



Dipattamenton Kontribusion yan Adu'aña

DEPARTMENT OF

REVENUE AND TAXATION

GOVERNMENT OF GUAM

Gubetnamenton Guåhan

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February 22, 2022

Honorable Senator Joe S. San Agustin
Ran Care Bldg., CBU 230
761 S. Marine Corps Drive
Tamuning, GU 96931

transmitted via e-mail

Re: Appropriation of 2021 Earned Income Tax Credit by Bills 170-36, 172-36 and 227-36

Hafa Adai Senator San Agustin.

Just this past week the Guam Department of Revenue and Taxation received approval for the 2021 Earned Income Tax Credit Implementation Plan for Guam as authorized by the *American Rescue Plan Act* which was signed by President Biden on March 11, 2021.

With respect to the funding of the 2021 Earned Income Tax Credit by the federal government, it is now clear that the funds will be funded as an advance to the government of Guam for the specific purpose of paying EITC for tax year 2021 as opposed to a reimbursement of amounts paid by the General Fund.

Because of this, the amounts received for the 2021 Earned Income Tax Credit are not able to be appropriated.

Please feel free to contact us at your convenience with any questions or concerns regarding this.

Sincerely,

Dafne Mansapit Shimizu
Director, Department of Revenue and Taxation

Lester L. Carlson, Jr.
Director, Bureau of Budget and Management Research