

GOVERNMENT OF GUAM  
OFFICE OF THE GOVERNOR  
AGANA, GUAM

EXECUTIVE ORDER NO. 78-25

PROMULGATION OF THE RULES AND REGULATIONS  
UNDER CHAPTER XI OF TITLE XX, TAX CREDIT  
IN LIEU OF CASH PAYMENT

WHEREAS, the Department of Revenue and Taxation has, on the 30th day of May, 1978, held a public hearing in accordance with the law on the proposed Rules and Regulations under Chapter XI of Title XX, relative to the right of a landowner, whose property has been acquired for government use, to elect tax credit, except on income taxes, in lieu of cash where the government is unable to pay the cash for any reasons as authorized under Public Law No. 14-69; and

WHEREAS, I have examined the Rules and Regulations and find them acceptable;


NOW, THEREFORE, I, RICARDO J. BORDALLO, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam, as amended, and Public Law 14-69, do hereby order the attached Rules and Regulations, which shall be effective immediately.

Signed and promulgated at Agana, Guam this 8th day of September, 1978.



RICARDO J. BORDALLO  
Governor of Guam

COUNTERSIGNED:



RUDOLPH G. SABLAN  
Lieutenant Governor

DEPARTMENT OF REVENUE AND TAXATION

GOVERNMENT OF GUAM

TAX CREDIT UNDER CHAPTER XI, TITLE XX

GOVERNMENT CODE OF GUAM

RULES AND REGULATIONS

AUTHORITY

SECTION 19901 PUBLIC LAW 14-69

PURPOSE

To implement, interpret or make specific the provisions of Section 19900, Chapter XI, Title XX, Government Code of Guam.



P. L. CHARLES  
DEPUTY COMMISSIONER

MAY 30 1978

DATE

APPROVED:



M. A. CHACO  
DIRECTOR

MAY 30 1978

DATE

REGULATION NO. 1

Section 1. Definitions. The following definitions shall govern the construction of these regulations:

- (a) "owner" means a person or persons entitled to just compensation for the taking of said person's real property, and shall include corporations and any other entity entitled to compensation.
- (b) "agent" means a person(s) or a corporation, with a duly executed power-of-attorney, empowered to act on behalf of a real property owner and who is capable of exercising the rights and liabilities of the owner in making application for a tax credit under this chapter.
- (c) "approving officer" means the person designated by the government department, agency, board, committee, or any form of governmental body created for the purpose of land acquisition, who is responsible for approving the payment or payments to the owner for the acquisition.

- (d) "Director" means the Director of Revenue and Taxation or his delegate.
- (e) "taxes" means all types of taxes, except income taxes, and shall include penalties, interest, and any other additions thereto made applicable by law.

REGULATION NO. 2

Section 1. Application for tax credit, where.

- (a) Any owner whose land has been acquired by the Government of Guam, and where the Government of Guam cannot make cash payment due to the unavailability of funds or for other reasons, may make application for tax credit to the Department of Revenue and Taxation on a form prescribed by the Director.
- (b) Application Form, a valid election to take tax credit in lieu of cash payment. The owner's application for tax credit shall constitute a valid election under this chapter to take tax credit in lieu of cash payment for land acquisition.

Section 2. Revocation of election, how.

- (a) Notwithstanding a revocation by operation of law, the owner or his agent may revoke the election by a written notice to the approving officer.

REGULATION NO. 3

Section 1. Maximum Amount of Tax Credit Allowed or Allowable.

- (a) The maximum amount of tax credit allowed or allowable shall be an amount equivalent to the authorized cash compensation for the property. The tax credit shall be allowed on taxes other than the Guam Territorial Income Tax, payable to the Government of Guam on or after October 20, 1977.
- (b) The amount in excess of the correct taxes due may be carried over to the next succeeding tax month or year whichever the case may be.

Example:	(1)	Real Property tax in arrears and outstanding October 20, 1977.	\$700.00
	(2)	Gross Receipts tax due for the month of September 1977.	<u>200.00</u>
	(3)	Total taxes due	\$900.00
	(4)	Tax credit allowable	\$3,000
		Tax credit allowed	<u>(\$900)</u>
		Total taxes due after credit	<u><u>(\$900.00)</u></u>
	(5)	Tax Credit Allowable	<u><u>\$2,100</u></u>
		- Carryover to next succeeding tax month or year.	

