

16 GCA VEHICLES
CH. 25 VEHICLE TRANSFER TAX

CHAPTER 25
VEHICLE TRANSFER TAX

SOURCE: GC §§ 19450-19456, enacted by P.L. 1-088 (Nov. 29, 1952), amended by P.L. 3-077 (June 29, 1956). Entire Chapter repealed and reenacted by P.L. 38-033:2 (July 31, 2025).

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§ 25101. Purpose.

The purpose of this Chapter is to establish a fair, transparent, and administratively efficient method for taxing the transfer of vehicle titles in Guam. This Chapter ensures taxation is based on the actual value of a vehicle as stated in a notarized Bill of Sale, rather than an arbitrary or estimated valuation such as an appraisal or blue book value.

§ 25102. Definitions.

For the purposes of this Chapter, the following terms shall mean:

- (a) “Bill of Sale” means a document that confirms the sale and purchase of a vehicle, including the agreed-upon sale price between the buyer and the seller. Other forms of verification may be accepted, subject to the approval of the Director of the Department of Revenue and Taxation.
- (b) “Vehicle” means any motor vehicle required to be registered under the laws of Guam.
- (c) “Transfer” and “Transfer of Ownership” means the process of changing the legal owner of a vehicle.
- (d) “The Department” means the Department of Revenue and Taxation.

SOURCE: Added by P.L. 38-033:2 (July 31, 2025). Subsection (a) amended by P.L. 38-060:XII:16 (Sept. 29, 2025).

§ 25103. Taxation on Transfer of Vehicle Title.

- (a) The tax on the transfer of a vehicle title in Guam shall be based on the actual sale price as stated in the Bill of Sale.
- (b) The Department of Revenue and Taxation shall require a copy of the Bill of Sale to be submitted with the title transfer application.

§ 25104. Verification and Compliance.

The Department of Revenue and Taxation shall establish procedures to verify the accuracy of the Bill of Sale, including random audits and inspections.

§ 25105. Tax Rate.

- (a) The tax rate for the transfer of vehicle titles shall be Five Dollars (\$5.00) plus two and one-half percent (2.5%) of the value stated on the Bill of Sale.

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(b) Exemptions. The following transfers shall be exempt from the tax imposed under this Chapter:

- (1) transfers due to inheritance; provided, that sufficient legal documentation is provided; and
- (2) transfers involving a vehicle donated to a recognized nonprofit organization.

§ 25106. Penalties.

Any transfer tax not paid within one hundred and eighty (180) days after the date of transfer or sale is subject to a delinquency penalty of five percent (5%) of the transfer tax, in addition to, interest at one-half percent (.5%) per month or fraction thereof until paid.

SOURCE: Added by P.L. 38-033:2 (July 31, 2025). Amended by P.L. 38-060:XII:16 (Sept. 29, 2025).

§ 25107. Review and Reporting.

(a) The Guam Department of Revenue and Taxation shall review the effectiveness of this Chapter to include total taxes collected under this Chapter.

(b) Recommendations for any necessary amendments to improve the Act shall be included in the annual report for each calendar year, which shall be submitted to I Liheslatura and I Maga'hågan/Maga'låhen Guåhan one hundred eighty (180) days after the end of the calendar year.
