COMMITTEE ON FINANCE

09/05/2019-AMENDED AND REPORTED OUT TO THE COMMITTEE ON RULES AND JUDICIARY
07/29/2019-HELD

BILL NO. 33-0087

Thirty-Third Legislature of the Virgin Islands

May 28, 2019

An Act amending title 33, subtitle 1, part 1, chapter 3, sections 44 and 45 of the Virgin Islands Code by requiring monthly filing of gross receipts for all businesses and prohibiting the Virgin Islands Bureau of Internal Revenue from assessing penalties and fees for unpaid gross receipt taxes during the time when a new business' gross receipts has not yet exceeded $225,000

PROPOSED BY: Senators Alicia V. Barnes and Dwayne M. DeGraff
Co-Sponsors: Allison L. DeGazon and Athneil "Bobby" Thomas

Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 33, subtitle 1, part 1, chapter 3 of the Virgin Islands Code is amended as follows:

(a) In section 44(c) by striking "whose annual gross receipts are greater than $225,000 and";

(b) By striking section 44(d) in its entirety and redesignating the remaining subsections appropriately; and

(c) In section 45, by adding a new subsection (e) to read as follows:

"(e) The Director of the Virgin Islands Bureau of Internal Revenue is prohibited from retroactively assessing penalties and fees on any business that has been established for less than five years that exceeds annual gross receipts of $225,000 but exercised the exemption on the payment of gross receipts tax on the first $9,000 of gross receipts each month, pursuant to section 43(f) of this chapter, in the months prior to exceeding the $225,000 threshold."

SECTION2. This Act shall become effective 180 days after enactment.

<u>Bill Summary</u>

The Bill amends title 33, subtitle 1, part 1, chapter 3, sections 44 and 45 of the Virgin Islands Virgin Islands Code by requiring the monthly filing of gross receipts for all businesses and prohibiting the Virgin Islands Bureau of Internal Revenue (VIBIR) from assessing penalties and fees for unpaid gross receipt taxes during the time when a new business' gross receipts has not yet exceeded the $225,000 threshold. VIBIR can only assess penalties and fees for unpaid gross receipts taxes commencing the month that a new business' gross receipts exceed $225,000 for that tax year.

BR19-0469/May 7, 2019/GC/Reviewed by EEM