

## Union Calendar No. 31

107<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 309

[Report No. 107-48]

To provide for the determination of withholding tax rates under the Guam income tax.

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### IN THE HOUSE OF REPRESENTATIVES

JANUARY 30, 2001

Mr. UNDERWOOD introduced the following bill; which was referred to the Committee on Resources

APRIL 24, 2001

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## A BILL

To provide for the determination of withholding tax rates under the Guam income tax.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. GUAM FOREIGN INVESTMENT EQUITY ACT.**

4       (a) SHORT TITLE.—This section may be cited as the  
5       “Guam Foreign Investment Equity Act”.

1           (b) IN GENERAL.—Subsection (d) of section 31 of the  
2 Organic Act of Guam (48 U.S.C. 1421i) is amended by  
3 adding at the end the following new paragraph:

4           “(3) In applying as the Guam Territorial income tax  
5 the income-tax laws in force in Guam pursuant to sub-  
6 section (a) of this section, the rate of tax under sections  
7 871, 881, 884, 1441, 1442, 1443, 1445, and 1446 of the  
8 Internal Revenue Code of 1986 on any item of income  
9 from sources within Guam shall be the same as the rate  
10 which would apply with respect to such item were Guam  
11 treated as part of the United States for purposes of the  
12 treaty obligations of the United States. The preceding sen-  
13 tence shall not apply to determine the rate of tax on any  
14 item of income received from a Guam payor if, for any  
15 taxable year, the taxes of the Guam payor were rebated  
16 under Guam law. For purposes of this subsection, the  
17 term ‘Guam payor’ means the person from whom the item  
18 of income would be deemed to be received for purposes  
19 of claiming treaty benefits were Guam treated as part of  
20 the United States.”

21           (c) EFFECTIVE DATE.—The amendment made by  
22 subsection (b) shall apply to amounts paid after the date  
23 of the enactment of the Act.



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