The Virgin Islands Consortium

Mapp Says Income Tax Coming To VI Residents 'Early This Week' As $220 Million Deal With ArcLight For HOVENSA Closes

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Ernice Gilbert January 05, 2016

ST. CROIX -- Virgin Islanders can look forward to receiving their income tax refunds as early as this week as a result of the closing of the ratified operating agreement between the Government of the Virgin Islands and Limetree Bay Terminals LLC, a subsidiary of ArcLight Capital Partners, LLC, a press release Government House issued late Monday has made known.

According to the release, Governor Kenneth Mapp directed the immediate release of $22 million for the payment of income tax refunds. The governor has also directed the

Finance Commissioner Valdamier O. Collens to pay $50 million on the government's line of credit; pay $11 million to the Water and Power Authority for outstanding streetlight obligations; pay up to $20 million for legal and professional fees for the tax litigation claims and the operation agreement transaction costs. In addition, the chief executive has directed OMB Director, Nellon L. Bowry to use an amount up to $25 million to restore the five (5%) percent allotment reduction to every executive department and agency.

At closing, many of the transactional provisions of GVI and Limetree Bay Terminal agreement were executed, the release states. The government's escrow agent received the cash payment of $220 million. The deeds to the real estate, land, housing, community center, and vocational school will be filed with the Office of the Recorder of Deeds on January 5, 2016; and the keys and security codes will be transferred to the government as well, Mr. Mapp said.

"As I have said, the ratification of the operating agreement and the receipt of money does not solve the financial woes of the territorial government," said the governor. "We have bought some time to get our financial house in order. In the coming weeks, I will announce the implementation of some long outstanding step increases due and owing to the employees of the Government of the Virgin Islands."

He added: "The closing went well and as planned. Once again, I thank the members of my team, the 31st Legislature, ArcLight Capital Partners, LLC, and the community at large for their support in moving this important agreement forward. My administration is pleased that we are able to make this announcement of the closing and the receipt of the assets on the eve of our first anniversary in office."