



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 continues fight to prioritize tax refunds

FOR IMMEDIATE RELEASE (August 26, 2021 – Hagåtña, Guam) Three attempts. That's how many times Speaker Therese M. Terlaje has tried so far to amend the current budget bill to set aside enough funds to cover and pay out overdue tax refunds faster.

Despite the Department of Revenue and Taxation's quicker processing rate, tax refunds still await payment. Speaker Terlaje's three attempts to get those paid faster include:

- increasing current Business Privilege Tax (BPT) projections to mirror current increased tracking;
- setting aside excess BPT revenues every 6 months; and
- setting aside Earned Income Tax Credit (EITC) reimbursements not needed for financing the new hospital.

All three efforts failed to receive enough support from other senators on the session floor.

Speaker Terlaje said, "I cannot fathom how this body finds it okay to make the people wait, especially this year when we've professed that they need RISE money now, that they are running out of PUA now. If agencies have needs, let's get the Governor down here to show her what those are. She's sitting on \$600 million that can be used to take care of those needs. The ARP cannot be used to pay tax refunds, it is us, the legislative body who has that power to set aside cash for that purpose."

The budget bill as it stands does not have enough cash set aside to take care of prior year and FY 2022 tax refunds. The bill sets aside \$15 million of the \$55 million needed for EITC payments, saving the other \$40 million for projects that will be completed beyond 2023.

Instead of increasing the provision of tax refunds, an amendment proffered by another senator was passed on the session floor today to lower the amount set aside for tax refund payments by an additional \$6 million. Speaker Terlaje is disappointed that the amendment passed: "If we go through with what is in the budget right now, we might exacerbate the delay in refunds waiting for cash. We have an opportunity in front of us to get rid of those delays. We don't need Congress to tell us to pay refunds faster. We need to do our jobs in the budget and set aside the cash for what we owe the people, not spending it on pet projects."

Speaker Terlaje plans to make another attempt to secure the cash needed for tax refunds in later chapters of the budget bill.

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