



March 19, 2019

GDRT Announcement 2019-03 – Annual Gross Receipts Tax Return for Banks, Banking Institutions, Small Lenders and Building and Loan Associations (Form BRFI)

Purpose

This announcement is to advise affected parties of the updated Form BRFI to reflect the effective Business Privilege Tax (BPT) rate of 5%. The updated Form BRFI may be found on <http://www.govguamdocs.com/revtax/docs/FormBRFIAnnualGrossReceiptsTaxReturn.pdf>.

Background

§ 26202(f), Chapter 26 of Title 11 Guam Code Annotated – Tax on Banks, Banking Institutions, Small Lenders and Building and Loan Associations. This statute sets forth the effective BPT rate for banks, banking institutions, small lenders and building and loan associations, which is currently 5% to be applied on net income.

(f) Tax on banks, banking institutions, small lenders and building and loan associations. Upon every person engaging or continuing within Guam in the business of operating any bank, banking institutions, building and loan association, small lending business, or lending institutions, there shall be a tax equivalent to five percent (5%) of the net income received from business.

Public Law 34-87 effectuated the 5% BPT rate from April 1 to September 30, 2018 only. However, Public Law 34-116 extended such BPT rate of 5% effective October 1, 2018.

Guidance to all affected entities:

Please review § 26202(f), Chapter 26 of Title 11 Guam Code Annotated.

Effect on other guidance:

Filing with the extended BPT rate of 5% will continue indefinitely. Please be mindful of all related deadlines.

Contact information

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