



**SENATOR THERESE M. TERLAJE**

Committee on Health, Tourism, Historic Preservation, Land and Justice  
*I Mina' trentai Singko na Liheslaturan Guåhan*  
35<sup>th</sup> Guam Legislature

April 1, 2020

**Transmitted via Electronic Mail:**

Edward Birn  
Director, Department of Administration  
Government of Guam  
[edward.birn@doa.guam.gov](mailto:edward.birn@doa.guam.gov)

**SUBJECT: RESPONSE TO PRIORITIZING TAX REFUNDS**

*Håfa Adai* Director Birn:

Thank you for your letter in response to my March 31, 2020, request to expedite the payment of the 4398 already processed income tax returns.

Your letter promises that “all available 2018 refunds will have been paid by end of April, if not sooner.” While payment of October 2018 refunds by the end of April is indeed consistent with the six-month timeline set under the consent decree, it is simply too late under the circumstances that many taxpayers find themselves in today as a result of the COVID-19 crisis.

\$125 M was set aside in each of the FY19 and FY20 budgets exclusively for tax refunds. Transfer authority was also made available to the Governor to facilitate any additional amounts necessary. In addition, regular deposits to ensure timely payment to taxpayers were mandated by statute as a ministerial duty of your office and affirmed by the Supreme Court as protected for this purpose.

I respectfully request again, that while Guam waits weeks or longer for stimulus aid from the federal government, that you, as Director of Administration, immediately process the checks for all 4,398 refund payments as direct and immediate help to Guam’s families in dire need.

*Si Yu'os Ma'åse',*

Therese M. Terlaje

cc: Director, Department of Revenue and Taxation

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Mailing Address: Guam Congress Building, 163 Chalan Santo Papa, Hagåtña, Guam 96910

Office Address: Ada Plaza Center, Suite 207, 173 Aspinall Avenue, Hagåtña, Guam 96910

Tel: (671) 472-3586 | Fax: (671) 969-3590 | Email: [senatorterlajeguam@gmail.com](mailto:senatorterlajeguam@gmail.com) | [www.senatorterlaje.com](http://www.senatorterlaje.com)



**EDWARD M. BIRN**  
*Director (Direktot)*

**EDITH C. PANGELINAN**  
*Deputy Director (Sigundo Direktot)*

**DEPARTMENT OF  
ADMINISTRATION**  
DIPATTAMENTON ATMENESTRASION

**DIRECTOR'S OFFICE**  
*(Ufisinan Direktot)*

Telephone (Telifon): (671) 475-1101/1250 • Fax (Faks): (671) 477-6788



**LOURDES A. LEON GUERRERO**  
*Governor (Maga'håga)*

**JOSHUA F. TENDRIO**  
*Lt. Governor (Sigundo Maga'åhåhi)*

March 31, 2020

Honorable Therese M. Terlaje  
Committee on Health, Tourism, Historic  
Preservation, Land and Justice  
35<sup>th</sup> Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Hagåtña, Guam 96910

Hafa Adai Senator Terlaje,

Thank you for your letter dated March 30, 2020. I have discussed it with the Director of Department of Revenue and Taxation.

We are both appreciative of your concern for the effects of the COVID-19 Virus on the Territory of Guam. Income Tax Refund payments are an important element in providing Stimulus for shoring up the economy, but they are not the only initiative in the Administration's plan for stimulation.

Payment of refunds by Department of Administration must be preceded by processing of these returns by Department of Revenue and Taxation. We have been paying refunds ahead of the six-months mandate and from the figures available to me, all available 2018 refunds will have been paid by end of April, if not sooner. You may be assured that our cash planning targets this goal.

Both the DRT Director and I are always ready to respond to your questions.

Senseramente,

**EDWARD M. BIRN**  
Director



**SENATOR THERESE M. TERLAJE**

Committee on Health, Tourism, Historic Preservation, Land and Justice  
*I Mina' trentai Singko na Liheslaturan Guåhan*  
35<sup>th</sup> Guam Legislature

March 30, 2020

Transmitted via Electronic Email:  
[edward.birn@doa.guam.gov](mailto:edward.birn@doa.guam.gov)


Edward Birn  
Director, Department of Administration  
Government of Guam

**SUBJECT: PAYMENT OF TAX REFUNDS AS A PRIORITY**

*Håfa Adai* Director Birn:

This is to urge the immediate payment of tax refunds notwithstanding the Governor's social distancing orders. Please set up a mechanism that will ensure this can be done safely. The recent Tax Refund Status Report (3/3/2020 run date) indicates that as of the end of February, there were 4,398 refunds that have been processed but not paid. I realize that your Department is working hard to ensure all COVID response efforts are in place and funding secured, but the government of Guam must continue to honor the payment of tax refunds as a priority. It is not sufficient at this point and under the current economic circumstances that the standard for payment of these processed refunds be within six months. It is only conscionable at this point that payment for all processed refunds be made "immediately". This ability lies solely in your hands without the need for any further legislative action.

