

The Virgin Islands Consortium

Bill To Help Fast-Track Establishment Of Businesses In Territory Will Soon Head To Legislature

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Governor Kenneth Mapp said recently that his administration has crafted a bill aimed at drastically reducing the time it takes to setup a business in the U.S. Virgin Islands. Mr. Mapp said the measure would remove a lot of government bureaucracy that sees businesses taking months to get all the proper documentation needed to start.

He revealed his administration's plans during a Chamber of Commerce breakfast meeting held at The Palms At Pelican Cove on March 23, responding to a question posed by a business owner who spoke of the red tape that many confront.

"It's still a work in progress is the best I can tell you on that," the territory's leader said referring to the process of starting a business in the territory. "But through that process what we realized is that our corporate governance statutes are a bit antiquated, and I'm getting ready to -- actually the legislation is done and we did this in tandem with folks from the private sector -- I'm getting ready to send a corporate modernization statute to the Legislature, which actually will provide a particular fee for a same-day service of a corporate structure and getting a trade name in place."

The governor said the legislation takes lessons gleaned from EDC tax attorneys to help make the territory a viable corporate trust services destination, which he said would help the USVI compete with Nevada and Delaware; the aforementioned have venerable corporate trust and agency services that house billions of dollars. He said the territory's archaic statutes relative to its corporate structure means new legislation had to be introduced to allow the government to take advantage of technology that streamlines the process of starting a business.

"I'm saying it's a work in progress because in trying to do it from a technology perspective, we recognize that the law is hampering part of that process so we're going to pretty much gut that out and put a statute in place that allows for same-day services, that would then require the technology to be in place that you can go online and be able to see if a name is available and actually pay online -- and hold that name immediately. That's all part of that delivery of public services," Mr. Mapp said.

The governor said he received an email from one of the attorneys who helped craft the measure, asking when would it be introduced. "It's all ready," he said. "The transmittal letter is ready, but what we're trying to attach as part of the transmitting, we're putting a fast-track process and changes for the EDC programs and we want to send them to together. So you'll see that coming out and that will give rise to how we're going to get to a process that you can go online and do these things and get them done in a day."