

The Virgin Islands Consortium

Tax Refund Checks By Thanksgiving? Not Likely, Government Now Says. Try Christmas

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On November 3, senators who make up the 31st Legislature passed a debt financing measure of \$247 million, of which \$147 million was set aside for government operations. Out of that amount -- through an amendment sponsored by Senator Nereida Rivera-O'Reilly and supported by most senators -- \$15 million was set aside for tax refunds owed to residents.

At that session, held at the Alexander Farrelly Justice Complex in the Superior Court in St. Thomas on a Thursday afternoon, Bureau of Internal Revenue Director Marvin Pickering was quoted as saying that once Finance Commissioner Valdamier Collens released the funds, [tax refunds would be made available to residents by Thanksgiving.](#)

But there's been no release of funds, and residents have been anxious -- some frustrated and angry -- as Thanksgiving is just four days away. Some have called The Consortium seeking answers, others have visited the Bureau of Internal Revenue, and greeted by employees who have grown weary of being asked the same question multiple times.

The floating of bonds requires multiple levels of action before funds come available. That is why it was always a careless statement to make relative to funds being released by Thanksgiving, based on senators' approval of the debt financing measure. First, you need the Senate's approval, then the governor's approval, followed by that of the board of the Public Finance Authority after that board deliberates with its members and the government's bond counsel. Once these processes have taken place, the government then goes to the bond market.

[At a P.F.A. board meeting on November 8](#), the government's bond counsel said they expected to reach an agreement for the \$147 million by December 15; although they said they would work to secure between \$20 million to \$40 million well before that date. So where would the \$15 million in tax refunds come from, if the government planned on releasing the money by Thanksgiving? At that same P.F.A. meeting, the government's bond counsel made mention of an existing line of credit of \$60 million that the government had access to. Possibly the money could have been released from that account. However, before the governor called the Senate into special session to approve the \$247 million debt financing measure, he sent a chill through the community by stating that the government would face an [almost immediate shutdown](#) if the bill was not passed. Taken at his word, and assuming that nothing of the \$147 million has been released to the government, it is possible that the Mapp administration has been pinching the \$60 million to keep the government afloat.

Either ways, residents have been utterly disappointed that refund checks have not been released, many of whom were depending on the money for Thanksgiving -- again, as mentioned at the November 3 Senate hearing.

Multiple queries through phone calls and text messages sent to Department of Finance Commissioner and Public Finance Authority Executive Director Valdamier Collens, as well as Bureau of Internal Revenue Director Marvin Pickering, have yielded no responses. And as recently as Saturday night, a group message was sent to both men, but after Mr. Pickering learned that it was a reporter seeking answers on the matter (Mr. Pickering returned a text message asking clarity on who was sending the message), he did not respond further.

Speaking with Government House on Thursday, the administration's communications director, Cherie Munchez, sidestepped the issue; she would only say that the Mapp administration has given out over \$64 million in tax refunds. She also shifted the goalpost, adding that the administration would continue working diligently to make available refund checks to residents by this Christmas.

In all fairness, though, the Mapp administration has delivered its promise on refund checks. It [lifted a freeze](#) on refunds that had been instituted by the de Jongh administration, and has since delivered overwhelming, with payments dating back to 2012.

