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Bryan Voices Strong Opposition to EU's Non-Cooperative Tax Jurisdiction Listing

USVI seeks justice in international taxation, asserts misclassification by the EU

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Governor Bryan Addressed the 2024 annual meeting of the Interagency Group on Insular Areas (IGIA) at the Department of the Interior on Wednesday, Feb. 21, 2024. By. GOV'T HOUSE

Swift condemnation from Government House followed the [recent announcement](#) from the European Council of the European Union that the USVI remained on the EU list of non-cooperative tax jurisdictions.

“It is unacceptable for us to continue being treated like a foreign country separate and apart from the United States,” Governor Albert Bryan Jr. said during the annual meeting of the Department of

the Interior's Interagency Group on Insular Areas, which was held on Wednesday morning. "In the area of territorial tax treatment, especially, we continue to be treated inconsistently across the Territories as a group."

The governor, who has been lobbying against the USVI's inclusion on the EU blacklist since 2019, said he is scheduled to meet with State Department officials in Washington in the near future to discuss this and other key issues affecting the territory.

The Government of the Virgin Islands continues to urge the EU to reconsider its decision, and to "recognize the U.S. Virgin Islands' commitment to international cooperation and transparency."

The GVI categorizes the territory's continued inclusion on the blacklist as "unjust," and says the Bryan administration "remains steadfast in our efforts to rectify this situation and ensure fair treatment for the people of the U.S. Virgin Islands."

According to the European Union, the USVI does not apply any automatic exchange of financial information. Additionally, the territory – either on its own or through the United States – has not signed and ratified the amended OECD Multilateral Convention on Mutual Administrative Assistance.

The EU also considers the territory's Economic Development program a "harmful preferential tax regime," as it does the International Banking Center Regulatory Act, and the territory's list of exempt companies. The territory, the EU says, has not committed to addressing these issues, and thus remains on the blacklist.

The EU's move to set up the tax-haven blacklist was triggered by publication of the Panama Papers – documents that showed how wealthy individuals and multinational corporations use offshore schemes to reduce their tax bills.

Since then, the list has been heavily [criticized as discriminatory](#). Leading Caribbean economist Marla Dukharan described EU policies in this regard as "indisputable examples of interstitial racism and bullying," and pointed out that over a third of the world's tax havens are in EU member states.