

ACT NO. 8027

BILL NO. 32-0010

THIRTY-SECOND LEGISLATURE OF THE VIRGIN ISLANDS

Regular Session

2017

An Act amending title 13 Virgin Islands Code, chapter 5, section 531 relating to the rate and computation of franchise taxes; amending title 5 Virgin Islands Code, section 3561(a) to grant peace officer status to security guards of the Legislature of the Virgin Islands, enforcement officers of the V.I. Lottery, the executive director of the Peace Officers Standard and Training and investigators and enforcement officers of the Juan E. Luis and Roy L. Schneider Hospitals; amending title 23 Virgin Islands Code, sections 608 (c) and 612 extending the distance beyond which hazardous chemical are prohibited; extending the availability of funds appropriated in section 2 of Act No. 7897 for V. I. Housing Finance Authority's asbestos in homes program, and amending Act No. 7866, adding 5 passenger vans to the First Responder Fleet Project for the Department of Sports, Parks and Recreation

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Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 13 Virgin Islands Code, chapter 5, section 531 is amended in the following instances:

(a) Subsection (a) is amended in the first sentence after the phrase "each thousand dollars of" by inserting "stock, capital, and paid in", and the second, third and fourth sentences are stricken.

(b) Existing subsections (b), (c) and (d) are re-designated as subsections (f), (g) and (h) and new subsections (b), (c), (d) and (e) are inserted to read as follows:

"(b) Notwithstanding the definition in section 100 of this title, for purposes of computing franchise taxes, the term, "capital stock", includes the stated value of all classes of stock authorized, issued, and outstanding, plus the paid in capital in excess of stated value. "Paid in capital" means the cash and other

consideration received less expenses, including commissions paid or incurred by the entity, in connection with the issuance of its shares, plus amounts transferred to paid-in capital by action of the board of directors or shareholders pursuant to a share dividend, share split, or otherwise, and plus the amount of capital paid in that is in excess of the stated par value of any class of stock.

(c) For computation of taxes owed in accordance with paragraphs (a) and (b), the minimum franchise tax is \$300 for any corporation whose capital stock used in conducting business in the United States Virgin Islands is no more than \$250,000.

(d) In no case shall the tax on any corporation for a full taxable year, computed by paragraphs (a) and (b) of this section be more than \$150,000 for any entity whose capital stock used in conducting business in the United States Virgin Islands exceeds \$250,000.

(e) The franchise tax for a V.I. foreign sales corporation is \$500. A full year's tax must be collected for any portion of a year."

(c) There is no statute of limitations on the collection of franchise taxes, and the associated penalties and interest that become due and owing after the enactment of this statute. This applies prospectively.

SECTION 2. Title 5 Virgin Islands Code, chapter 305, subchapter I, section 3561, subsection (a) is amended by inserting ", security officers" after "Chief and Assistant Chief of Security" and by inserting "enforcement officers of the Virgin Islands Lottery, executive Director of the Peace Officers Standards and Training and investigators, enforcement officers of the Governor Juan F. Luis and Roy L. Schneider Hospitals" after "Virgin Islands Housing Authority Police Force."

SECTION 3. Title 23 Virgin Islands Code, chapter 9, section 608, subsection (c) and section 612 are amended by striking "300" and inserting "1,000."

SECTION 4. The funds appropriated in Act No. 7897, section 2, - V.I. Housing Finance Authority Asbestos Homes-\$920,000, remain available until expended.

SECTION 5. Act No. 7866 is amended at the end of section 1 by adding: "Five passenger vans – two for St. Croix, two for St. Thomas, and one for St. John – for the Department of Sports, Parks, and Recreation for a total cost of \$200,000 or so much of the sum as necessary."

Thus passed by the Legislature of the Virgin Islands on December 21, 2017.

Witness our Hands and Seal of the Legislature of the Virgin Islands this 9th Day of January, A.D., 2018.



A handwritten signature in blue ink, reading "Myron D. Jackson".

Myron D. Jackson
President

A handwritten signature in blue ink, reading "Jean A. Forde".

Jean A. Forde
Legislative Secretary



Bill No. 32-0010 is hereby approved.

Witness my hand and the Seal of the Government of the United States Virgin Islands at Charlotte Amalie, St. Thomas, This 9th day of January, 2018 A.D.

A handwritten signature in blue ink, reading "Kenneth E. Mapp".

Kenneth E. Mapp
Governor