I Mina'trentai Ocho Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
88-38 (COR) As amended by the Committee on Economic Investment, Military Buildup, Regional Relations, Technology, Regulatory Affairs, Justice, Elections, and Retirement; and further amended on the Floor.	Telo T. Taitague Sabina Flores Perez Therese M. Terlaje Chris Barnett Shelly V. Calvo V. Anthony Ada Frank F. Blas, Jr Vincent A.V. Borja Christopher M. Dueñas Eulogio Shawn Gumataotao Jesse A. Lujan Tina Rose Muña Barnes Sabrina Salas Matanane Joe S. San Agustin	AN ACT TO REPEAL AND REENACT CHAPTER 25, TITLE 16, GUAM CODE ANNOTATED, RELATIVE TO ASSESSING THE TAXATION OF VEHICLE TITLE TRANSFERS ON THE BILL OF SALE ONLY AND STREAMLINING VEHICLE OWNERSHIP TRANSFERS.	3/10/25 11:40 a.m.	3/19/25	Committee on Economic Investment, Military Buildup, Regional Relations, Technology, Regulatory Affairs, Justice, Elections, and Retirement.	3/17/25	4/29/25 2:00 p.m.	5/12/25 As Amended.	
	SESSION DATE	**TITLE**	**DATE PASSED**	**TRANSMITTED**	**DUE DATE**	**NOTES**			
	5/27/25	AN ACT TO *REPEAL* AND *REENACT* CHAPTER 25 OF TITLE 16, GUAM CODE ANNOTATED, RELATIVE TO ASSESSING THE TAXATION OF VEHICLE TITLE TRANSFERS ON THE BILL OF SALE ONLY AND STREAMLINING VEHICLE OWNERSHIP TRANSFERS.	6/3/25	6/5/25	6/17/25				

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I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
Thirty-Eighth Guam Legislature

June 5, 2025

The Honorable Lourdes A. Leon Guerrero
I Maga'hågan Guåhan
Ufisinan I Maga'håga
Hagåtña, Guam 96910

Dear *Maga'håga* Leon Guerrero:

Transmitted herewith are Bill Nos. 6-38 (COR), 18-38 (COR), 20-38 (COR), 23-38 (COR), 27-38 (COR), 33-38 (COR), 50-38 (COR), 53-38 (COR), 54-38 (COR), 55-38 (COR), 59-38 (COR), 66-38 (COR), 67-38 (COR), 75-38 (COR), 78-38 (COR), 80-38 (COR), 83-38 (COR), 88-38 (COR), 89-38 (COR), 95-38 (COR), 109-38 (COR), 121-38 (COR), 129-38 (COR) and 130-38 (COR), and Substitute Bill Nos. 28-38 (COR) and 118-38 (COR) which were passed by *I Mina'trentai Ocho Na Liheslaturan Guahan* on June 3, 2025.

Sincerely,

Senator Sabrina Salas Matanane
Legislative Secretary

Enclosure (26)

OFFICE OF THE GOVERNOR
CENTRAL FILES OFFICE
Rec'd By: Jessica Dydasco
Date: 6/5/25 Time: 4:56pm

COPY

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2025 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'HÅGAN GUÅHAN*

This is to certify that **Bill No. 88-38 (COR), "AN ACT TO *REPEAL* AND *REENACT* CHAPTER 25 OF TITLE 16, GUAM CODE ANNOTATED, RELATIVE TO ASSESSING THE TAXATION OF VEHICLE TITLE TRANSFERS ON THE BILL OF SALE ONLY AND STREAMLINING VEHICLE OWNERSHIP TRANSFERS,"** was on the 3rd day of June 2025, duly and regularly passed.

Frank F. Blas, Jr.
Speaker

Attested:

Sabrina Salas Matanane
Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 5th day of June, 2025, at 4:56 o'clock P.M.

Assistant Staff Officer
Maga'håga's Office

APPROVED:

Lourdes A. Leon Guerrero
I Maga'hågan Guåhan

Date:__________________

Public Law No.______________

OFFICE OF THE GOVERNOR
CENTRAL FILES OFFICE
Rec'd By: Elaine Tajalle
Date: 6/5/25 Time: 4:56p

Dr

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2025 (FIRST) Regular Session

Bill No. 88-38 (COR)
As amended by the Committee on Economic Investment, Military Buildup, Regional Relations, Technology, Regulatory Affairs, Justice, Elections, and Retirement; and further amended on the Floor.

