

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
205-38 (COR)	Joe S. San Agustin Tina Rose Muña Barnes Christopher M. Dueñas	AN ACT TO <i>AMEND</i> § 6802 (e) OF ARTICLE 8, CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE DISCOUNT ON THE PURCHASE OF TOBACCO TAX STAMPS.	10/9/25 2:37 p.m. 10/24/25 11:50 a.m.	10/27/25	Committee on Finance and Government Operations.	Request: 10/27/25 10/27/25	2/12/26 9:00 a.m.	3/10/26	
	SESSION DATE	TITLE	DATE PASSED	TRANSMITTED	DUE DATE	PUBLIC LAW NO.	DATE SIGNED	NOTES	
	3/23/26	AN ACT TO <i>AMEND</i> § 6802(e) OF ARTICLE 8, CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE DISCOUNT ON THE PURCHASE OF TOBACCO TAX STAMPS.	3/27/26	3/27/26	4/8/26	38-112	4/8/26	Received: 4/8/26 Mess and Comm. Doc. No. 38GL-26-2180	

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Transmitted via Email to: speakerblas@guamlegislature.org

April 8, 2026

THE HON. FRANK BLAS, JR., Speaker
I Mina'trentai Ocho Na Liheslaturan Guåhan
38th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

38GL-26-2180
OFFICE OF THE SPEAKER
FRANK F. BLAS JR.

APR 08 2026

Time: 4:22pm
Received: derek saltan

Re: **Bill No. 205-38 (COR), "AN ACT TO AMEND § 6802(e) OF ARTICLE 8, CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE DISCOUNT ON THE PURCHASE OF TOBACCO TAX STAMPS."**

Håfa Adai Mr. Speaker,

In 2017, Public Law 34-55 established the Cigarette Stamp Tax Program, requiring a physical stamp to be affixed to every tobacco product prior to distribution in order to ensure prepayment of taxes. At that time, the tobacco tax stamp discount was set at 0.4% (four tenths of a percent) to offset the expenses associated with affixing the stamps to tobacco products.

Since the bill was enacted, Guam, like the rest of the United States, has experienced the negative effects of skyrocketing inflation across all industries. As presented in the bill's testimony, the process of affixing a stamp is fairly involved, requiring costly investments in stamp machinery and labor.

Bill 205-38 raises the discount to 3.75%, ensuring that license holders are adequately and fairly supported in meeting the financial obligations associated with compliance, concurrent with the government's duty to collect taxes on the cigarette sales.

For these reasons, I sign **Bill No. 142-38 (COR)** into law as *Public Law No. 38-112*.

Senseramente,

LOURDES A. LEON GUERRERO

LOURDES A. LEON GUERRERO
I Maga'hågan Guåhan
Governor of Guam

What Bill No.?



38GL-26-2180
Messages and Communications

RECEIVED
COMMITTEE ON RULES
April 9, 2026

2:25 p.m.
Marie Crisostomo

Enclosure(s): Bill No. 205-38 (COR) nka P.L. 38-112
cc via email: *Honorable* Joshua F. Tenorio, *Segundo Maga'låhen Guåhan*, Lt. Governor of Guam
Compiler of Laws

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2026 (SECOND) Regular Session

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

This is to certify that **Bill No. 205-38 (COR)**, "AN ACT TO *AMEND* § 6802(e) OF ARTICLE 8, CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE DISCOUNT ON THE PURCHASE OF TOBACCO TAX STAMPS," was on the 27th day of March 2026, duly and regularly passed.



Frank F. Blas, Jr
Speaker

Attested:



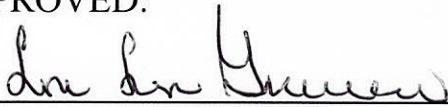
Sabrina Salas Matanane
Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 27 day of March 2026, at 8:24 o'clock P.M.



Assistant Staff Officer
Maga'håga's Office

APPROVED:



Lourdes A. Leon Guerrero
I Maga'hågan Guåhan

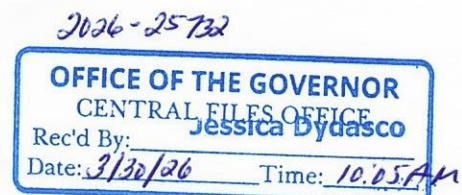
POTI JESSE V. CASTRO
Executive Security

Date:

4/8/2026

Public Law No.

38-112



IMINA'TRENTAIOCHO NA LIHESLATURAN GUÅHAN
2025 (FIRST) Regular Session

Bill No. 205-38 (COR)

Introduced by:

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

AN ACT TO *AMEND* § 6802(e) OF ARTICLE 8, CHAPTER 6, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE DISCOUNT ON THE PURCHASE OF TOBACCO TAX STAMPS.

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that the current four-tenths of one percent (0.4%) discount on the purchase of
4 tobacco tax stamps was established by Public Law 34-55 in 2017, no longer
5 sufficiently offsets the expenses borne by licensees in the process of affixing such
6 stamps due to inflation. This shortfall imposes a financial burden on businesses,
7 potentially resulting in compliance challenges or operational straits. To support

1 continued lawful operations and economic sustainability for licensees, an adjustment
2 to the existing discount structure is warranted.

3 *I Liheslaturan Guåhan* further finds that an adjustment of the current
4 denominated value of each stamp purchased be adjusted to three and three quarters
5 percent (3.75%). This change offers a more predictable and equitable form of
6 compensation for the administrative and material costs associated with affixing tax
7 stamps. This fixed-rate model more accurately reflects current economic conditions
8 and ensures fair reimbursement to licensees.

9 Therefore, it is the intent of *I Liheslaturan Guåhan* to revise the tobacco tax
10 stamp discount is a necessary to ensure that licensees are adequately supported in
11 meeting the financial obligations associated with compliance. By implementing this
12 adjustment, the government will promote continued regulatory adherence and
13 contribute to the stability of the tobacco distribution sector in Guam.

14 **Section 2.** § 6802(e) of Article 8, Chapter 6, Title 11, Guam Code
15 Annotated, is *amended* to read:

16 **“§ 6802. Affixation; Required Prior to Distribution; Method**
17 **and Manner.**

18 (a) A licensee or the authorized agent or designee of a licensee shall
19 affix a stamp to the bottom of each individual package of cigarettes prior to
20 distribution.

21 (b) No individual package of cigarettes may be sold or offered for
22 sale to the general public unless affixed with the stamp required under this
23 Section.

24 (c) [Repealed.]

25 (d) The Department may adopt rules regarding the method and
26 manner of affixing stamps to a cigarette package.

1 (e) For the purpose of allowing compensation for the costs
2 necessarily incurred in affixing the proper tax stamps to each package of
3 cigarettes prior to distribution, each licensee or authorized agent or a designee
4 of a licensee purchasing stamps from the Department may purchase the
5 stamps at a reduction of three and three quarters percent (3.75%) of the
6 denominated value of each stamp purchased. The reduction shall be the only
7 discount allowed to purchasers from the Department. If a purchaser does not
8 comply with all of the provisions of Guam law, the licensee shall pay the full
9 denominated value of the stamps purchased until the licensee has complied.”

10 **Section 3. Effective Date.** This Act shall be effective upon enactment.

11 **Section 4. Severability.** If any provision of this Act or its application to any
12 person or circumstance is found to be invalid or inorganic, such invalidity shall not
13 affect other provisions or applications of this Act that can be given effect without
14 the invalid provision or application, and to this end the provisions of this Act are
15 severable.