*Si Yu'os Ma'åse',*

  
Therese M. Terlaje  
Senator

Attachment: Income Tax Refund Status Report for the month ending February 2020

cc: Director, Department of Revenue and Taxation



## SENATOR THERESE M. TERLAJE

Committee on Health, Tourism, Historic Preservation, Land and Justice  
*I Mina' trentai Singko na Liheslaturan Guåhan*  
35<sup>th</sup> Guam Legislature

March 30, 2020

Transmitted via Electronic Email:  
[dafne.shimizu@revtax.guam.gov](mailto:dafne.shimizu@revtax.guam.gov)

Dafne Shimizu  
Director  
Department of Revenue and Taxation

### **SUBJECT: PRIORITIZE PROCESSING OF TAX REFUNDS**

*Hafa Adai* Director Shimizu,

Thank you for your efforts to swiftly implement the federal direct assistance program for Guam taxpayers and children.

I hope you can also implement an appropriate and safe social distancing method to process the 1,741 refund returns still pending for tax year 2018 at the end of February 2020, and those 619+ that have been received for tax year 2019.

I realize that your Department is working hard to ensure all COVID-19 response efforts are in place and funding secured, and that the Department must also comply with social distancing measures. However, it is equally important at this time that the government of Guam do its utmost to prioritize the processing and payment of tax refunds as a means of direct assistance to those who have lost so much.

In your tenure, you have successfully complied with the six-month timeframe for processing and paying of refunds as outlined by Justice Marshall, but the government of Guam must do better than that right now. I have great confidence in your ability to get this done despite the other demands on your Department under rapidly evolving circumstances.

Please let us know if there is any impediment to prompt processing that the Legislature can assist with.

Therese M. Terlaje  
Senator



***SENATOR THERESE M. TERLAJE***

Committee on Health, Tourism, Historic Preservation, Land and Justice

*I Mina' trentai Singko na Liheslaturan Guåhan*

35<sup>th</sup> Guam Legislature

Attachment: Income Tax Refund Status Report for the month ending February 2020

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Dipåtamenton Kontribusion yan Adu'ána

DEPARTMENT OF

# REVENUE AND TAXATION

GOVERNMENT OF GUAM

Gubetnamenton Guåhan

LOURDES A LEON GUERRERO, Governor Maga'haga  
JOSHUA F TENORIO, Lt. Governor Tiñente Gubetnadot

DAFNE MANSAPIT-SHIMIZU, Director  
Direktot  
MICHELE B SANTOS, Deputy Director  
Sigundo Direktot

March 13, 2020

Honorable Tina Muña Barnes  
Speaker, 35<sup>th</sup> Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Hagatna, Guam 96920

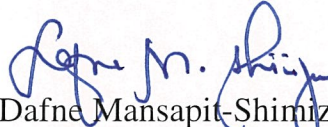
3566-20-1656  
Speaker Tina Rose Muña Barnes

MAR 13 2020  
Time 3:25 ( )AM ( )PM  
Received By: alan

Hafa Adai yan Saluda Speaker Muña Barnes,

Transmitted herewith is the Income Tax Refund Status Report for the month ending February 2020, pursuant to Title 11, Chapter 1 §1107(h) Guam Code Annotated. Please feel free to contact me or our Taxpayer Services Administrator at Tel: 635-1817, should you have any questions.

Senseramente,

  
Dafne Mansapit-Shimizu  
Director

2020 MAR 13 PM 4:01

*JA*

**GCA Title 11, Chapter 1 Section 1107(h)**

**Monthly Income Tax Refund Status Report (3/3/2020 run date)**

Report providing a full accounting of the total income tax liability of the Government of Guam PAID and PENDING

Individual 1040 Filing Statistics

For the Month Ending February 2020

	TAX YEAR														Total Liability	NOTES
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
[A] Total Tax Returns Filed	56,592	64,690	63,577	64,278	71,175	69,588	78,444	80,480	81,644	83,005	82,023	79,356	63,412	879		
[B] Tax Returns Filed - Liability Assessed, Even or Zero	863	1,004	1,295	1,282	7,613	3,792	11,140	11,096	11,272	11,584	11,457	11,737	11,768	23	[A] - [C]	
[C] Total Refund Returns	55,729	63,686	62,282	62,996	63,562	65,796	67,304	69,384	70,372	71,421	70,566	67,619	51,644	856	[D] + [E] + [F]	
[D] Refund Returns Processed & Paid	55,717	63,673	62,254	62,964	63,521	65,759	67,255	69,315	70,257	71,231	70,099	66,664	47,286	0		
[E]* Refunds Returns Processed Awaiting Payment	8	7	22	27	31	28	36	60	101	155	388	691	2,617	227	4,398	
[F] Refund Returns Unprocessed (Estimated)	4	6	6	5	10	9	13	9	14	35	79	264	1,741	629		

