

GOVERNMENT OF GUAM
OFFICE OF THE GOVERNOR
AGANA, GUAM

EXECUTIVE ORDER NO. 77-9

ORGANIZATION AND FUNCTIONS OF THE
DEPARTMENT OF REVENUE AND TAXATION

WHEREAS, Section 49275(a) of the Government Code of Guam empowers the Director of the Department of Revenue and Taxation to:

“establish such divisions or other organizational units as he may determine to be necessary for the efficient and effective administration and operation of the Department. Each such division or organizational unit shall be subject to the supervision and direction of the Director and shall have jurisdiction of such matters, exercise such powers and perform such duties as may assigned to it by the Director or otherwise by applicable law.”; and

WHEREAS, the Director of the Department of Revenue and Taxation has reviewed the responsibilities and functions of the various units within his department; and

WHEREAS, the Director of the Department of Revenue and Taxation has determined that the operation of the Department can be handled more efficiently and effectively by reassigning the various responsibilities; and

WHEREAS, the attached Organization and Functions of the Department of Revenue and Taxation exposts this Delegation of duties; and

WHEREAS, I have reviewed the attachment and approve of the proposed plan,

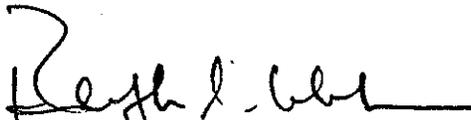
NOW, THEREFORE, I, RICARDO J. BORDALLO, Governor of Guam, by virtue vested in me by the Organic Act of Guam, as amended, do hereby order that the attached statement of the Organization and Function of the Department of Revenue and Taxation, are hereby approved and promulgated effective on the date of this signing; and that all prior Executive Orders, memorandums and Director's Orders which came in conflict with the Organization and Functions of the Department of Revenue and Taxation, as herein promulgated, are hereby suspended.

Signed this 13th of May, 1977.



RICARDO J. BORDALLO
Governor of Guam

COUNTERSIGNED:



RUDOLPH W. SABLAN
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 Vehicles Division and the Regulatory Division; and the Office of the Deputy Commissioner, General Taxes Division, the Real Property Tax Division, and the Intelligence 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 supervise 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 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 Beverage 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 whatsoever 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.

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; the departmental allotment of funds and control of expenditures; development of in-service training programs; recruitment, staffing, and procurement of equipment and supplies; department personal 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 the Regulatory Division. These divisions and all branches, units and employees thereof shall be accountable to the Deputy Director for their performance. By délegation of authority, he shall coordinate the 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 transaction to insure conformity with the law and the protection of investors. This scrutiny shall include, but shall not be limited to advertisements, prospecti, and other modes of public offering or sale. The branch shall also take every 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 Drivers' Examining Branch. He shall be assisted by supervisors of the Motor Vehicle Inspection and License Branch and the Drivers' 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. Drivers' Examining Branch. This branch shall be responsible for the acceptance of applications for drivers' licenses, for examining potential drivers by written and/or physical and mental reaction test and the examining of potential drivers through road testing. It shall also be responsible for the issuance of drivers' 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 salesmen. 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 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 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 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 salesmen 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; issuing marriage licenses; registering trust receipts; chattel mortgages; 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 Beverage 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 General Taxes Division, the Real Property Tax Division and the Intelligence 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. General Taxes Division. This Division shall consist of the Office of the Chief, the Taxpayers Assistance and Processing Branch, the Delinquent Accounts and Returns Branch, and the Tax Audit Branch.

A. Office of the Chief, General Taxes Division. This office shall be charged with the supervision of the personnel and functions of the General Taxes Division. The Chief official of the division shall be the Chief, General Taxes Division. 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, control, 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, business privilege taxes, use tax, and hotel occupancy tax. In this connection, the branch shall receive, collect, and process all returns, forms documents, and applications. It shall also establish a Records and 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.

