

The Virgin Islands Consortium

VI Government And Airbnb To Announce Agreement At Press Conference On Friday

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ST. THOMAS -- The Government of the Virgin Islands and Airbnb -- an online marketplace and hospitality service that enables people to list or rent short-term lodging, including vacation rentals, apartment rentals and homestays -- will announce on Friday that they have reached some sort of agreement that will include the promotion of the territory by Airbnb, as well as taxes to be collected on property rentals in the territory through its portal, The Consortium has learned.

The press conference was announced via press release this afternoon, but came with no details about the actual event. The agreement comes three months following the revelation by Governor Kenneth Mapp that his administration, more pointedly Department

of Tourism Commissioner Beverly Nicholson-Doty, had traveled to the mainland to close an agreement with Airbnb. According to the governor, Mrs. Nicholson-Doty has negotiated with Airbnb to deduct the 12.5 percent hotel occupancy tax from every unit rented through Airbnb, and that the government was working towards implementation.

“The commissioner is out signing the contracts,” Mr. Mapp said at a [press conference at Government House on St. Croix in February](#), in response to a question posed by a Consortium reporter. “We’ve done the negotiations, we’ve done all those issues, we’re now going to implement this process. And then the entity will then transmit to the Bureau of Internal Revenue the amounts, and they’ll give them the spreadsheet of what it was assessed on, and they will remit that money Bureau of Internal Revenue.”

Mrs. Nicholson-Doty has said that there were 2,400 Airbnb rooms on St. Croix alone. The growing segment has been targeted as a source of revenue for the government, whose leaders continue to search for ways to raise funds amidst dwindling cashflow, and with no access to the bond market. The government has been attempting to offset an over \$100 million structural deficit by cutting cost and [raising taxes](#).

[Last month](#), the administration announced the creation of a task force to be helmed by the Department of Justice and the Bureau of Internal Revenue, with the sole goal of collecting some \$430 million that the government has determined is owed to it.

“I am here to report to the people of the Virgin Islands that within ten years prior to today’s date, the outstanding monies owed in income taxes, gross receipt taxes, hotel occupancy taxes to the people of the Virgin Islands is now at \$324 million,” revealed the governor. “That means that we have approximately \$430 million on the streets of the Virgin Islands that are owed to the people of the Virgin Islands.”