

GOVERNMENT OF GUAM  
OFFICE OF THE GOVERNOR  
AGANA, GUAM

EXECUTIVE ORDER NO. . 82-13

REORGANIZATION OF THE DEPARTMENT OF  
REVENUE AND TAXATION.

WHEREAS, Section 49275(a) of the Government Code of Guam authorizes the Director of the Department of Revenue and Taxation to organize the department in a manner which would result in efficient and effective administration and operation; and


WHEREAS, Executive Order No. 77-9 promulgated the "Organization and Function of the Department of Revenue and Taxation;" and

WHEREAS, the Director of Revenue and Taxation has determined the need to reorganize the department by adding a Technical Research Bureau, a Special Procedures Branch, a Business Privilege Tax Branch, and a Data Control Branch; and


WHEREAS, the Director of Revenue and Taxation has amended the "Organization and Function of the Department of Revenue and Taxation," which amendment is attached to and made a part of this Order;

NOW, THEREFORE, I, PAUL M. CALVO, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam, as amended, do hereby order that the amended "Organization and Function of the Department of Revenue and Taxation" be hereby promulgated. All prior Executive Order, memoranda and Director's Orders which are in conflict with the amended "Organization and Function of the Department of Revenue and Taxation" are hereby repealed.

Signed and promulgated at Agana, Guam this 6<sup>th</sup> day  
of August 1982.

  
PAUL M. CALVO  
Governor of Guam

Countersigned by:

  
JOSEPH F. ADA  
Lieutenant Governor

## ORGANIZATION AND FUNCTIONS OF THE DEPARTMENT OF REVENUE AND TAXATION

SECTION 1. The Department of Revenue and Taxation shall consist of the Office of the Director, the Office of the Deputy Director, which shall be charged with the supervision and administration of the Insurance, Securities and Banking Division, Motor Vehicle Division and the Regulatory Division; and the Office of the Deputy Commissioner, which shall be charged with the supervision and administration of the Revenue and Compliance Division, the Real Property Tax Division, and the Criminal Investigation Division.

### SECTION 2. Administration

Office of the Director. This office shall be staffed by the Director, the secretary to the Director, and other administrative personnel as are deemed necessary. This office shall direct and coordinate the operations and activities of and establish policy for the Department of Revenue and Taxation. The Director shall be the chief official of the Department of Revenue and Taxation. He is empowered to appoint, reprimand, or remove any employee of the Department. The Director shall be charged with the overall management, supervision, direction, and control of the Department of Revenue and Taxation and shall have general authority, responsibility, and accountability for appraisal, assessment and collection of taxes, issuance of various licenses, examination of insurance, securities, banking, etc. The administration of all laws and statutes, rules and regulations, executive orders, policies, procedures, and all other authority and responsibility assigned to the Department shall be enforced by the Director. He is responsible for long-range planning, management, improvement, and any final decision of the Department affecting its employees, the public, or other branches of the government. Ex Officio, the Director is the Commissioner of Revenue and Taxation, the Insurance Commissioner, the Securities Administrator, the Alcoholic Beverages Control Administrator, the Tax Assessor and Collector, the Commissioner of Banking, the Real Estate Commissioner and any other position established by law or regulation. The Director shall also be responsible for the continuing review of the Department's organizational and operational structure and shall initiate whatever internal organizational expansion or changes that are needed. The Director may establish a tax research bureau within his office to conduct studies and surveys for the improvement of tax legislation and administration.

A. Technical Research Bureau. The Chief of this office acts as the principal advisor to the Director in providing basic principles and rules for the uniform interpretation and application of the Guam Territorial Income Tax law, the Guam Local tax laws, the Insurance Securities, Banking and Real Estate Laws, the Alcoholic Beverages Control Law, the Real Property Tax Law and the Guam License Law. In carrying out this mission, the bureau issues and publishes Revenue Rulings, Revenue Procedures, Announcements, and releases for the guidance and information of taxpayers and service personnel; publishes explanatory booklets, pamphlets, and other materials for guidance of taxpayers and service officials; issues rulings and advisory statements to taxpayers and department officials; issues manual documents for guidance of department personnel; other Governmental departments and agencies and the Guam Legislature. The staff of this bureau shall perform other duties as required by the Director.

SECTION 3. Office of the Deputy Director. This office shall consist of the Deputy Director, a secretary and other personnel as required. The Deputy Director, shall be in the unclassified service and shall be appointed by and shall serve at the pleasure of the Director of Revenue and Taxation. The Deputy Director shall be the Chief of Administration for the Department.

