

# Establishing a Business ON GUAM

In order to establish a business entity on Guam, you *must obtain a business license prior to starting business operations*. Business entities other than sole proprietorships must also *register the type of entity* they will be operating under. The following will provide an overview for establishing a business on Guam. *Most licensing transactions can be processed and approved at a single location*:

## **Government of Guam's ONE STOP LICENSING CENTER**

542 N. Marine Corps Drive, Tamuning, Guam 96913,  
T (671) 646-3104 or 646-3102 | F (671) 649-6178

### **HOURS OF OPERATION**

8:00am - 5:00pm  
Monday through Friday, except legal holidays.

### **BUSINESS LICENSE CLEARANCES**

8:00am - 12:00pm / 1:00pm - 4:00pm  
Monday, Wednesday & Friday, except legal holidays.

## **I. LICENSES**

Licensing applications can be obtained from two locations, the **Business license branch of the Department of Revenue & Taxation** or at the **One Stop Licensing Center**. *All licenses expire on June 30<sup>th</sup> and are renewable on June 1<sup>st</sup> to the 30<sup>th</sup> of each year.*

## **II. FRANCHISES**

The following are requirements that must be met before registering a franchise on Guam. All of the following must be filed at the One Stop Licensing Center or the Department of Revenue and Taxation General Licensing and Registration Branch.

- Filing of franchise agreement signed by both the franchisee and franchiser.
- Filing of exclusive rights to the franchise (to be stated in the franchise agreement signed by both the franchisee and franchiser).
- Registration of business license.

## **III. REGISTRATION**

*All corporations, limited liability companies, partnerships, joint ventures and associations must register with the Business License Branch of the Dept. of Revenue & Taxation. Registration must be completed prior to the issuance of any business license.*

<b>FIRM CLASSIFICATION</b>	<b>REGISTRATION FEE</b>
Sole Proprietorship	Not applicable
General Partnership	\$50
Domestic Corporation	\$100
Limited Liability Company	\$1,000
Limited Liability Partnership	\$250 per partner (not too exceed \$1,000)
Foreign Corporation	\$100

## IV. MISLEADING NAME AND TITLE

No corporation shall be registered which set forth a name that is likely to mislead the public or which is the same as or resembles so closely as to deceive:

- The name of a domestic corporation; or
- The name of a foreign corporation that is authorized to transact business in Guam.
- The use by a corporation of a name in violation of this Section may be enjoined, notwithstanding the filing of its articles of incorporation by the Department of Revenue and Taxation.
- The Department of Revenue and Taxation shall not file articles of incorporation setting forth a name in which the words "trust" or "trustee" appear, unless upon a certificate of approval by the Governor of Guam.

## V. ANNUAL REPORT

All corporations and LLCs, whether domestic or foreign, must pay a \$100 filing fee and file an annual report between July 1st and September 1st of each year. The filing fee after September 1st will be \$150. The annual report is an update of the corporation's name, address, directors, officers, shares outstanding, and shareholders. For Captive insurance companies the annual fee is \$2,500.

## VI. BUSINESS PRIVILEGE TAX (GROSS RECEIPTS TAX OR GRT)

Upon receiving the business license, you will receive an explanation on Guam's Business Privilege Tax filing. More commonly referred to as the Gross Receipts Taxes (GRT), this tax is to be filed monthly and is based on gross receipts (revenues) of the business. The GRT is due between the 1st and 20th of each month and should be paid at the Department of Revenue and Taxation. Exceptions are for banks, which are taxed at the same rate but on their annual net income and wholesalers who are exempted from this tax.

