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Bryan Calls For Financial Relief From Senate as VI Faces Revenue Challenges

Facing delays in corporate tax revenue, Bryan urges lawmakers to expand the \$100 million line of credit to \$150 million or approve a separate \$50 million line for timely payment of income tax refunds and vendor obligations

Government / **Published On September 03, 2024 07:14 PM /**

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Governor Albert Bryan, Jr.

In a statement issued Tuesday afternoon amidst a heated Senate hearing on the government's finances, Governor Albert Bryan Jr. called on the 35th Legislature to take "decisive action" to ensure the Government of the Virgin Islands can meet its immediate financial obligations.

Mr. Bryan is urging the Legislature to either expand the previously approved \$100 million line of credit to \$150 million, allowing the additional \$50 million to be used for outstanding vendor payments and income tax refunds owed to Virgin Islanders, or to approve a separate \$50 million line of credit specifically for these purposes.

Responding to Senator Alma Heyliger Francis during a Finance hearing today, Office of Disaster Recovery Director, Adrienne Williams-Octalien, revealed that the line of credit held \$87.2 million as of Tuesday, inclusive of the \$45 million the administration [borrowed for the Vitol acquisition](#). According to the Government House, \$21 million has been repaid to the lender, ostensibly including fees, interest, and other charges in addition to the principal repayment. Expanding the line of credit to \$150 million from the \$87.2 million currently available means that the Senate would need to approve the borrowing of an additional \$62.8 million. ODR has used \$31 million of the \$100 million line of credit to meet the federal match for key recovery projects.

“This request is more imperative than ever,” Mr. Bryan said on Tuesday, “given the recent extension of the corporate income tax filing deadline by the federal government from October 2024 to February 2025— a delay expected to significantly impact our revenue collections and, ultimately, our cash flow and ability to meet these urgent obligations.”

He added, “Our vendors and residents are depending on us. The timely payment of income tax refunds and settling outstanding vendor obligations is a matter of fairness and trust. We must take decisive action now to address these pressing needs and maintain the confidence of those who have placed their trust in us.”

In June 2023, the Legislature approved a \$100 million line of credit; however, lawmakers limited its utilization to only funding the federal match requirement on hurricane recovery projects, excluding its use toward the government’s operations, including vendor payments and income tax refunds. The administration utilized and successfully repaid \$45 million from this line of credit to acquire propane terminal infrastructure from VITOL on behalf of the V.I. Water and Power Authority.

The administration said that as larger recovery projects begin, the government will need continued access to these funds to sustain momentum as the Rebuild USVI initiative launches. Rebuild USVI will initiate \$2 billion in critical recovery projects across the territory, including the construction of new schools and medical facilities. "Given the scale and importance of these projects, maintaining access to the full \$100 million line of credit is essential," the administration said.

Though the statement only mentions the repayment of income taxes and vendor obligations, it appears that the Bryan administration finds utility in the term 'government operations,' which covers a wide range of uses. To this end, the governor pointed to the federal government's tax filing extension to February 3, 2025, as counterproductive to the collection of tax revenues, hence necessitating Senate intervention.

“The recent extension of the corporate income tax filing deadline will constrain our revenue collections in the coming months, making it crucial that we have the financial flexibility to respond to our most urgent needs,” the governor said.

He added, “This is not just about managing the government’s finances responsibly; it’s about doing right by our people and our local businesses. By either expanding the current line of credit or approving a separate one, the Legislature will enable us to meet our commitments and provide

the relief and support our community needs,."

According to the statement, Governor Bryan is hopeful that the 35th Legislature will work with the administration to approve one of these options in a timeline manner. "We all share the same goal: a stronger, more resilient Virgin Islands. I am confident that by working together, we can achieve this and continue to build the brighter future that our people deserve," he concluded.

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