The Virgin Islands Consortium

Mapp Will Update Territory On Government's Finances On Wednesday

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ST. CROIX -- Governor Kenneth Mapp will update Virgin Islanders on the state of the territory's finances at a press conference to be held at Government House here on Wednesday, according to a release issued today.

The release did not reveal much, but the governor is expected to give progress updates in a variety of areas following his March 22 press conference at Government House in St. Thomas. Among areas of discussion may be whether the government was able to secure the $40 million RAN instrument; and if so, when will the promised $20 million in tax refunds be issued. The governor is also expected to update residents on his aggressive property tax collection plan after revealing that he had directed the Office of the

Lieutenant Governor and the Tax Assessor's Office to collect $25 million in property taxes by September.

“In order to make it to the end of the fiscal year without affecting working hours and any closure of schools, the lieutenant governor’s office is asked to bring in at least $15 million of delinquent property taxes. But I have set a mandate that the Office of the Lieutenant Governor and the Tax Assessor, must produce $25 million in delinquent property tax collections by September 30, 2017,” Mr. Mapp said during the March 22 press conference.

It remains unclear whether the government has so far managed to meet Mr. Mapp's demanding tax collection goals. The governor had said that the financial condition of the territory had to be monitored “literally on a weekly basis,” because the liquidity constraints. However, with April being one of the highest tax collection months of the government, the governor may be able to announce that his plan to not furlough government employees or shorten school hours, will be maintained in the short-term.

Whatever Mr. Mapp announces at tomorrow's press conference, the territory's financial health is likely to remain precarious as it continues to grapple with a structural deficit that was, at the end of March, over $100 million; a bond market that's currently opposed to the idea of lending money to the USVI government, and an economy that remains slow to rebound, even as it's shown minimal signs of growth.