He shall be responsible for the administrative functions of the Department and shall assume and exercise all other powers and duties as are delegated and assigned to him by the Director. The Office of the Deputy Director shall be responsible for the preparation of the Department's budget; and departmental allotment of funds and control of expenditures; development of in-service training programs; recruitment, staffing, and procurement of equipment and supplies; department personnel property and records management; formulation, development, and maintenance of central mailing service; issuance of Director's Orders; review reports from all divisions and operational manuals of the Department; salary increments and other meritorious grants to employees of the Department; and the implementation of all other allied functions assigned to him by the Director. The Deputy Director shall also be directly responsible and accountable for the supervision, control and administration of the Insurance, Securities and Banking Division, the Motor Vehicle Division and Regulatory Division. These divisions and all branches, units and employees thereof shall be accountable to the Deputy Director for their performance. By delegation of authority, he shall coordinate day-to-day activities of the Department.

SECTION 4. Insurance, Securities and Banking Division. This division shall be composed of the Office of the Chief, the Insurance Branch, the Securities Branch, and the Banking Branch.

A. Office of the Chief, Insurance, Securities and Banking Division. This office shall be staffed by the Chief, Insurance, Securities and Banking Division, a clerk stenographer and other clerical help as may be needed. The Chief shall be vested with the responsibility of organizing, planning, controlling, coordinating, and directing the operations of the insurance, securities and banking division. He shall be directly responsible to the Deputy Director of Revenue and Taxation. He shall exercise all authority, perform all duties, carry out all responsibilities, and administer and implement all laws which are delegated to him in connection with the functions and objectives of the Insurance, Securities and Banking Division. He shall prepare all insurance, securities and banking licenses to be reviewed by the Deputy Director for the signature of the Director.

B. Insurance Branch. This branch shall be responsible for the administration and implementation of the Insurance Law of Guam. It shall be charged with the licensing of insurers, general agents, sub-agents, brokers, and solicitors. It shall cause the examination of insurance companies and agencies as required by law. It shall be responsible for the review and analysis of policies and insurance as well as all rate proposals and recommend approval or disapproval thereof to the Insurance Commissioner through the chain of command. It shall prepare and submit reports as are required to the Deputy Director via the Division Chief. It shall draft rules, regulations and propose legislation as it shall deem necessary for the proper and efficient operation of the branch.

C. Securities Branch. This branch shall be vested with the responsibility of implementing the Uniform Securities Act. It shall be responsible for the licensing of broker-dealers, investment advisers, and agents. It shall examine and recommend action on all petitions for registration of securities. It shall review all stock and securities transactions to insure conformity with the law and the protection of investors. This scrutiny shall include, but shall not be limited to advertisements, prospectus brochures and other modes of public offering or sale. The branch shall also take every possible precautionary measure to prevent fraudulent acts in the selling and offering of stocks and other securities to the public. The Securities Branch shall prepare and submit reports pursuant to the requirements of the Uniform Securities Act and other reports as are required by the Deputy Director via Division Chief.

D. Banking Branch. This branch shall be responsible for the administration, implementation, and enforcement of the Savings and Loan

Association Act, the Uniform Consumer Credit Code, Guam Banking Code, all laws pertaining to banking, small loan businesses, or finance companies and the Uniform Commercial Code. The branch shall employ examiners and other technical personnel to audit all banking and other financing institutions as often as is deemed necessary. The branch shall institute systems and procedures for its operation and shall prepare and submit reports to the Deputy Director via the Division Chief as required.

**SECTION 5. Motor Vehicle Division.** This division shall consist of the following: Office of the Chief, Vehicle Inspection and Licensing Branch, and Driver's Examining Branch.

A. Office of the Chief of Motor Vehicle Division. The Chief shall be the principal official of this division. He shall have a clerk stenographer and other clerical help as may be required. The Chief shall supervise and control the Motor Vehicle Inspection and Licensing Branch and the Driver's Examining Branch. He shall be assisted by supervisors of the Motor Vehicle Inspection and License Branch and the Driver's Examining Branch in the administration and enforcement of the functions of the division. He shall be directly responsible and accountable to the Deputy Director. As delegate of the Deputy Director, he shall be responsible for the administration and enforcement of the Motor Vehicle Code and the Vehicle Transfer Tax Law. He shall issue upon review of the Deputy Director all licenses and documents as required by law.

B. Vehicle Inspection and License Branch. This branch shall be responsible for Vehicle Safety Inspection, issuance of Motor Vehicle Licenses and the registration of such documents which are prescribed to be issued or registered by the Department of Revenue and Taxation. It shall administer registration and licensing features of the Motor Vehicle Code. It shall also be responsible for the original, annual, after major accident, and prior to transfer, inspections of vehicles. Modern methods and procedures will be utilized in fulfillment of these responsibilities. This branch will also be responsible for the weighing of vehicles. Inspection records will be maintained and information therefrom will be available to proper authority. The branch shall prepare and submit reports as required.

