

(July 22, 1954, ch. 558, §20, formerly §20(c), 68 Stat. 506; Pub. L. 85-851, §6(a), Aug. 28, 1958, 72 Stat. 1095; Pub. L. 90-496, §10, Aug. 23, 1968, 82 Stat. 841.)

#### CODIFICATION

Prior to the 1968 amendment of section 20 of act July 22, 1954, this section constituted subsec. (c) of said section 20. Subsecs. (a) and (b) of said section 20 were classified to sections 1592 and 1598, respectively, of this title. Section 10 of Pub. L. 90-496 consolidated the text of said section 20 into a single unlettered paragraph, classified to this section.

#### AMENDMENTS

1968—Pub. L. 90-496 substituted provisions that the salaries and travel allowances of all officials connected with the executive and legislative departments of the government of the Virgin Islands be paid by the government of the Virgin Islands at rates prescribed by the laws of the Virgin Islands for provisions that the salaries of the Governor, the Government Secretary, the government comptroller, and their immediate staffs be paid by the United States, and provisions that the salaries of the heads of the executive departments be paid by the government of the Virgin Islands, such salaries to be paid without the necessity of further appropriations therefor, if the legislature fails to make an appropriation for such salaries.

1958—Pub. L. 85-851 provided for the payment of the salary of the government comptroller by the United States instead of by the government of the Virgin Islands.

#### EFFECTIVE DATE OF 1968 AMENDMENT

Amendment of provisions of section necessary to authorize the holding of an election for Governor and Lieutenant Governor on Nov. 3, 1970, effective Jan. 1, 1970, and all other amendments of provisions of section, unless otherwise expressly provided by Pub. L. 90-496, effective Jan. 4, 1971, see section 16 of Pub. L. 90-496, set out as a note under section 1591 of this title.

#### EFFECTIVE DATE OF 1958 AMENDMENT

Pub. L. 85-851, §6(b), Aug. 28, 1958, 72 Stat. 1095, provided that: "This section 6 [amending this section] shall become effective on July 1, 1959."

#### ELIMINATION OF GENERAL FUND DEFICITS OF GUAM AND VIRGIN ISLANDS

Pub. L. 96-597, title VI, §607, Dec. 24, 1980, 94 Stat. 3483, as amended by Pub. L. 97-357, title VI, §601, Oct. 19, 1982, 96 Stat. 1712, provided that:

"(a) In order to assist the governments of Guam and the Virgin Islands in eliminating general fund deficits, there is authorized to be appropriated to the Secretary of the Interior for payment to Guam not to exceed \$15,000,000 for fiscal year 1982, and \$11,000,000 for fiscal year 1983, \$7,500,000 for fiscal year 1984, and \$4,000,000 for fiscal year 1985; and for payment to the Virgin Islands not to exceed \$12,000,000 for fiscal year 1982, \$9,000,000 for fiscal year 1983, \$6,000,000 for fiscal year 1984, and \$3,000,000 for fiscal year 1985.

"(b) The Governors of Guam and the Virgin Islands shall, as a condition for a grant pursuant to subsection (a) of this section, submit a plan which is designed to eliminate the respective territory's general fund deficit by the beginning of fiscal year 1987 to the Secretary of the Interior. Within sixty days after he has received such a plan, the Secretary of the Interior shall transmit the plan, together with his comments and recommendations to the Congress. The plan shall provide for—

"(1) implementation of an effective budgetary and accounting system;

"(2) realistic revenue and expenditure projections which will progressively reduce current year general fund deficits and result in a balanced general fund budget no later than the beginning of fiscal year 1987;

"(3) financing of accumulated general fund deficits; and

"(4) quarterly goals and timetables for implementing the plan. The plan shall also indicate that the Governor has the necessary authority to implement the plan.

"(c) Not later than thirty days after the close of each quarter which occurs after the plan has been transmitted to the Congress, the respective Governor shall submit a report to the Secretary of the Interior and the Congress describing in detail the success or failure of such territory in meeting the goals and timetables described in such plan."