Introduced by:

Telo T. Taitague
Sabina Flores Perez
Therese M. Terlaje
Chris Barnett
Shelly V. Calvo
V. Anthony Ada
Frank F. Blas, Jr
Vincent A.V. Borja
Christopher M. Dueñas
Eulogio Shawn Gumataotao
Jesse A. Lujan
Tina Rose Muña Barnes
Sabrina Salas Matanane
Joe S. San Agustin
William A. Parkinson

AN ACT TO *REPEAL* AND *REENACT* CHAPTER 25 OF TITLE 16, GUAM CODE ANNOTATED, RELATIVE TO ASSESSING THE TAXATION OF VEHICLE TITLE TRANSFERS ON THE BILL OF SALE ONLY AND STREAMLINING VEHICLE OWNERSHIP TRANSFERS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that Guam faces a significant issue with junk and abandoned vehicles, surpassing the challenges faced by other jurisdictions across the nation. A primary obstacle in enforcing Guam's junk and abandoned vehicle laws is the failure to complete vehicle ownership transfers upon sale.

I Liheslaturan Guåhan further finds that the tax imposed on vehicle ownership transfers is based on the Kelley Blue Book value, rather than the vehicle's condition and actual sale amount. The Kelley Blue Book assigns values based on excellent, good, or fair conditions, but it does not account for vehicles in disrepair or with conditions that fall below the lowest fair market assessment. This tax valuation method is inaccurate and does not always reflect a vehicle's true worth, resulting in inflated tax assessments.

I Liheslaturan Guåhan further finds that these excessively high title transfer costs for Guam residents often prevent them from completing the transfer process, many of whom are selling their vehicles due to hardship. Consequently, many vehicles remain registered under previous owners because the high cost of title transfers discourages the buyers from completing the process, leaving vehicles unaccounted for when abandoned and ultimately contributing to the growing issue of junk and abandoned vehicles across the island.

Therefore, it is the intent of *I Liheslaturan Guåhan* to streamline the process by only assessing taxes based on the Bill of Sale amount to ensure a fair and accurate taxation process, reduce unnecessary financial burdens on the community, and address the longstanding issue of abandoned vehicles.

Section 2. Chapter 25 of Title 16, Guam Code Annotated, is hereby *repealed* and *reenacted* to read:

"**CHAPTER 25**

VEHICLE TRANSFER TAX

§ 25101. Purpose.

§ 25102. Definitions.

§ 25103. Taxation on Transfer of Vehicle Title.

§ 25104. Verification and Compliance.

§ 25105. Tax Rate.

§ 25106. Penalties.

§ 25107. Review and Reporting.

§ 25101. Purpose.

The purpose of this Chapter is to establish a fair, transparent, and administratively efficient method for taxing the transfer of vehicle titles in Guam. This Chapter ensures taxation is based on the actual value of a vehicle as stated in a notarized Bill of Sale, rather than an arbitrary or estimated valuation such as an appraisal or blue book value.

§ 25102. Definitions.

For the purposes of this Chapter, the following terms shall mean:

(a) 'Bill of Sale' means a notarized document that confirms the sale and purchase of a vehicle, including the agreed-upon sale price between the buyer and the seller.

(b) 'Vehicle' means any motor vehicle required to be registered under the laws of Guam.

(c) 'Transfer' and 'Transfer of Ownership' means the process of changing the legal owner of a vehicle.

(d) 'The Department' means the Department of Revenue and Taxation.

§ 25103. Taxation on Transfer of Vehicle Title.

(a) The tax on the transfer of a vehicle title in Guam shall be based on the actual sale price as stated in the Bill of Sale.

(b) The Department of Revenue and Taxation shall require a copy of the Bill of Sale to be submitted with the title transfer application.

§ 25104. Verification and Compliance.

The Department of Revenue and Taxation shall establish procedures to verify the accuracy of the Bill of Sale, including random audits and inspections.

§ 25105. Tax Rate.

(a) The tax rate for the transfer of vehicle titles shall be Five Dollars ($5.00) plus two and one-half percent (2.5%) of the value stated on the Bill of Sale.

(b) Exemptions. The following transfers shall be exempt from the tax imposed under this Chapter:

(1) transfers due to inheritance; provided, that sufficient legal documentation is provided; and

(2) transfers involving a vehicle donated to a recognized nonprofit organization.

§ 25106. Penalties.

Any transfer tax not paid within thirty (30) days after the date of transfer or sale is subject to a delinquency penalty of five percent (5%) of the tax, and in addition, interest thereafter until paid at one-half percent (1/2%) per month or fraction thereof.

§ 25107. Review and Reporting.

(a) The Guam Department of Revenue and Taxation shall review the effectiveness of this Chapter to include total taxes collected under this Chapter.

(b) Recommendations for any necessary amendments to improve the Act shall be included in the annual report for each calendar year, which shall be submitted to *I Liheslatura* and *I Maga'hågan/Maga'låhen Guåhan* one hundred eighty (180) days after the end of the calendar year."

Section 3. Severability. If any provision of this Act or its application to any person or circumstance is found to be invalid or inorganic, such invalidity shall not affect other provisions or applications of this Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 4. Effective Date. This Act shall be effective upon enactment.