C. Driver's Examining Branch. This branch shall be responsible for the acceptance of applications for driver's licenses, for examining potential drivers by written and/or physical and mental reaction test and examining of potential drivers through road testing. It shall also be responsible for the issuance of driver's licenses and the maintaining of records relating to the above activities. It shall also be responsible for the Financial Responsibility Law and the maintaining of records of its activities. The branch shall prepare and submit reports as required.

**SECTION 6. Regulatory Division.** This division shall consist of the Chief, the Real Estate and Business License and Registration Branch, and the Compliance Branch.

A. Office of the Chief of Regulatory Division. This office shall be staffed by the Chief, Regulatory Division. A clerk stenographer and the administrative and clerical help as deemed necessary. The chief shall supervise and control the Real Estate, and Business License and Registration Branch and the Compliance Branch. The Chief of Regulatory Division shall be responsible for implementing the provisions of the Guam Real Estate Law and organizing, planning, controlling, coordinating, and directing the operations of the division. He shall be directly responsible to the Deputy Director, Revenue and Taxation. The Chief shall be given authority to perform any duties assigned by the Real Estate Commissioner including but not limited to: administration of the Real Estate Law, being executive secretary of the Real Estate Commission; and administering Real Estate schools and examinations for potential Real Estate brokers and salesman. He shall be executive secretary of the Cockpit

License Board. As delegate of the Deputy Director, he shall be responsible for the administration and enforcement of the administrative provisions of the Alcoholic Beverage Control Act, the Business License Law, General Corporation Law, Weights and Measures Statutes, Fire Arms Law, Explosives Law, Karate and Judo Experts Law and all other statutes which the Deputy Director may deem to place under the division's cognizance. He shall issue upon review of the Deputy Director all licenses and other documents as required by law.

B. Real Estate, Business License and Registration Branch. This branch shall be responsible for the acceptance of applications for Real Estate salesman and broker licenses and for the issuance of business license and the registration of such documents which are prescribed to be issued or registered by the Department of Revenue and Taxation. It shall administer the Guam Real Estate Law, Business License Law, and all other licensing laws placed under the cognizance of the Regulatory Division. The branch shall be charged with the responsibility of licensing Real Estate brokers and salesman as prescribed under the Guam Real Estate Law registering and licensing of foreign and domestic corporations pursuant to the General Corporation Law; licensing physicians and dentists in accordance with the requirements of the medical practices act; licensing canines and notary public; patents, copyrights and trademarks. The branch shall carry out the mandates of all laws assigned thereto for administration to include the registration requirements of various excise and admission tax laws. The branch shall prepare and submit reports as required.

C. Compliance Branch. This branch shall be principally involved in the enforcement of the Alcoholic Beverages Control Act. It shall provide logistic support to the ABC Board. It shall likewise perform all license and enforcement and inspection functions of the Real Estate and Business License and Registration Branch. It shall be responsible for the administration and enforcement of the Weights and Measures Act as required under Chapter 3, Title XLIV, Government Code of Guam. It shall prepare and submit reports as required.

SECTION 7. Office of the Deputy Commissioner of Revenue and Taxation. This office shall consist of the Deputy Commissioner, an administrative secretary, a clerk stenographer, and other personnel as required. The Deputy Commissioner shall be charged with the direct supervision, control and administration of the Revenue and Compliance Division, the Real Property Tax Division and the Criminal Investigation Division. The Deputy Commissioner shall be directly responsible and accountable to the Director of Revenue and Taxation. He shall also be the Director's Deputy Assessor and Collector of all taxes.

SECTION 8. Revenue and Compliance Division. This division shall consist of the Office of the Chief, the Taxpayers Assistance and Processing Branch, the Delinquent Accounts and Returns Branch, the Tax Audit Branch, the Business Privilege Tax Branch, the Special Procedures Branch and the Data Control Branch.

A. Office of the Chief, Revenue and Compliance. This office shall be charged with the supervision of the personnel and functions of the Revenue and Compliance Division. The chief official of the division shall be the Chief, Revenue and Compliance Division. There shall be a clerk stenographer and the administrative and clerical help as deemed necessary. Under authority vested in him as delegate of the Deputy Commissioner of Revenue and Taxation, the Chief shall be responsible for the administration and operation of the tax laws of Guam which include the Guam Territorial Income Tax, Business Privilege Tax, Use Tax, and any other taxes delegated for enforcement. In connection therewith, he generally administers, plans, organizes, coordinates, controls, and directs the activities of the Division.