#### AUTHORIZATION OF APPROPRIATIONS FOR GRANTS FOR ANTICIPATED DEFICITS DURING FISCAL YEARS 1979 THROUGH 1981; TERMS AND CONDITIONS; REPORT ON FINANCIAL CONDITION; CONTENTS

Pub. L. 95-348, §4(d), Aug. 18, 1978, 92 Stat. 491, authorized appropriations for fiscal years 1979 to 1981 for grants for anticipated deficits in such years, and required a report respecting financial conditions and activities, prior to repeal by Pub. L. 96-205, title IV, §404, Mar. 12, 1980, 94 Stat. 89.

#### § 1642. Use of certain proceeds for expenditure; income tax obligations of inhabitants

The proceeds of customs duties, the proceeds of the United States income tax, the proceeds of any taxes levied by the Congress on the inhabitants of the Virgin Islands, and the proceeds of all quarantine, passport, immigration, and naturalization fees collected in the Virgin Islands, (less the cost of collecting such duties, taxes and fees as may be directly attributable (as certified by the Comptroller of the Virgin Islands) to the importation of petroleum products until January 1, 1982: *Provided*, That any other retained costs not heretofore remitted pursuant to the Act of August 18, 1978, shall be immediately remitted to the Treasury of the Virgin Islands notwithstanding any other provision of law) shall be covered into the treasury of the Virgin Islands, and shall be available for expenditure as the Legislature of the Virgin Islands may provide: *Provided*, That the term "inhabitants of the Virgin Islands" as used in this section shall include all persons whose permanent residence is in the Virgin Islands, and such persons shall satisfy their income tax obligations under applicable taxing statutes of the United States by paying their tax on income derived from all sources both within and outside the Virgin Islands into the treasury of the Virgin Islands: *Provided further*, That nothing in this chapter shall be construed to apply to any tax specified in section 3811 of the Internal Revenue Code.

(July 22, 1954, ch. 558, §28(a), 68 Stat. 508; Pub. L. 95-348, §4(c)(3), Aug. 18, 1978, 92 Stat. 491; Pub. L. 96-205, title IV, §403(a), Mar. 12, 1980, 94 Stat. 89.)

#### REFERENCES IN TEXT

Act of August 18, 1978, referred to in text, probably means Pub. L. 95-348, Aug. 18, 1978, 92 Stat. 487, as amended, which enacted sections 1645 and 1841 of this title and section 410dd of Title 16, Conservation, amended sections 1421h, 1469a, 1575, and 1642 of this title and sections 398a and 398c to 398f of Title 16, and enacted provisions set out as a note under sections 1421, 1641, and 1681 of this title. For complete classification of this Act to the Code, see Tables.

This chapter, referred to in text, was in the original "this Act", meaning act July 22, 1954, ch. 558, 68 Stat. 497, as amended, known as the Revised Organic Act of

the Virgin Islands, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1541 of this title and Tables.

Section 3811 of the Internal Revenue Code, referred to in text, means section 3811 of former Title 26, Internal Revenue Code, which was repealed by section 7851(a)(7) of the Internal Revenue Code of 1986. Similar provisions are contained in section 7651 of Title 26, Internal Revenue Code. For provision that any reference in any other law to a provision of the Internal Revenue Code of 1939 be deemed a reference to the corresponding provision of the Internal Revenue Code of 1986, see section 7852(b) of Title 26.

#### CODIFICATION

Section constitutes subsec. (a) of section 28 of act July 22, 1954. Subsec. (b) of section 28 amended section 3350 of former Title 26, Internal Revenue Code, 1939, and subsecs. (c) and (d) thereof are classified to sections 1643 and 1644, respectively, of this title.

#### AMENDMENTS

1980—Pub. L. 96-205 inserted provisions relating to deductions for the costs of collecting the duties, taxes, and fees attributable to the importation of petroleum products until Jan. 1, 1982, providing that outstanding retained costs are immediately remitted to the Treasury of the Virgin Islands.

1978—Pub. L. 95-348 struck out “less the cost of collecting all of said duties, taxes, and fees,” before “shall be covered”.

#### § 1642a. Availability of collected customs duties for expenditures as Legislature may provide

Notwithstanding any other provision of law, the proceeds of customs duties collected in the Virgin Islands less the cost of collecting all said duties shall, effective for fiscal years beginning after September 30, 1979, be covered into the Treasury of the Virgin Islands, and shall be available for expenditure as the Legislature<sup>1</sup> of the Virgin Islands may provide.

