



OFFICE OF THE SECRETARY  
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## News Release

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### **Office of the Assistant Secretary for Insular Areas**

## **\$111 Million for Guam in Section 30 Federal Tax ‘Cover-over’ Payments**

**WASHINGTON, D.C.** - Interior’s Assistant Secretary for Insular Areas Esther Kia'aina has approved a total of \$111 million in Section 30 federal income tax transfer payments to Guam, including a \$71 million advance payment for estimated fiscal year 2015 taxes, a \$10 million adjustment for actual taxes collected in fiscal year 2013, and an adjustment payment of \$30 million for taxes collected on Guam in previous years.

By law, federal income taxes derived from active members of the Armed Forces and pensions paid to retired civilian and military employees of the United States who reside on Guam are annually ‘covered-over’ to the Guam Treasury to support the operations, activities and programs of the local government.

"Honoring the Government of Guam's request to make these payments in a timely fashion represents the federal government’s responsibility and our commitment to the people of Guam," said Assistant Secretary Kia'aina. "We are pleased to support Governor Eddie Calvo and the Guam Department of Revenue and Taxation in this process."

The Government of Guam's Department of Revenue and Taxation has been working collaboratively with the federal government to negotiate and finalize the amount of the adjusted payment owed to Guam for actual federal income taxes collected from Guam for previous years, which exceeded the estimated advance. The Office of Insular Affairs (OIA) received the final documents necessary to authorize the payments this month, and will process the payments without delay.

Under U.S. law (48 USC 1421H), Section 30 advance payments are to be processed to Guam every September. OIA makes payment adjustments based on actual certifications received from the U.S. Department of the Treasury’s Internal Revenue Service (IRS) for previous years.

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