

04/21/2015-REPORTED OUT TO COMMITTEE ON RULES AND JUDICIARY WITH
RECOMMENDATION THAT BUREAU OF ECONOMIC RESEARCH ANALYSIS IS
RECEIVED BEFORE SCHEDULING

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”

PROPOSED BY: Senator Sammuel Sanes

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

2 **SECTION 1.** Title 33, Virgin Islands Code, Subtitle 1, Part I, chapter 3, §42(a) is
3 amended in Schedule II (2) by inserting “per carton” after the word “Cigarettes” and by striking
4 “35%” and inserting “45%.”

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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BILL SUMMARY

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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.

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

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