Understanding (MOU) for coordinated oversight. Rulemaking shall include procedures for scoring, inspection standards, and the form of the Tax Incentive Certificate.

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§ 771509. Reporting and Transparency.

GEDA shall submit an annual report to I Liheslaturan Guahan detailing the applications received, the private investment leveraged, the incentives issued by type, the geographic distribution, and economic impact. A public list of approved applicants shall be published on its official website.

§ 771510. Allocation for Guam Economic Development Authority (GEDA).

GEDA may allocate up to two percent (2%) of the total value of tax incentives authorized under this Article within each fiscal year for administrative, verification, and reporting expenses. This administrative allocation shall be considered part of the overall annual program's cap established pursuant to § 771506 of this Article and shall not be charged to or deducted from any applicant's approved incentive amount.

§ 771511. Severability.

If any provision of this Act or its application to any person or circumstance is found to be invalid or inorganic, such invalidity shall not affect other provisions or applications of this Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

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