



Office of the Speaker **THERESE M. TERLAJE**

I Mina'trentai Sais na Liheslaturan Guåhan | 36th Guam Legislature
Committee on Health, Land, Justice and Culture

Speaker Therese Terlaje Urged Lawmakers to Protect and Expedite Tax Refunds

FOR IMMEDIATE RELEASE (August 19, 2021 – Hagåtña, Guam) During the critical revenue portion of the budget process, Speaker Therese Terlaje urged her colleagues to prioritize taxpayers and pay refunds before any other priority of the government. The Speaker introduced an amendment to raise the BPT provision from \$238 million to \$280 million, projected by BBMR, and puts the additional \$42 million entirely toward the provision for tax refunds, which is mandated to be set aside from the general fund on a monthly basis. This allows the government of Guam to use the cash to pay tax refunds faster and to catch up on what is overdue. It also locks up any additional BPT so that it does not go to any other purpose and would not increase agencies' spending. This year, despite the administration hiding their plans for ARP, and without harm to critical services, the Legislature can increase the cash that is set aside for refunds.

Speaker Terlaje stated, "Many in our community are looking to the Legislature for assistance because they are worried about their ability to provide for their families, pay for their homes and other basic necessities in the immediate future. With PUA ending, we need to do everything we can to push more money out into the economy as quickly as we can especially for our most vulnerable populations. If we can pay the \$117 million in CTC, EITC and other tax refunds and circulate that in addition to other ARP direct assistance programs, it will help our working families while supporting the recovery of local businesses."

The Legislature has the authority to affect this change in advance and thereby overcoming previous challenges with the appropriation and control of excess revenues, as in the case of the appropriated but unallocated \$10 million GMH capital improvement from excess revenues from 2019. The Legislature's conservative approach to fiscal policy due to uncertain economic outlooks in past years has resulted in \$105 million in surpluses used for deficit reduction at the Governor's sole discretion without any legislative oversight.

"We need to stop putting the burden on the backs of our people. That is what we do when we fund government first and people last. These are refunds or credits that they are entitled to, not a handout to them."

The amendment failed to pass having only received the support of 3 other senators, Senator Sabina Perez, Senator Clynt Ridgell and Senator Jose Pedo Terlaje.

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