Total Refund Returns (in millions)															
Refunds Paid															
[G] Refund Returns Processed & Paid	\$77.02	\$86.36	\$96.40	\$114.25	\$115.87	\$121.23	\$127.22	\$135.93	\$138.05	\$139.84	\$137.59	\$131.57	\$127.20	\$0.00	
Refunds Owed															
[H]* Refunds Returns Processed Awaiting Payment	\$0.01	\$0.02	\$0.07	\$0.04	\$0.04	\$0.03	\$0.12	\$0.09	\$0.17	\$0.39	\$1.07	\$1.77	\$8.68	\$0.20	\$12.69
[I] Refund Returns Unprocessed (Estimated)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
[J] Interest	\$0.01	\$0.01	\$0.03	\$0.02	\$0.02	\$0.01	\$0.04	\$0.02	\$0.03	\$0.07	\$0.12	\$0.11	\$0.25	\$0.00	\$0.73
[K] Subtotal	\$0.02	\$0.03	\$0.10	\$0.06	\$0.06	\$0.04	\$0.16	\$0.12	\$0.21	\$0.45	\$1.19	\$1.88	\$8.92	\$0.20	\$13.42
[L] Total Refunds and Interest Paid & Owed	\$77.03	\$86.38	\$96.50	\$114.31	\$115.92	\$121.27	\$127.38	\$136.05	\$138.26	\$140.30	\$138.78	\$133.45	\$136.12	\$0.20	[H] + [I] + [J] + [K]

\* Includes Accepted, Error and Suspended (AES) status filed returns

**GCA Title 11, Chapter 1 Section 1107(h)**

**Monthly Income Tax Refund Status Report (3/3/2020 run date)**

Report providing a full accounting of the total income tax liability of the Government of Guam PAID and PENDING

Business 1120 Filing Statistics

For the Month Ending February 2020

	TAX YEAR														Total Liability	NOTES
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
[A] Total Tax Returns Filed	3,968	4,134	4,269	4,346	4,774	4,823	5,297	5,510	5,516	5,536	5,570	5,585	4,234	229		
[B] Tax Returns Filed - Liability Assessed, Even or Zero	70	99	123	121	385	321	682	729	750	726	757	803	3,980	165	[A] - [C]	
[C] Total Refund Returns	3,898	4,035	4,146	4,225	4,389	4,502	4,615	4,781	4,766	4,810	4,813	4,782	254	64	[D] + [E] + [F]	
[D] Refund Returns Processed & Paid	3,893	4,027	4,133	4,214	4,379	4,490	4,604	4,752	4,721	4,739	4,751	4,689	127	9		
[E]* Refunds Returns Processed Awaiting Payment	5	7	11	10	10	12	11	28	44	70	60	83	50	4	405	
[F] Refund Returns Unprocessed (Estimated)	0	1	2	1	0	0	0	1	1	1	2	10	77	51		

Total Refund Returns (in millions)															
Refunds Paid															
[G] Refund Returns Processed & Paid	\$3.71	\$2.14	\$2.43	\$2.10	\$6.28	\$2.65	\$4.29	\$5.38	\$4.68	\$3.38	\$4.42	\$1.26	\$1.10	\$0.22	
Refunds Owed															
[H]* Refunds Returns Processed Awaiting Payment	\$0.00	\$0.24	\$0.00	\$0.00	\$0.00	\$0.31	\$0.14	\$0.03	\$0.09	\$4.20	\$3.29	\$1.44	\$6.96	\$0.54	\$17.23
[I] Refund Returns Unprocessed (Estimated)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
[J] Interest	\$0.00	\$0.05	\$0.00	\$0.00	\$0.00	\$0.03	\$0.01	\$0.00	\$0.01	\$0.35	\$0.20	\$0.05	\$0.11	\$0.00	\$0.81
[K] Subtotal	\$0.00	\$0.29	\$0.00	\$0.00	\$0.00	\$0.34	\$0.15	\$0.03	\$0.10	\$4.54	\$3.49	\$1.49	\$7.07	\$0.54	\$18.04
[L] Total Refunds and Interest Paid & Owed	\$3.71	\$2.43	\$2.43	\$2.10	\$6.28	\$2.99	\$4.44	\$5.41	\$4.78	\$7.92	\$7.91	\$2.75	\$8.17	\$0.76	[H] + [I] + [J] + [K]

\* Includes Accepted, Error and Suspended (AES) status filed returns

Approved by: Taxpayer Services Administrator 