## VII. CONTACT INFORMATION

**PLEASE NOTE:** These government agencies are represented at the **ONE-STOP LICENSING CENTER**

### **Department of Revenue & Taxation - Business Privilege Tax Branch**

1240 Route 16 Army Drive, Barrigada, Guam 96913  
P. O. Box 23607 GMF, Gu 96921  
Tel. (671) 635-7620 thru 7626 or 635-1835/36  
Fax (671) 633-2643

### **Department of Public Works - One Stop Center**

542 N. Marine Corps Drive, Tamuning, Guam 96913  
Tel. (671) 646-3102/3104/3134  
Fax (671) 649-6178

### **Guam Fire Department**

1617 - 1619 East Sunset Blvd., Tiyan, Guam 96921  
Tel. (671) 642-3311/3454  
Fax (671) 642-2012

### **Department of Land Management**

590 South Marine Corps Drive, Suite 733 ITC Building,  
Tamuning, Guam 96913  
Tel. (671) 649-5263  
Fax (671) 649-5383

## VIII. OTHER REQUIRED CLEARANCES

### **Guam Environmental Protection Agency**

*Chemicals & Gas Stations*

### **Department of Parks & Recreation**

*Peddlers & Jet Ski Operators*

### **Department of Public Health & Social Services**

*Alcohol, Food, Food Products & Baked Goods, Chemicals & Gas Stations,  
Children's Toys & Peddlers, Beauty Shops, Hotels/Motels & Apartments/Condos*

### **Department of Education**

*Tutor/Instructional Schools*

### **Guam Police Department**

*Security & Collection, Alcohol & Firearms, Children's Toys*

**A. DOMESTIC CORPORATIONS** *are formed in Guam by three (3) or more persons where either the secretary or treasurer of the corporation must be a resident of Guam.* Articles of incorporation must be filed with the Business License Branch of the Department of Revenue & Taxation setting forth the following:

- The name of the corporation
- The purpose for which it was organized
- The location of its principal or home office
- Term not to exceed 50 years
- Names and residences of incorporators
- The number of directors, not less than three (3) or more than seven (7)
- Amount of capital stock
- Articles must be accompanied by a statement of the Treasurer showing at least 20% of the entire capital stock has been subscribed and at least 25% of that has been paid into the company.

**B. PARTNERSHIPS** *are formed in Guam by two (2) or more persons to carry on as co-owners of a business for profit and include limited liability partnerships.* The Partnership Agreement must be filed along with the registration form with the Business License Branch of the Department of Revenue & Taxation setting forth the following:

- The name of the partnership
- The location of its principal or home office
- The number of partners
- The name and residence of each partner
- The purpose for which it was organized
- Term of Partnership
- If the partnership's principal office is not located in Guam, it must provide name and address of registered agent in Guam for service of process
- The application shall be executed by one or more partners authorized to do so

**C. FOREIGN CORPORATIONS** *If an off-island corporation (including those based in the U.S.) plans to open a corporate office here on Guam, it must be duly admitted as a "Foreign Corporation" as stated in Title 18, Section 7101, Guam Code Annotated.* You may contact the Department of Revenue and Taxation General Licensing and Registration Branch for more information or go to [www.govguamdocs.com](http://www.govguamdocs.com).

**Specifically, the managing agent of the foreign corporation is required to file a statement verified under oath setting forth the following information:**

- The name of the corporation.
- The purpose for which it was organized.
- The location of its principal or home office.
- The capital stock of the corporation and the amount thereof actually subscribed and paid into the Treasury on the (Day) (Month) (Year).
- The name of the resident agent authorized by the corporation to accept summons and process in all legal proceedings against the corporation and of all notices affecting the corporation.

**The notarized statement must be accompanied by:**

- A certified copy of the Articles of Incorporation.
- Certificate under notarial seal that the corporation has been established pursuant to the laws of the place where incorporated. In the case of an alien corporation, certificates must be issued by a United States Consul. (A currently dated certificate of good standing issued by the governmental department having jurisdiction over corporations in the country of incorporation may be accepted in satisfaction of this requirement.)
- Designation by the corporation of a resident agent to accept service of summons and process in all legal proceedings against the corporation and notices affecting the corporation, and an acceptance of such appointment by the resident agent.
- Certified check or money order payable to the Treasurer of Guam in the amount of \$100 for a Certificate of Authority.