



**September 14, 2018**

**GDRT Announcement 2018-05 - Enforcement of extended Business Privilege Tax (BPT) rates pursuant to Section 2, Chapter I of P.L. 34-116.**

**Purpose**

This announcement is to provide guidance to any business and those engaging in, transacting, conducting, continuing, doing or carrying on business including all activities, whether personal, professional or corporate, carried on within Guam for economic benefit, specifically as it pertains to the effective BPT rate.

**Background**

Public Law 34-116, Chapter I, Section 2 extended and effectuated the **5% BPT rate, effective October 1, 2018.**

Monthly Business Privilege Tax is levied, assessed and collected, upon every business operating within and without Guam as measured by the application of rates against values, gross proceeds of sales or gross income. 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 Section 2, Chapter 1 of P.L. 34-116.

**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](mailto:abigail.reyes@revtax.guam.gov)