REGULATION NO. 4

- Section 1. A tax credit shall not be allowed unless a completed certified statement to be prescribed by the Director is signed by the approving officer.
- Section 2. If the owner applying for the tax credit is other than a natural person, a copy of the agent's duly executed power-of-attorney shall accompany the application form.
- Section 3. The approving officer's certified statement for purposes of the tax credit shall be valid for the full amount payable for land acquisition and until fully paid through tax credits. Provided however that the approving officer shall notify the Director in writing of any changes, owner's revocation of election or for any other reasons, in owner's status affecting the amount of allowable tax credits.
- Section 4. A yearly reconciliation statement of owners and tax credits allowed shall be prepared and forwarded to the approving officer by the Director no later than January 20 of each year.
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CERTIFICATE

To: Director, Revenue and Taxation  
From:  
Subject: Certification of Real Property Acquired  
for Government Use

Document No. \_\_\_\_\_ Date \_\_\_\_\_

This is to certify that the property of \_\_\_\_\_  
\_\_\_\_\_, described as \_\_\_\_\_  
\_\_\_\_\_, has been acquired for Government  
use under authority of \_\_\_\_\_  
and filed under Document No. \_\_\_\_\_ with the \_\_\_\_\_  
\_\_\_\_\_.

The gross amount payable to the property owner is: \$ \_\_\_\_\_.

The amount outstanding as of \_\_\_\_\_ is: \$ \_\_\_\_\_.  
Date

I understand that the purpose of this statement is for the Real  
Property owner to elect tax credit in lieu of cash for the taking of  
real property for Government use, as authorized by Public Law 14-69.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

DEPARTMENT OF REVENUE AND TAXATION  
P. O. BOX 2796, AGANA, GUAM 96910

APPLICATION FOR TAX CREDIT  
GOVERNMENT OF GUAM  
TITLE XX, CHAPTER XI

NOTE: Read carefully, information and instruction on reverse

1) NAME OF APPLICANT: \_\_\_\_\_ 2) \_\_\_\_\_  
LAST FIRST MIDDLE S. S. or E.I. No.

3) \_\_\_\_\_ 4) \_\_\_\_\_ 5) \_\_\_\_\_  
Resident Address Mailing Address Phone No.

6) TAX CREDIT ON: \_\_\_\_\_ 7) \_\_\_\_\_ 8) \$ \_\_\_\_\_  
Specify type of tax Period ending Amount

\_\_\_\_\_  
Specify type of tax Period ending Amount

\_\_\_\_\_  
Specify type of tax Period ending Amount

9) TAX CREDIT ALLOWABLE: \$ \_\_\_\_\_ 10) TOTAL TAX CREDIT CLAIMED: \$ \_\_\_\_\_

Under penalty of perjury, I certify the information given above is true and correct.

\_\_\_\_\_  
SIGNATURE DATE

\_\_\_\_\_  
SIGNATURE DATE



Important information and instruction

- Item (1) The name of the applicant is the name of the owner whose land is acquired by the Government of Guam.
- Item (2) The owner's Social Security or Employer's Identification number.
- Item (3), (4) and (5) is self-explanatory.
- Item (6) Write in the name of the tax to which the tax credit is to be applied:  
Gross receipts tax, use tax, real property tax, etc. except income tax.
- Item (7) "period ending" is the date the tax period ends and the tax accrues.
- Item (8) The amount of tax credit to be applied against the tax.
- Item (9) "tax credit allowable" is the amount payable to you by the government for the taking of land, less previous tax credits, claimed or allowed.
- Item (10) "total tax credit claimed" is the total of item 8.

- (1) The application form shall be signed by the applicant or agent. In the case of an agent acting on behalf of the applicant, a duly executed power-of-attorney must accompany this application form unless one has already been filed with the Department of Revenue and Taxation.
- (2) This application form shall constitute valid election to take tax credit in lieu of cash for the taking of land for government use. A completed certification statement FORM DRT - 12/21/77-B, signed by the approving officer must accompany this application form unless one has already been filed with Department of Revenue and Taxation.