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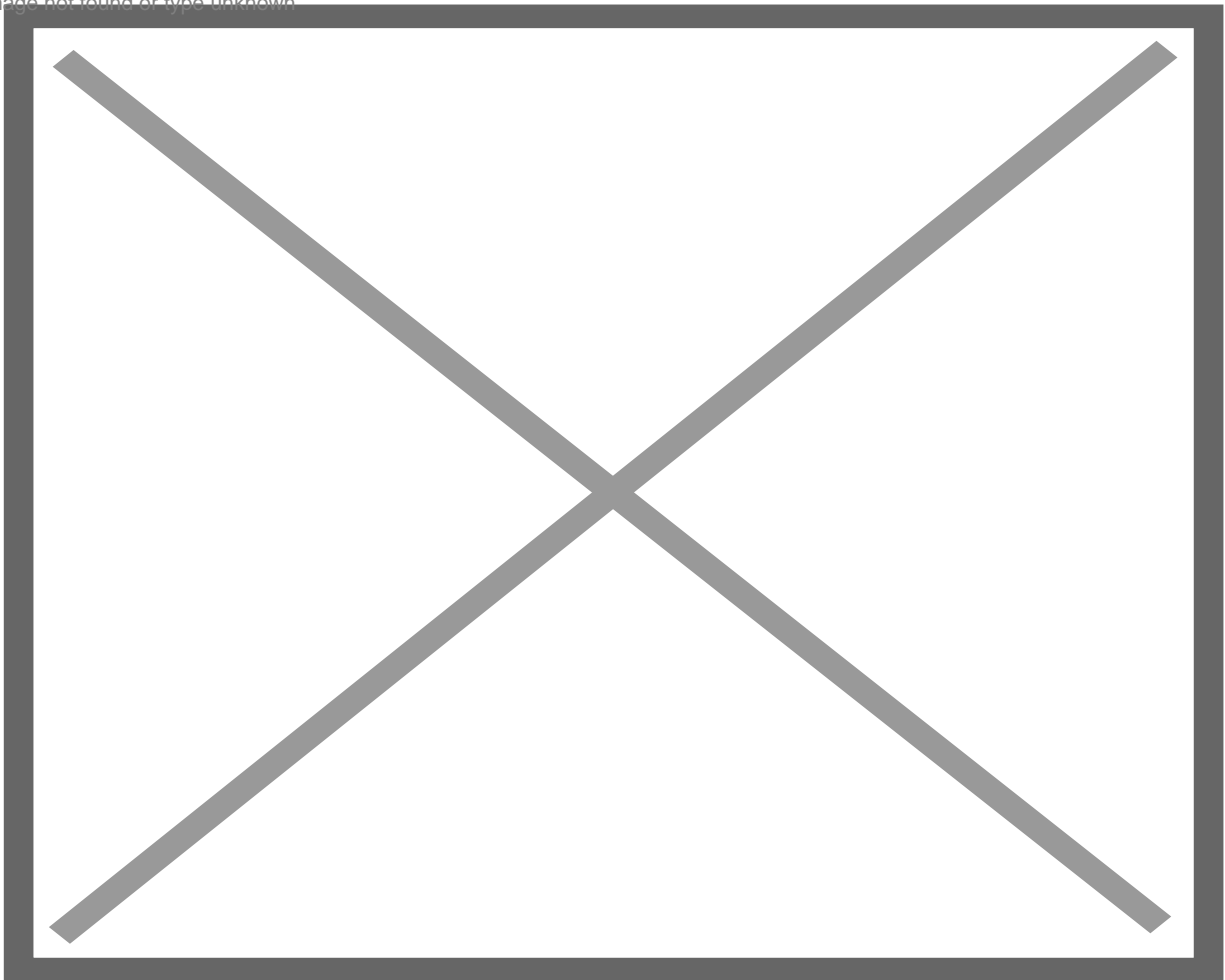
Nearly 2,000 USVI Businesses Face Legal Action Over Missing Labor Reports, DOL Warn

Over 1,900 businesses in the USVI have failed to file mandatory wage and tax reports for more than two years, prompting the Department of Labor to issue final warnings ahead of legal action, including liens and levies.

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V.I. Department of Labor headquarters on St. Croix. By. V.I. CONSORTIUM.

The V.I. Department of Labor says almost 2000 businesses in the territory have not filed required reports in over two years. These businesses can now expect to receive a final warning before the Department takes legal action, according to a release issued Wednesday.

Commissioner Gary Molloy revealed that many businesses are missing required wage and tax reports that must be filed quarterly. The data, he says, indicated that 1909 employers have not filed these mandatory reports for over eight consecutive quarters.

Not only is this against the law, but the practice threatens the financial stability of the Unemployment Insurance system, he said. “Employers have a statutory responsibility to report wages and contribute to the unemployment insurance system, which serves as a critical safety net for workers in times of economic hardship,” Mr. Molloy stated.

DOL says that some of the businesses have proven difficult to contact. “Due to the large volume of delinquencies and the significant number of mailed notices being returned as undeliverable, we have decided to strategically bundle these cases into targeted projects,” Commissioner Molloy said, in response to an inquiry from the Consortium.

The data from the Department of Labor is being cross-referenced with information at the Department of Licensing and Consumer Affairs and the Office of the Lieutenant Governor “to ensure the highest level of accuracy,” explained Mr. Molloy.

The announcement marks the start of the department's “collection and enforcement mode” for delinquent businesses. The next step, for business owners who fail to rectify their delinquency within 14 business days of receipt of the final notice, will be “immediate legal action.” The department says it will pursue the filing of “tax liens, levies, and other collection remedies authorized under Virgin Islands law.”

Employers are encouraged to contact the Department of Labor's Unemployment Insurance Division to verify whether they are in compliance with reporting requirements, and to receive assistance in taking corrective action if they are determined to be delinquent.