The Virgin Islands Consortium

People Are Receiving Their Tax Refunds -- Many In The Thousands

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In two instances that The Consortium has been made aware of, residents have received tax refunds of over $10,000 dating back to 2015. And hundreds more have been receiving their refunds, a reality that represents a kept promise by Governor Kenneth Mapp, who told Consortium events host, Sacha Alexander, in December that tax refund checks, beginning early 2018, would be refunded on a biweekly basis.

On Wednesday, the governor updated The Consortium on the progress. "It's being going out on an average of about $6 million each month. We're doing about $3 million every other Friday," the governor said. "We want to remind folks that what the law basically says is first in, first out."

The governor said 2015 distribution would soon be completed, with 2016 distribution beginning either the last week in April or early May. Persons who have not received their tax refunds for previous years should call the Bureau of Internal Revenue, according to the governor, because "some people have audit issues, they have document question issues, they owe taxes so their refunds are going to go" into paying those owed taxes, Mr. Mapp said.

If you have refunds dating back a few years, once your issue is rectified, your refund will be given priority. "Once a refund for a prior year is cleared, then it's going to be priority in the next distribution," Mr. Mapp said.

Monies to pay tax refunds are coming from the local treasury, according to the governor. He explained that while community disaster loan dollars, provided through the federal government, could not be used to pay tax refunds, the federal dollars were being used for government operations, and has allowed the Mapp administration to use locally collected monies to pay refunds.

The governor also pointed to revenues coming into the government through taxes resulting from a burst in activity in the construction and commerce sectors of the economy -- borne through federal dollars pouring into the U.S. Virgin Islands following Hurricanes Irma and Maria.

"What we hope that people will recognize is that, while we don't have as many overnight guests because we don't have all the hotel rooms, we have a lot of guests in the islands. We have tremendous consumption taking place with the reconstruction of homes and businesses that's going into the economy. People are paying a lot of excise taxes and gross receipt taxes because they're buying new roofs, new windows and appliances... They're buying their stuff locally, the subcontractors are buying their stuff locally, so that's generating money. But to the extent that we can meet our obligations and do what we need to do, and the monies are there, we tell folks that we want them to get their money, and we're being prudent about giving it to them," the governor said.