

116TH CONGRESS  
1ST SESSION

# H. R. 4262

To ensure that refunds of overpayments of the Guam Territorial Income Tax are issued in a timely manner, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 10, 2019

Mr. SAN NICOLAS introduced the following bill; which was referred to the Committee on Natural Resources

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## A BILL

To ensure that refunds of overpayments of the Guam Territorial Income Tax are issued in a timely manner, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Tax Refund Responsi-  
5 bility Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds as follows:

8 (1) For nearly two decades, the Government of  
9 Guam has been unable to set aside money to pay for  
10 income tax refunds and instead has relied on accu-

1 mulated deficits and subsequent borrowing on the  
2 bond market, amassing close to half a billion dollars  
3 of debt, to pay accrued income tax refund payments  
4 owed to its taxpayers.

5 (2) The enactment of an amendment to the Or-  
6 ganic Act of Guam requiring that the Government of  
7 Guam deposit tax collections in the Income Tax Re-  
8 fund Efficient Payment Trust fund, as created by  
9 Guam Public Law 26–74, would prevent further un-  
10 balanced budgeting, deficit spending, chronic bor-  
11 rowing, and future burdens on the taxpayers of  
12 Guam.

13 **SEC. 3. TIMELY REFUNDS OF OVERPAYMENT OF GUAM**  
14 **TERRITORIAL INCOME TAX.**

15 Section 31 of the Organic Act of Guam (48 U.S.C.  
16 1421i) is amended by adding at the end the following:

17 “(i) The Governor of Guam shall ensure that—

18 “(1) each form filed by a person or entity for  
19 a refund of overpayment of the Guam Territorial In-  
20 come Tax is processed by the Government of Guam  
21 not later than 90 days after such form was filed;  
22 and

23 “(2) a refund of the full amount of any over-  
24 payment of the Guam Territorial Income Tax that  
25 the Government of Guam has deemed valid is issued

1 to the person or entity who filed for such refund not  
2 later than 90 days after the form for the refund was  
3 filed.”.

4 **SEC. 4. DEPOSIT TO THE INCOME TAX REFUND EFFICIENT**  
5 **PAYMENT TRUST FUND.**

6 The Organic Act of Guam (48 U.S.C. 1421 et seq.)  
7 is amended by inserting after section 22D the following:

8 **“SEC. 23. DEPOSIT TO THE INCOME TAX REFUND EFFI-**  
9 **CIENT PAYMENT TRUST FUND.**

10 “Not later than 10 days after the end of each cal-  
11 endar month, the Governor of Guam shall ensure that  
12 there is directly deposited into the Guam Income Tax Re-  
13 fund Efficient Payment Trust Fund a percentage of the  
14 payroll withholding taxes and income taxes collected by  
15 the government of Guam for that month and a percentage  
16 of the self-employed payroll withholding taxes collected for  
17 the quarter, equal to the percentage of the budgeted fore-  
18 casted amount set aside for income tax refunds, earned  
19 income tax credits, and child tax credits adopted in the  
20 Government of Guam’s fiscal year budget, so that not  
21 later than 10 days after the end of the calendar year, not  
22 less than the amount necessary for income tax refunds,  
23 earned income tax credits, and child tax credits for that  
24 calendar year shall have been deposited into the Trust Re-  
25 fund Efficient Payment Trust Fund.”.

1 **SEC. 5. EFFECTIVE DATE.**

2       The amendments made by this Act shall take effect  
3 on the first January 1 to occur after the date of the enact-  
4 ment of this Act.

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