

The Virgin Islands Consortium

DLCA And BIR Working Together To Expedite Business Licenses

Business / **Published On August 30, 2019 06:50 PM /**

Staff **August 30, 2019**



The Department of Licensing and Consumer Affairs (DLCA) announced Friday that it has entered into a memorandum of understanding with Virgin Islands Bureau of Internal Revenue which authorizes DLCA to issue business licenses to businesses with completed renewal applications that are pending tax clearance from the IRB.

Under the MOU, businesses eligible for IRB administrative tax clearance approval are those that have:

- Timely submitted renewal applications, including payment of licensing fees prior to its expiration

- Obtained tax clearance approval from the IRB for the tax years immediately preceding the relevant application tax year
- Operated in compliance with all other business licensing requirements.

According to DLCA, at its core, the new processing policy will expedite the issuance of renewal licenses to businesses that have been operating in compliance but are awaiting tax clearance approval. It will ensure that businesses taking substantive and good faith steps to operate in good standing are issued licenses prior to their expiration date.

The new processing policy simultaneously ensures that all businesses that persistently fail to meet the licensing requirements will be subject to firm administrative enforcement action. To that end, upon determining that a renewal applicant that has been granted administrative tax clearance is delinquent, BIR can refer that business to the DLCA for enforcement, DLCA said.

Those businesses determined to be in noncompliance will be given due notice and an opportunity for a hearing. They also will be given an opportunity to request an informal compliance conference.

Enforcement action will include the suspension or revocation of business license pending compliance and/or the assessment of administrative fines or referral to the V.I. Justice Department for further enforcement in cases of continuing willful violation.

DLCA said it is in the process of entering into similar MOUs with other key agencies to expedite the licensing process while ensuring compliance of all laws of doing business in the territory.

“The MOU is created to ensure that a compliant business receives its business licenses in an efficient manner. The government of the Virgin Islands wants to encourage existing businesses to expand and to invite new businesses to consider expanding to the Virgin Islands” said DLCA Commissioner Designee Richard Evangelista.

He added, “DLCA shall continue to educate before it regulates. DLCA shall also continue to be firm but fair.”

The Department of Licensing and Consumer Affairs said appreciates the public’s cooperation. Consumers or Merchants with questions can contact the Office of the Commissioner on St. Croix at 340-713-3522; St. Thomas at 340-714-3522; or on St. John at 340-693-8036.

For consumer related issues, email the DLCA at atconsumerawareness@dlca.vi.gov.