

# GUAM USA

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## *Guam Commercial Recycling Tax Incentive Program*

It has been proven in communities that have successful recycling programs that recycling is best undertaken through partnerships of the private sector and government. Government support of recycling as an essential means protect the environment, manage the municipal solid waste generated by the community, and extend the life of our new landfill. The first step to developing a sustainable recycling is to divert discarded materials from the island's landfill by creating value for potentially recyclable materials so there is economic incentive to collect and ship the materials off island to recycling companies.

Public Law 25-127 which provides recycling and transshipment companies with tax benefits under the Guam Economic Development & Commerce Authority's Qualifying Certificate Program is designed to encourage investment opportunities in recycling and transshipment activities in order to help minimize the volume of Guam's waste stream entering the landfill as well as encourage the practice of recycling and composting within our Island community.

**ELIGIBILITY:** (12 GCA, Div. 2, Chapter 58, §58147)

Any entity licensed to do business in Guam that has been issued a solid waste permit from the Guam Environmental Protection Agency in which eighty percent (80%) of its operations is specifically committed to recycling activities.

**MINIMUM INVESTMENT:** \$100,000

**TAX INCENTIVES:** (12 GCA, Div. 2, Chapter 58, §58147 & §58147.1)

- 100% Gross Receipts Tax exemption for a period of ten (10) years
- 100% Use Tax exemption for a period of ten (10) years
- 100% Corporate Tax Rebate for a period of ten (10) years subject to:
  - Revenues subject to rebate are to be certified by a CPA
  - Provide proof that a minimum two thousand (2,000) cubic feet or forty thousand (40,000) pounds of recyclable materials have been diverted from Guam's waste stream during the tax able year
  - For shipping companies claiming a rebate must provide proof that the transshipped materials are recyclable

**WAIVERS:** (12 GCA, Div. 2, Chapter 58, §58147.2)

- Docking and stevedoring fees to shipping companies for transshipments of recyclable materials for a period of ten (10) years
  - Shipper must hold a GEPA permit
  - Characteristics and volume of recyclable materials to be shipped must be certified by a CPA

**FEES:**

***Tax benefits: issued by the Guam Economic Development & Commerce Authority***

- QC application fee - \$750
- Annual surveillance fee - \$2,000

***Licensing: issued by the Guam Department of Revenue & Taxation***

- Manufacturer - \$40
- Services - \$25
- Registration - \$60 - \$1,000 (depending on firm classification)

***Permits: issued by the Guam Environmental Protection Authority***

- \$25 - \$500 (depending on type of permit)
- Permit application, instruction booklet and regulations can be downloaded at [www.guamepa.gov](http://www.guamepa.gov)  
[guam.net](http://guam.net)

**Other Important Links:**

- Guam Environmental Protection Authority – [www.guamepa.gov](http://www.guamepa.gov)[guam.net](http://guam.net)
- Port Authority of Guam – [www.netpci.com/pag4/](http://www.netpci.com/pag4/)
- Guam Chamber of Commerce – [www.guamchamber.com.gu](http://www.guamchamber.com.gu)

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**For more information, please contact:  
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