

logo not found or type unknown

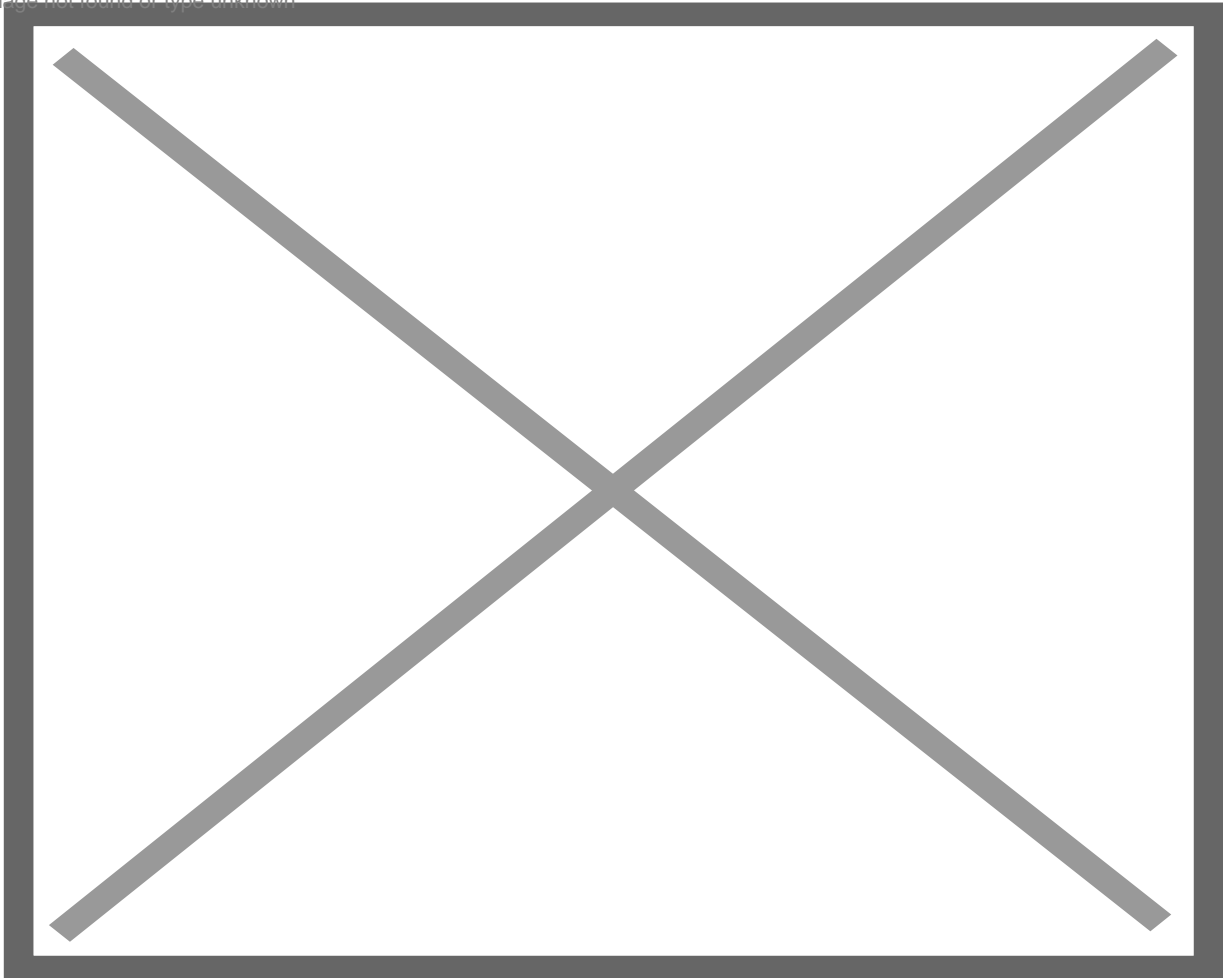
VI Lawmakers Approve 3% Fee on Wire Transfers, Claiming Millions Leave Territory Illegally

The bill was unanimously supported lawmakers. Blyden contends that the tax will help fight illegal remittances, while Fonseca criticizes the outflow of funds from contractors, stating that the Virgin Islands is “supporting the whole Caribbean.

