

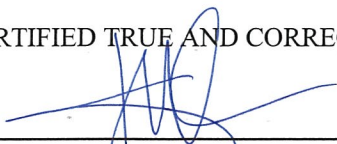
I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
2020 (SECOND) Regular Session
LEGISLATIVE SESSION VOTING RECORD

| Bill No. 301-35 (COR) As amended by the Committee on Health, Tourism, Historic Preservation, Land and Justice. | Speaker Antonio R. Unpingco Legislative Session Hall Guam Congress Building December 23, 2020 | | | | | |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----|--------------------------|-------------------------|--------|---------|
| NAME | Aye | Nay | Not Voting/ Abstained | Out During Roll Call | Absent | Excused |
| Senator William M. CASTRO | ✓ | | | | | |
| Senator Régine Biscoe LEE | ✓ | | | | | |
| Senator Kelly G. MARSH (TAITANO), PhD | ✓ | | | | | |
| Senator James C. MOYLAN | ✓ | | | | | |
| Senator Louise B. MUÑA | ✓ | | | | | |
| Speaker Tina Rose MUÑA BARNES | ✓ | | | | | |
| Vice Speaker Telen Cruz NELSON | ✓ | | | | | |
| Senator Sabina Flores PEREZ | ✓ | | | | | |
| Senator Clynton E. RIDGELL | ✓ | | | | | |
| Senator Joe S. SAN AGUSTIN | ✓ | | | | | |
| Senator Amanda L. SHELTON | ✓ | | | | | |
| Senator Telo T. TAITAGUE | ✓ | | | | | |
| Senator Jose "Pedo" TERLAJE | ✓ | | | | | |
| Senator Therese M. TERLAJE | ✓ | | | | | |
| Senator Mary Camacho TORRES | ✓ | | | | | |

TOTAL: 15

| | | | | | |
|-----|-----|--------------------------|-------------------------|--------|---------|
| Aye | Nay | Not Voting/ Abstained | Out During Roll Call | Absent | Excused |
|-----|-----|--------------------------|-------------------------|--------|---------|

CERTIFIED TRUE AND CORRECT:



 RENNAE V. C. MENO
 Clerk of the Legislature

I = Pass

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
2020 (SECOND) Regular Session

Bill No. 301-35 (COR)

As amended by the Committee on Health,
Tourism, Historic Preservation, Land and Justice.

*

Introduced by:

Amanda L. Shelton
Therese M. Terlaje
Tina Rose Muña Barnes
Telena Cruz Nelson
Joe S. San Agustin
William M. Castro
Clynton E. Ridgell
Kelly Marsh (Taitano), PhD
James C. Moylan
Jose "Pedo" Terlaje

**AN ACT TO *ADD* A NEW ARTICLE 11 TO CHAPTER 77
OF DIVISION 2, TITLE 12, GUAM CODE ANNOTATED,
RELATIVE TO AUTHORIZING CERTAIN TAX
CREDITS FOR REQUIRED MEDICAL EQUIPMENT
FOR THE GUAM MEMORIAL HOSPITAL
AUTHORITY.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds that
3 the Guam Memorial Hospital Authority (GMHA) is the only public hospital on Guam
4 and remains a refuge of healthcare for the sick and injured on Guam; and, it is in dire
5 need of assistance for procuring several life-saving medical equipment. To this end, *I*
6 *Liheslatura* finds that the establishment of a tax credit program will assist in

1 incentivizing private sector assistance toward the contribution of medical equipment to
2 the GMHA. The goal of the program is for GMHA to dictate the exact need and priority
3 for medical equipment it is unable to procure on its own, while ensuring that no tax
4 credits are authorized for equipment not prioritized by GMHA.

5 **Section 2.** A new Article 11 is hereby *added* to Chapter 77 of Division 2, Title
6 12, Guam Code Annotated, to read:

7 **“ARTICLE 11**

8 **TAX CREDITS FOR THE GUAM MEMORIAL HOSPITAL AUTHORITY**

9 § 771101. Applicability of Article.

10 § 771102. Credits Against Unpledged Business Privilege Tax and Exemption
11 of Use Tax.

12 § 771103. Cap on Business Privilege Tax Credits for Required Medical
13 Equipment at the Guam Memorial Hospital Authority.

14 § 771104. Guam Economic Development Authority Report.

15 § 771105. Rules and Regulations.

16 § 771106. Approval of Contributions.

17 § 771107. Fines and Penalties.

18 **§ 771101. Applicability of Article.**

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

21 **§ 771102. Credits Against Unpledged Business Privilege Tax and**
22 **Exemption of Use Tax.**

23 (a) A business, to the extent that such business contributes to the Guam
24 Memorial Hospital Authority the required medical equipment needed by the GMHA,
25 as identified and approved by the Board of Trustees of the GMHA, shall be entitled to
26 credit of business privilege taxes not already pledged for any purpose by Guam law.

1 The basis for contribution for such required medical equipment needs shall be the actual
2 cost of the contribution plus the cost of transportation, if any, from the point of origin
3 to its destination. The GMHA shall coordinate the processing and receipt of the costs
4 of the medical equipment from contributing businesses and shall certify that such costs
5 are for the intended authorized purposes herein. Such certification of costs shall be
6 provided to the Guam Economic Development Authority (GEDA).

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

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

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

18 **§ 771103. Cap on Business Privilege Tax Credits for Required Medical**
19 **Equipment at the Guam Memorial Hospital Authority.**

20 (a) The total amount of credits against unpledged business privilege taxes for
21 medical equipment needs of the GMHA authorized herein shall not exceed Five Million
22 Dollars (\$5,000,000) over a five (5)-year period. No more than One Million Dollars
23 (\$1,000,000) in tax credits shall be authorized for each year of the program.

24 (b) If, at the expiration of the five (5)-year period authorized pursuant to this
25 Article, there are still unclaimed authorized tax credits, then *I Liheslaturan Guåhan*

1 may, in its discretion, extend the eligible period until such time that all eligible tax
2 credits are exhausted.

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

5 (d) Medical equipment purchases shall be competitively procured.

6 **§ 771104. Guam Economic Development Authority Report.**

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

13 **§ 771105. Rules and Regulations.**

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

18 **§ 771106. Approval of Contributions.**

19 GEDA or its designee shall be responsible for approving the contributions made
20 towards the purchase of required medical equipment for the GMHA as identified in this
21 Article. GEDA is authorized to collect a processing fee in order to defer the cost of
22 administering the program. The fee shall be equal to not more than one percent (1%) of
23 the amount of tax credits approved by GEDA on each application for certification of
24 tax credits and may be due upon release of the certification. Such fees shall be deposited
25 in GEDA's operational account to be used exclusively for the operations of GEDA's
26 tax credit program activities.

1 **§ 771107. Fines and Penalties.**

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

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

14 **Section 3. Effective Date.** This Act shall be effective on October 1, 2021.