

COMMITTEE ON BUDGET, APPROPRIATIONS
AND FINANCE

BILL NO. 35-0028

Thirty-Fifth Legislature of the Virgin Islands

February 27, 2023

An Act amending title 33 Virgin Islands Code, subtitle 1, part 1, chapter 3, section 43*l*, adding TRICARE to medical payment reimbursements subject to the 2.5 percent Virgin Islands gross receipts tax

PROPOSED BY: Senator Franklin D. Johnson

1 **WHEREAS**, Virgin Islands physicians and healthcare facilities receiving Medicaid and
2 Medicare reimbursements are subject to the payment of all gross receipts taxes at 2.5 percent
3 imposed by the Government of the Virgin Islands; and

4 **WHEREAS**, TRICARE is the health care plan for uniformed service members, retirees,
5 and their families; and

6 **WHEREAS**, TRICARE is not subject to the payment of gross receipts taxes at 2.5%
7 as imposed by the Government of the Virgin Islands; and

8 **WHEREAS**, placing TRICARE on par with Medicare and Medicaid would encourage
9 Virgin Islands physicians and healthcare facilities to provide healthcare services to active-duty
10 military members, veterans, and their families, *Now therefore*

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

12 **SECTION 1.** Title 33 Virgin Islands Code, subtitle 1, part 1, chapter 3, section 43*l* is
13 amended in the following instances:

1 (1) By striking the first instance of “and” and inserting a comma in its place; and

2 (2) By adding “, and TRICARE” after “Medicare”

3 **Bill Summary**

4 This bill seeks to amend title 33 Virgin Islands Code, subtitle 1, part 1, chapter 3, section
5 43I by adding Tricare reimbursements to the medical payment reimbursements that are subject
6 to the 2.5 percent gross receipts tax.

7 **BR23-0066/January 25, 2023/LMW**