Business / **Published On September 27, 2024 05:27 AM /**

Nelcia Charlemagne **September 27, 2024**

Image not found or type unknown



Last updated on Tuesday, Oct. 1, 2024 at 4:35 a.m.

Lawmakers are hopeful that the ascension of Bill 35-0375 into law will help bridge the Government of the Virgin Islands’ massive revenue gap. That’s because the proposed legislation will impose a 3% fee on each international money transfer made from the USVI.

Expected to generate approximately \$21 million annually, the funds will be deposited into the Money Laundering and Electronic Transaction Enforcement Fund - also established through Bill 35-0375.

“As part of our budget process it is important for us to find new revenues,” said Senator Frett-Gregory on Wednesday, as she announced the intention to introduce the fee. During her tenure in office the lawmaker, presiding over her final budget cycle as chair of the powerful Senate Committee on Budget, Appropriations and Finance, has made a habit of asking her colleagues to identify new revenue generators, particularly when lawmakers seek to introduce legislation that requires funding outside of the approved annual budget.?

The Legislature, according to Frett-Gregory, is interested in identifying revenue streams that “provide a stable funding source, but are at the same time fair and equitable for our community and our citizenry.”

When a vote was taken on Bill 35-0375 on Thursday evening, committee members voted unanimously. In fact, the bill was introduced with multiple sponsors – Senators Donna Frett-Gregory, Carla Joseph, Angel Bolques Jr, Dwayne DeGraff, Marise James, Novelle Francis Jr, and Marvin Blyden – all signed on to endorse the measure.?

“It is well known that wire transfers have long been a preferred means of carrying out payment for illegal products and services,” Senator Blyden declared. “This bill is designed to counteract this by imposing a small fee...and directing those monies to fund monitoring, enforcement and prevention activities of the Virgin Islands Government.”?

According to Mr. Blyden, analysis shows that “more than \$3 billion left the territory via wire transfers” in recent years. While he admits that most of the money is related to legal transfers, the lawmaker insisted that “there were millions and millions of dollars transferred out of the territory illegally.” It is the responsibility of the GVI to “pursue bad actors using wire transfers for illicit purposes, and this bill will provide the resources to do that,” he said.

It’s a move wholly supported by Senator Ray Fonseca, who complained that money is regularly transferred out of the territory when external contractors secure major projects on the island. “You can send the money out to wherever you want, but you have a responsibility to make sure that your money is being recirculated and helping the community,” Mr. Fonseca argued. “Right now, the Virgin Islands [is] supporting the whole Caribbean.”

Bill 35-0375 was one of many to be voted upon favorably on Thursday as the Committee on Budget, Appropriations and Finance continued vetting budget bills for the fiscal year 2024/2025. Members of the Committee on Rules and Judiciary met late on Thursday to rubberstamp those measures and forward them to the Senate’s legislative session, scheduled for Friday, September 27th.

Expected to receive the final legislative stamp of approval then, the bills will next proceed to Governor Albert Bryan’s desk for his signature ahead of the start of the new fiscal year on Tuesday, October 1.?

Among the measures passed on Thursday was Bill 35-0351, which provides an appropriation for the operating expenses of the Waste Management Authority from the waste waterfront of the Government of the Virgin Islands for fiscal year October 1, 2024, through September 30, 2025. An amendment to that bill adds \$352,000 to the Wastewater Fund to address the sewage running through the streets in Charlotte Amalie.

Lawmakers also supported Bill 35-0377, which directs a lump sum appropriation from the School Construction Maintenance and Capital Fund to the Bureau of School Construction and Maintenance for repair, renovation and maintenance of public schools and facilities for fiscal year October 1 2024 through September 30, 2025.

Additionally, Bill 35-0378, which funds various portions of the Virgin Islands Agricultural Plan for the fiscal year ending September 30, 2025, is expected to receive the governor's signature.

© Viconsortium 2026