



Dipåtamenton Kontribusion yan Adu'aña

DEPARTMENT OF

**REVENUE AND TAXATION**

GOVERNMENT OF GUAM

Gubetnamenton Guåhan

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## **CHECKLIST FOR LICENSING AND RENEWAL OF PAWNSHOPS OR PAWNBROKERS**

- Pawnshops or pawnbrokers are lending institutions under the Gross Receipts Tax Law. (Please see 22 GCA §49101; 11 GCA §26202 (f), (f)(1) and (f)(2).
- Lending institutions are
  - allowed to charge interest rates of 3% per calendar month on the first \$300.00 outstanding on any loan and 2% per calendar month on the balances of loans in excess of \$300.00
  - The Guam Police Department has found some stolen jewelries being pawned or use as collateral to obtain loans from pawnshops or pawnbrokers. As a matter of policy, in order to protect the consumers, that application for a renewal license for pawnshops or pawnbrokers shall require the following:
    1. **Police Clearance** from the principal owner or controlling stockholders of the application pawnshop or pawnbroker to prevent persons convicted of felony from engaging in the lending business
    2. **Tax Clearance** to show proof of compliance of timely filing of taxes to the Government of Guam
    3. **Trust Account**-the most recent statement in the name of the pawnshop or pawnbroker
    4. **Audited Financial Statements** to show that the pawnshop or pawnbroker is capable of making loans secured by valuable articles and returning the articles pawned in case of pull payment of loan obtained. If unaudited, financial statement must be signed by accountant or officer of the company
    5. **Transaction Registry** showing the date, duration, amount, rate of the interest of every loan, accurate description of every property pledged or estimated value of property purchased, the name and residence of the borrower pawning the article of seller or to provide the borrower pawning the article or seller a written copy of such entry. Please see attached registry (**Form FX-10**)

NAME OF PAWNSHOP: \_\_\_\_\_

# ANNUAL PAWNSHOP REGISTRY

From: \_\_\_\_\_

To: \_\_\_\_\_

<u>Customer Name</u>	<u>Resident Address</u>	<u>Date</u>	<u>Duration</u>	<u>Description</u>	<u>Amount</u>	<u>Rate of Interest</u>

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date