The Virgin Islands Consortium

Divi Delivers $473,350.00 Check To Casino Control Commission Following AG Ultimatum

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Ernice Gilbert October 15, 2015

ST. CROIX -- Following an ultimatum by Acting Attorney General Claude E. Walker -- pay $1.5 million in back taxes and other fees by Wednesday or face "immediate action" -- Divi Carina Bay Resort delivered a check of $473,350.00 to the Virgin Islands Casino Control Commission today, The Consortium can confirm through people with firsthand knowledge of the transaction.

Commission officials confirmed the news to AG Walker, The Consortium also learned, who was to receive a copy of the check through email today.

The payment comes as Divi has been under pressure for not making good on some of its financial obligations to the Government of the Virgin Islands. But according to these people, who requested anonymity because they were not authorized to speak on the matter, the resort's payment of $473,350.00 covers the full amount owed to the Commission for Divi's license fees.

This revelation runs contrary to the Commission's Chairwoman Ann Violet Golden's assessment that Divi owed $1.5 million in total. That amount was also included in a letter that Mr. Walker addressed to Divi's attorney, Nichols Newman.

The letter, seen by The Consortium, listed four areas that the AG and Ms. Golden said the resort was behind on payments. They include:

- Casino license fees: $435,000.00
- Revolving fund revenues: $275,568.00
- Casino and racetrack revenue: $316,043.00
- Interest on alternative investment tax: $425,991.00

But according to our sources, Divi had already paid its tax obligations to the IRB and the revolving fund, and this information was corroborated with the EDA's acting CEO Wayne Biggs and IRB Director Marvin Pickering at recent meetings. However, the matter will remain open until an audit is conducted, the sources said.

Mr. Walker's insistence that Divi pay up or face "immediate action" from his office, represents a departure from attorney generals in prior administrations that took a laid back approach in dealing with major firms operating within the territory. And it comes just days after he issued a subpoena to the Government Employees’ Retirement System’s Board Chairman Wilbur Callender, and the board’s Counsel, Judge Edgar Ross, to release information he requested concerning the pension system’s investment records.

Mr. Walker has made fighting public corruption one of the key focuses of his tenure at the Department of Justice.

“We will have a robust public corruptions division,” Walker recently told this publication. “I formerly worked in the white collar public corruption section and I’m familiar with the perception and the issues that the public have with public corruption in the territory.”

He has also taken up the challenge of restructuring DOJ, a department he said was spiraling downwards when he took the helm. As for criticism he's faced from employees within the beleaguered department, Walker remains resolute.

“The secret to failure is when you try to please everybody. I’ve been making some tough decisions to right the ship. If some people are offended, it is what it is," Mr. Walker said.