



March 12, 2019

GDRT Announcement 2019-01 - Enforcement of 4% Withholding Assessment Fee on services provided by a foreign person pursuant to P.L. 33-166.

Purpose

This announcement is to provide guidance to any Government of Guam agency, including all autonomous agencies.

Background

Public Law 33-166 added § 71114 to Chapter 71, Division 3, Title 11 of the Guam Code Annotated. This new section established a Withholding Assessment Fee of 4% on contracts awarded by the Government of Guam for professional services from a non-resident person residing outside of Guam. Pursuant to P.L. 33-166, the effective date of this provision is for all contracts awarded as of June 30, 2016.

Guidance to Government of Guam Agencies

GDRT's Prescribed Form

As mandated, Guam Department of Revenue and Taxation (GDRT) created a withholding assessment form that will be used to report and pay for this fee. This form, named Form 166, will be made available on GDRT's website at www.quamtax.com. All agencies and instrumentalities of the Government of Guam are required to utilize this form to report activities as stated in P.L. 33-166.

Department of Administration (DOA) Payment Requisite

As mandated in P.L. 33-166, DOA's-Treasurer of Guam shall receive said funds (withholding assessment fees) for deposit into the General Fund. All agencies and instrumentalities of the Government of Guam, after completing Form 166, must submit this form (along with the payment) to the Treasurer of Guam.

Effect on other guidance

None.

Contact information

Any questions regarding this announcement may be sent via e-mail to abigail.reyes@revtax.guam.gov.