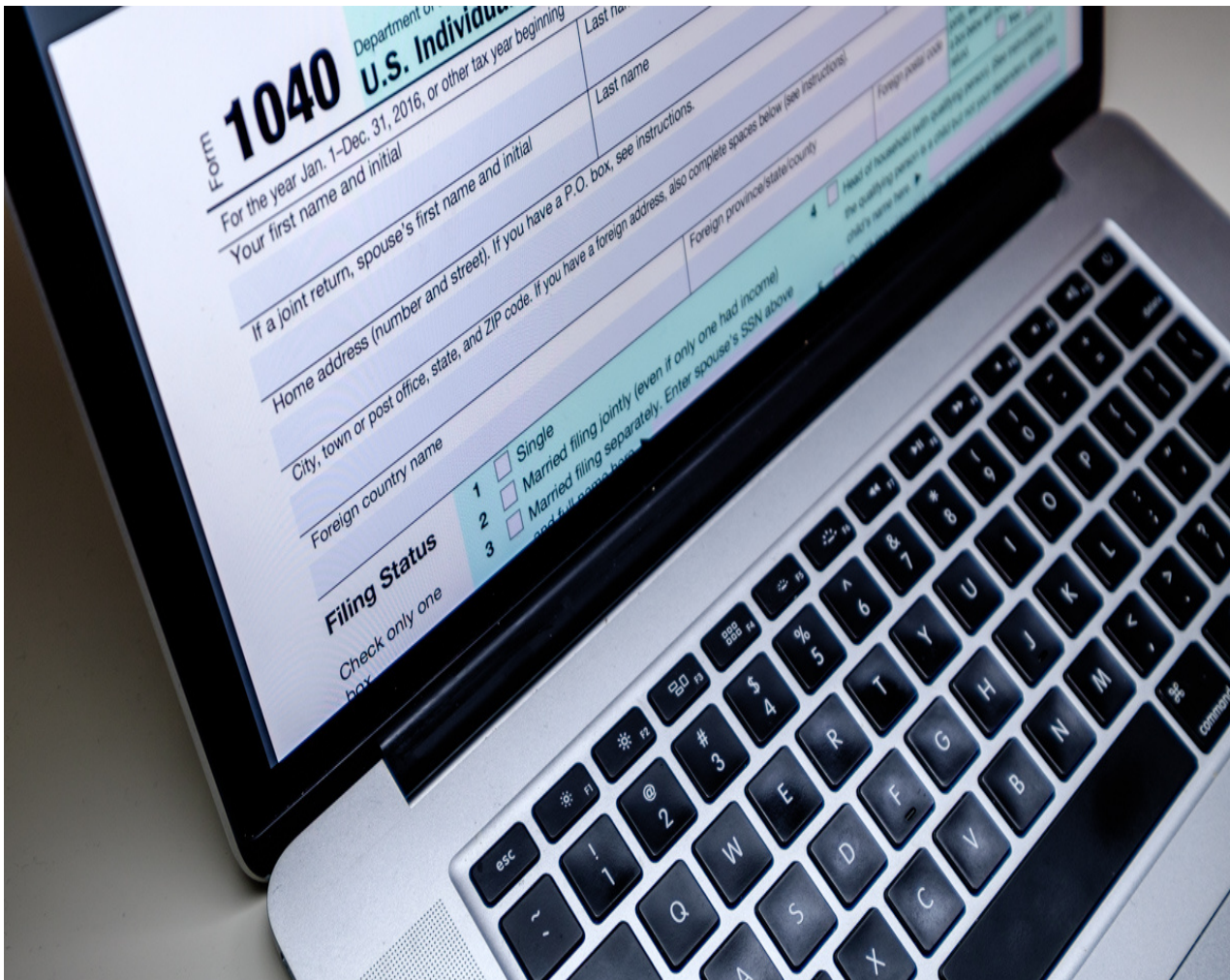


The Virgin Islands Consortium

Mapp Administration To Crack Down On VI Residents Filing Taxes Abroad

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ST. CROIX -- Virgin Islanders who are filing their taxes in U.S. states will soon come under the microscope of the Bureau of Internal Revenue and the Department of Justice, Governor Kenneth Mapp made known at a press conference at Government House here, where the territory's leader announced a task force [created with the sole purpose of collecting an estimated \\$430 million](#) owed to the Government of the Virgin Islands.

Mr. Mapp said the government will be going after three groups of people, among them residents of the Virgin Islands who work in the territory but file their taxes on the U.S. mainland. The governor called the practice a violation of law.

"I think a number of you know that this past year, four or five individuals were charged with such a violation of law," the governor added, although it remained unclear which case Mr. Mapp was referring to that involved Virgin Islanders getting prosecuted for filing taxes on the U.S. mainland. Ten Virgin Islanders were charged by the federal government for tax fraud last year, but their case involved [using sham IDs to file federal tax returns](#).

Aside from V.I. residents filing taxes on the U.S. mainland, the task force will target persons who live in the territory, receive income and payments but do not file tax returns; it will also target those who file tax returns with outstanding balances but fail to make payments; and it will target those who file, enter into a payment plan and fail to make good on the covenant, according to the governor.

The task force's bellicose agenda to collect the hundreds of millions of dollars is indelible to the territory's well-being, Mr. Mapp said. He added that taxpayers, the financial services sector and the business community have been saying to the government that before it attempts to borrow more money, "pickup the low-hanging fruit."

"Four hundred and thirty million dollars owed to the people of the territory is low-hanging fruit, and this administration will exercise all of its efforts by law to make a dent in the collection of these monies," Mr. Mapp said.

The governor has asked Attorney General Claude Walker and B.I.R. Director Marvin Pickering to put serious effort into collecting at least 15 percent of the \$324 million — approximately \$48.6 million — by the end of this fiscal year, which is September 30. The governor has also requested monthly reports on the task force's efforts, in a sign of his seriousness in collecting the owed taxes. "I've made it clear that I'm not interested in the names of who they may go after," Mr. Mapp said.

Revealing that he owes the government taxes, Mr. Mapp said just as he continues to make his payments — "I've seen the light at the end of the tunnel, he said," — he expects everybody else to do the same, and would give little thought whether he knew any of those who will be targeted by the task force. "If I am at the front of the line paying my obligations, then all of my good friends have to pay theirs," he said.

Both the attorney general and the B.I.R. director have told the governor that the task force calls for additional resources — revenue agents, auditors, prosecutors who specialize in income tax evasion cases — and Mr. Mapp has asked that they submit their formal request, which the governor intends to approve.

Mr. Walker, a stern attorney general, said prosecutions would be forthcoming, so those who owe the government understand that the task force will be humorless in its collection efforts.

"The position of the Department of Justice is to hold everyone accountable," Mr. Walker said. "Once we get the cases referred to us from Director Pickering, we will move expeditiously on those cases. We're not going to send out further notices or invite people to come in. There will be no special letter [stating] that you have to pay your taxes — we all know that we have to pay our taxes. So we'll go forward with our cases and let the chips fall where they may. As the governor said, this is a very serious job for the Department of Justice, and unfortunately I expect that we will have to prosecute a

number of persons in order to make it clear that it is a new day in the Virgin Islands when it comes to tax obligations.”

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