



TERRITORY OF GUAM
OFFICE OF THE GOVERNOR
AGAÑA, GUAM 96910
U. S. A.

EXECUTIVE ORDER NO. 87-6

CREATION OF THE GUAM TAX REFORM COMMISSION

WHEREAS, Section 1271 of the Tax Reform Act of 1986 allows the Territory of Guam to enact its own tax code separate from the U.S. Internal Revenue Code; and

WHEREAS, delinkage from U.S. Internal Revenue Code provides the Territory of Guam with the opportunity to develop tax legislation designed to meet the revenue requirements of this government; and

WHEREAS, a critical need exists to consider possible changes in the Territory's real property, business privilege, use, and excise tax laws to reflect the economic demands and social needs of the people of Guam; and

WHEREAS, the establishment of a committee of concerned and knowledgeable citizens from the public and private sectors to review the existing tax laws, and to make recommendations concerning appropriate revisions and restructuring of such laws will be beneficial to the government and people of the Territory;

NOW, THEREFORE, I, JOSEPH F. ADA, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam and the statutes of Guam, do hereby establish a Guam Tax Reform Commission to be constituted and to function as follows:

1. The Guam Tax Reform Commission shall consist of nine (9) members, six (6) of whom shall be selected from the public sector and three (3) of whom shall be selected from the private sector. The members from the public sector shall include the Lieutenant Governor of Guam, who shall serve as the Commission's Chairman, two (2) representatives from the Executive Branch appointed by the Governor, and two (2) members of the Legislative



majority to be designated by the Speaker of the Legislature and one (1) member of the Legislative Minority to be designated by the Minority Leader. The three (3) from the private sector shall consist of such representatives from the fields of law, accounting, commerce, and from the public-at-large as the Governor shall select. All members of the Commission shall serve without compensation.

2. The Commission may retain the services of such professional, clerical and administrative staff as it deems necessary. The hiring of any attorney shall be with the concurrence of the Attorney General. The Department of Revenue and Taxation shall furnish such additional support services to the Commission as may be requested by the Commission and agreed to by the Department.
3. The functions of the Commission are to:
 - (a) Develop an approach to taxation consistent with the economic and social needs of Guam.
 - (b) Solicit input from the public on the proposed code and the tax structure.
 - (c) Draft such proposed tax legislation as the Commission deems appropriate with respect to other matters affecting tax revenues.
4. The Commission shall prepare such documentation as deemed necessary for submission to the U.S. Treasury pursuant to the responsibilities of the U.S. Treasury in accordance with Section 1277 of the 1986 Tax Reform Act. The Commission shall submit draft of the proposed code by December 31, 1989 to the Governor.



5. Executive Order 86-9 which created a Tax Advisory Committee is hereby rescinded.

SIGNED AND PROMULGATED in Agana, Guam, on this 19th day of February, 1987.

JOSEPH F. ADA
Governor of Guam

COUNTERSIGNED:

FRANK F. BLAS
Lieutenant Governor