

COMMITTEE ON BUDGET, APPROPRIATIONS AND FINANCE

09/26/2024-REPORTED OUT TO THE COMMITTEE ON RULES AND JUDICIARY W/CLOSED
RULE

BILL NO. 35-0373

Thirty-Fifth Legislature of the Virgin Islands

September 26, 2024

An Act amending Act No. 8701 by removing the use restrictions on the line of credit; by directing the Commissioner of the Virgin Islands Department of Finance, the Director of the Virgin Islands Bureau of Internal Revenue, and the Virgin Islands Tax Assessor to collect outstanding taxes, directing the respective agencies to request the Attorney General of the Virgin Islands to prosecute delinquent taxpayers, and other related matters

PROPOSED BY: Senators Novelle E. Francis, Jr., Donna A. Frett-Gregory
and Alma Francis Heyliger

1 *Be it enacted by the Legislature of the Virgin Islands:*

2 **SECTION 1.** Act No. 8701 is amended as follows:

3 “(a) In section 1, subsection (a) by striking the last sentence;

4 (b) By striking subsection (b) in its entirety;

5 (c) In subsection (c) by striking “\$100,000,000” and inserting “\$150,000,000” and by
6 adding the at the end of the subsection the following: “The \$150,000,000 shall be used as
7 follows:

8 (1) \$50,000,000 for the payment of vendors, retroactive wage payments, and
9 address other critical needs of the territory that due to cash flow deficiencies have not
10 been able to be addressed in a timely manner; and

1 (2) 100,000,000 for disaster related projects.

2 **SECTION 2.** Act No. 8701 is amended in section 3 by designating subsection (d) as
3 subsection (j) and inserting subsections (d) through (i) that read as follows as follows:

4 “(d) The Director of the Virgin Islands Bureau of Internal Revenue and the Virgin
5 Islands Property Tax Collector shall collect all outstanding taxes due to the Government of the
6 Virgin Islands.

7 (e) The Commissioner of the Virgin Islands Department of Finance shall collect on all
8 checks returned due to insufficient funds including associated fees and charges. Not later than
9 30 days after the enactment of this act, the Commissioner of Finance shall submit to the
10 Attorney General Office all checks returned due to insufficient funds for investigation and
11 prosecution.

12 (f) The Commissioner of the Department of Finance shall mandate biweekly
13 drawdowns of federal funds from all government agencies. No later than December 15, 2024,
14 all outstanding federal drawdowns must be processed.

15 (g) Not later than December 15, 2024, the Director of the Bureau of Internal Revenue
16 shall conduct an impact analysis of Act No. 8258 on revenue collection. Each month, the
17 Commissioner of the Department of Licensing and Consumer Affairs shall provide the Director
18 of the Bureau of Internal Revenue a listing of all business license renewals so that the Bureau
19 of Internal Revenue can pursue tax collections as necessary.

20 (h) The Director of the Bureau of Internal Revenue shall engage the assistance of the
21 Attorney General of the Virgin Islands to aggressively pursue occupancy tax revenues from all
22 short- term rental organizations local, national, and international.

1 (i) As a condition of issuing the line of credit, not later than December 1, 2024, the
2 Government of the Virgin Islands financial team shall provide an action plan to the Legislature
3 of the Virgin Islands”.

4 **SECTION 3.** Act No. 8701 is amended in section 5 by inserting “when disaster related
5 recovery projects are completed” after “expires” and by inserting “relating to the \$50,000,000
6 to pay vendors, retroactive wage payments, and address other critical needs of the territory”
7 after “notes”.

8 **BILL SUMMARY**

9 The bill lifts the use restrictions on the line of credit contained in Act No. 8701 and
10 provides flexibility for the use of the funds borrowed.

11 **BR24-1230/August 12, 2024/AA/Revised/August 27, 2024/Revised/September 25,2024**