

**BILL NO. 31-0023**

**Thirty-first Legislature of the Virgin Islands**

**February 17, 2015**

An Act amending title 33 Virgin Islands Code, chapter 3 relating excise taxes on cigarettes and chapter 111 establishing "The Virgin Islands Sin Tax Fund"

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**PROPOSED BY:** Senator Sammuell Sanes

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*Be it enacted by the Legislature of the Virgin Islands:*

1       **SECTION 1.** Title 33, Virgin Islands Code, Subtitle 1, Part I, chapter 3, §42(a) is  
2 amended in Schedule II (2) by inserting "per carton" after the word "Cigarettes" and by striking  
3 "35%" and inserting "45%".  
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5       **SECTION 2.** Title 33, Virgin Islands Code, Subtitle 3, chapter 111 is amended by  
6 inserting a new appropriately numbered section to read as follows:

7       "§\_\_\_. (a) There is established, in the Treasury of the Virgin Islands, a fund known as  
8 "The Virgin Islands Sin Tax Revolving Fund". The Commissioner of Finance shall administer  
9 the fund as a separate and distinct fund in the Treasury of the Virgin Islands. Money in the fund  
10 is available for expenditure or disbursement only as provided in this section.

1 (b) The Fund consists of all sums appropriated to it from time to time by the  
2 Legislature of the Virgin Islands, of all money received by the Government of the Virgin Islands  
3 pursuant to section 42(a) Schedule (II) of this title, and of all gifts, donations, grants, bequests  
4 and contributions, federal or local, as may be made to the Fund. Money in the Fund remains  
5 available until expended.

6 (c) From the proceeds of taxes deposited into the Fund pursuant to section 42 (a),  
7 Schedule (II), the Commissioner of Finance shall disburse five percent to the Virgin Islands  
8 Council on Alcoholism and Drug Dependence annually exclusively for its treatment and  
9 prevention programs and the remaining ninety-five percent for deposit into the General Fund of  
10 the Government of the Virgin Islands.”

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12 **BILL SUMMARY**

13 Section 1 of this bill seeks to clarify the tax charged for the importation of cigarettes into  
14 the Virgin Islands by creating a 45% tax on the value of each carton of cigarettes imported.

15 Section 2 of this bill creates a government fund to be known as “The Virgin Islands Sin  
16 Tax Fund” with 95% of the proceeds going in the General Fund of the Government of the Virgin  
17 Islands and 5% of the proceeds shall be given annually to the Virgin Islands Council on  
18 Alcoholism and Drug Dependence to be used exclusively for its treatment and prevention  
19 programs

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22 **BR15-0240/January 29, 2015/**

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