B. Taxpayers Assistance and Processing Branch. This branch shall be responsible for initiating and effecting an adequate program for taxpayer assistance with respect to income taxes. In this connection, the branch shall receive, collect, and process all returns, forms, documents, and applications. It shall also establish an Accounts Unit to centralize all records and documents and to handle the maintenance of accounts pertaining to all functions of the branch. Furthermore, the branch shall institute measures and procedures for the implementation of its work programs and for the accomplishment of its objectives; it shall submit reports as required with respect to its operations and accomplishments; it shall make plans and conduct studies in order to maintain an efficient operation at all times; and it shall periodically review its activities to insure compliance with existing tax regulations and laws. The branch shall also perform other duties as required.

C. Delinquent Accounts and Returns Branch. This branch shall be charged with the responsibility of collecting delinquent income taxes, withholding taxes, use taxes, business privilege taxes and other taxes. It shall also be responsible for seeking out and contacting delinquent taxpayers to see that returns are filed as required by the tax laws of Guam. It shall issue liens and levies as prescribed by laws and regulations; it shall initiate payroll deduction and payment agreements; it shall recommend and process seizures as warranted; its personnel may be appointed as Deputy Marshals of the Superior Court of Guam; it shall cause investigation or examination of taxpayer's financial statements; and it shall investigate and initiate the referral to the Criminal Investigation Division of requests for prosecution of individuals who fail to comply with collection enforcement requirements. The branch shall also maintain subsidiary records of delinquent accounts and shall prepare and submit activity reports and perform other duties as required.

D. Tax Audit Branch. This branch shall be responsible for the technical audit of income tax, use tax, and business privilege tax returns and claims related thereto. It shall also utilize the conference procedures directed toward securing agreements to adjustments made by the examiners and shall lay the basis for defense of such adjustments in the event of hearings or appeals. The branch shall also issue reports to taxpayers concerned, issue preliminary notices to allow taxpayers time to file written protest in cases where taxpayers did not concur fully with the conclusions of the examiner, and prepare petition to the District Court of Guam for redetermination of any deficiency in tax to which no concurrence or agreement was reached. The branch shall also submit reports of activities and perform other duties as required.

E. Special Procedures Branch. The Special Procedures Branch is responsible for furnishing advisory assistance on technical delinquent collections and returns matters to the Chief, Revenue and Compliance on all collection matters; ascertaining tax liability and filing of proofs of claim in insolvency proceedings; establish and maintain the complete case file for proceeding under the Bankruptcy Reform Act of 1978; recommending Civil suits to enforce collection or to protect the Government's interest. The branch shall keep records of activities and submit report of activities and other duties performed as required.

F. Business Privilege Tax Branch. This branch shall be responsible for initiating and effecting an adequate program for taxpayer assistance with respect to business privilege tax, use tax, hotel occupancy tax and all other local taxes as should be deemed within the purview of the Department of Revenue and Taxation. In this respect, the branch shall receive, collect and process all returns, forms, documents and other matters related to the tax enforced. It shall also establish an accounting unit to centralize all records and documents and to handle the maintenance of accounts pertaining to all functions of the branch. The branch shall keep records of activities and submit reports of activities and other duties performed as required.

G. Data Control Branch. This branch shall plan, design, develop programs and maintain tax administration data processing system to establish, service, and maintain accounts and related data base. And to plan, design, develop programs and maintain tax administration data processing systems for computer processing of individual, corporate, withholding, partnership, estates and trusts and local tax returns. The branch is additionally the keeper of all income and local tax returns. The branch shall keep records of activities and submit reports of activities and other duties as required.

SECTION 9. Real Property Tax Division. This division shall be responsible for the enforcement of the Real Property Tax Law and the collection of taxes thereof. The principal official of the division shall be the Chief. He shall have supervision and control over the personnel and functions of the division, and he will be assisted by a Senior Real Property Tax Appraiser. Under authority vested in him by statute and as a delegate of the Deputy Commissioner of Revenue and Taxation, this officer is responsible for the administration and enforcement of the Real Property Tax Laws of Guam such as making appraisals assessments of all taxable land and buildings, determining eligibility for home exemptions, preparing assessment rolls and delinquent tax list, and planning and instituting effective measures for adequate work programs and exercising general supervision thereof.

SECTION 10. Criminal Investigation Division. This division shall be primarily responsible for the investigation and recommendation for prosecution of all criminal tax evasion cases under the purview of the criminal statutes of the Guam Tax Laws. The essence of these investigations by special agents is the development of evidence necessary to effect successful prosecution in the District Court or Superior Court of Guam of cases recommended for criminal prosecution. This office shall be staffed by the Chief, Criminal Investigation Division, Special Agents, Administrative Secretary, one Clerk Typist IV and such additional personnel as may be authorized. The Chief, Criminal Investigation Division will select for investigation all information items which, upon evaluation and screening are deemed to warrant inquiries for potential criminal tax violation. The division shall also perform other duties as required.