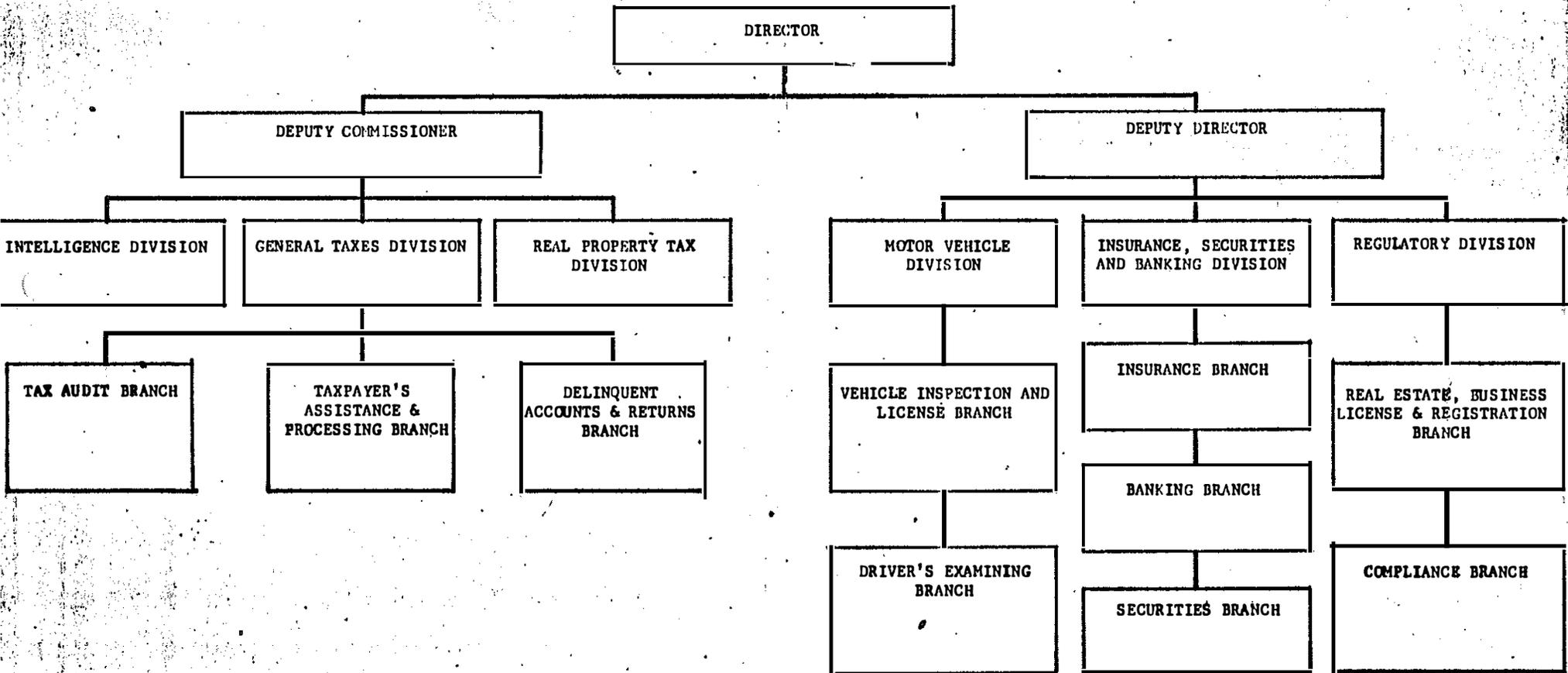
C. Delinquent Accounts and Returns Branch. This branch shall be charged with the responsibility of collecting delinquent income taxes, withholding taxes, use taxes, and business privilege taxes and other taxes. It shall also be responsible for seeking out and contacting delinquent taxpayers to see that 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 the investigation or examination of taxpayers' financial statements; and it shall investigate and initiate the prosecution of individuals who fail to comply with collection enforcement requirement. 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 thereof. 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 hearing 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 statutory notices of adjustments in order to allow taxpayers to petition 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.

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 and 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. Intelligence 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 intelligence investigations by special agents is the development of evidence necessary to effect successful prosecution in the District Court of Guam of cases recommended for criminal prosecution. This office shall be staffed by the Chief, Intelligence Division, special agents, one clerk-typist IV and such additional personnel as may be authorized. The Chief, Intelligence 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.

DEPARTMENT OF REVENUE AND TAXATION



OFFICE OF THE DIRECTOR
Directs and coordinates all
functions; administers all
Rules and Regulations

DEPUTY COMMISSIONER
Administration and enforcement
of Guam Tax Laws

INTELLIGENCE DIVISION
Investigation and recommen-
dation for prosecution of
all criminal tax evasion
cases under the purview of
the criminal statutes of the
Guam tax laws.

GENERAL TAXES DIVISION
Administration and enforce-
ment of Guam Tax Laws.

REAL PROPERTY TAX DIVISION
Assessment and collection of
Real Property Taxes.

TAX AUDIT BRANCH
Audit of tax returns
and conducting other
investigation.

TAXPAYER'S ASSISTANCE &
PROCESSING BRANCH
Documents processing
and taxpayer assist-
ance.

DELINQUENT ACCOUNTS &
RETURNS BRANCH
Collection of delinquent
accounts; secure delin-
quent returns, & conduct-
ing other investigations.

DEPUTY DIRECTOR
Department's Budgets;
Coordination of various
Divisions, administer public
accounting law, system, for-
mation and implementation of
Central Department Building.

MOTOR VEHICLE DIVISION
Administration of Vehicle
Registration and Trans-
fers, Financial Responsi-
bility Law.

INSURANCE, SECURITIES
AND BANKING DIVISION
Planning - coordinates
division budget.

REGULATORY DIVISION
Administration of Guam
Real Estate Law; Implemen-
tation of Business License
Law; Registration of Cor-
porate, Partnership and
Association Documents

VEHICLE INSPECTION AND
LICENSE BRANCH
Responsible for the
Inspections of Vehicle,
Vehicle Registration and
Transfers & Financial
Responsibility Law.

INSURANCE BRANCH
Enforcement of Insurance
Laws.

REAL ESTATE, BUSINESS
LICENSE & REGISTRATION
BRANCH
Enforcement of Guam Real
Estate Law; Bus. License
Law; Reg. of Corp. Part-
nership & Asso. Documents

DRIVER'S EXAMINING
BRANCH
Responsible for the prop-
er licensing of Drivers
in Conformance with per-
tinent Laws and Regula-
tions.

BANKING BRANCH
Enforcement of Banking,
Savings and Loans, Uniform
Consumer Credit Code, and
Uniform Commercial Code.

COMPLIANCE BRANCH
Enforcement of ABC,
Weights & Measures,
License violations Law,
Rules and Regulations.

SECURITIES BRANCH
Enforcement of Uniform
Securities Law.