(Pub. L. 96-304, title I, § 100, July 8, 1980, 94 Stat. 907.)

#### PRIOR PROVISIONS

A prior section 1642a, Pub. L. 96-38, title I, July 25, 1979, 93 Stat. 122, related to availability of collected customs duties for expenditures as the Virgin Islands Legislature may provide, prior to repeal by Pub. L. 96-205, title IV, § 403(b), Mar. 12, 1980, 94 Stat. 89.

#### § 1643. Import provisions with respect to trademarks

Section 1124 of title 15, and section 1526 of title 19, shall not apply to importations into the Virgin Islands of genuine foreign merchandise bearing a genuine foreign trade-mark, but shall remain applicable to importations of such merchandise from the Virgin Islands into the United States or its possessions; and the dealing in or possession of any such merchandise in the Virgin Islands shall not constitute a violation of any registrant's right under the Trade Mark Act [15 U.S.C. 1051 et seq.].

(July 22, 1954, ch. 558, § 28(c), 68 Stat. 509.)

#### REFERENCES IN TEXT

The Trade Mark Act, referred to in text, probably means the Trademark Act of 1946, also popularly

known as the Lanham Act, act July 5, 1946, ch. 540, 60 Stat. 427, as amended, which is classified generally to chapter 22 (§1051 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1051 of Title 15 and Tables.

#### CODIFICATION

Section constitutes subsec. (c) of section 28 of act July 22, 1954. Subsec. (b) of section 28 amended section 3350 of former Title 26, Internal Revenue Code, 1939, and subsecs. (a) and (d) thereof are classified to sections 1642 and 1644, respectively, of this title.

#### § 1644. Import duties on articles entering United States or possessions from Virgin Islands

All articles coming into the United States from the Virgin Islands shall be subject to or exempt from duty as provided for in section 1301a<sup>1</sup> of title 19 and subject to internal-revenue taxes as provided for in section 7652(b) of title 26.

(July 22, 1954, ch. 558, § 28(d), 68 Stat. 509; Sept. 1, 1954, ch. 1213, title IV, § 402(a), 68 Stat. 1140; Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095.)

#### REFERENCES IN TEXT

Section 1301a of title 19, referred to in text, was repealed by Pub. L. 87-456, title III, § 301(a), May 24, 1962, 76 Stat. 75. See General Headnote 3(a) under section 1202 of Title 19, Customs Duties.

#### CODIFICATION

Section constitutes subsec. (d) of section 28 of act July 22, 1954. Subsecs. (a) and (c) of section 28 are classified to sections 1642 and 1643, respectively, of this title, and subsec. (b) thereof amended section 3350 of former Title 26, Internal Revenue Code, 1939.

#### AMENDMENTS

1986—Pub. L. 99-514 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”, which for purposes of codification was translated as “title 26” thus requiring no change in text.

1954—Act Sept. 1, 1954, subjected the Virgin Islands to the general provision for importations from insular possessions contained in section 1301a of Title 19, Customs Duties.

#### EFFECTIVE DATE OF 1954 AMENDMENT

Amendment by act Sept. 1, 1954, effective on and after the thirtieth day following Sept. 1, 1954, see section 601 of act Sept. 1, 1954, set out as a note under section 1421e of this title.

#### § 1645. Remittance of duties, taxes, and fees to be collected in next fiscal year; authorization, prerequisites, amount, etc.

Beginning as soon as the government of the Virgin Islands enacts legislation establishing a fiscal year commencing on October 1 and ending on September 30, the Secretary of the Treasury, prior to the commencement of any fiscal year, shall remit to the government of the Virgin Islands the amount of duties, taxes, and fees which the Governor of the Virgin Islands, with the concurrence of the government comptroller of the Virgin Islands, has estimated will be collected in or derived from the Virgin Islands under the Revised Organic Act of the Virgin Islands [48 U.S.C. 1541 et seq.] during the next fiscal year, except for those sums covered directly

<sup>1</sup> So in original. Probably should be “Legislature”.

<sup>1</sup> See References in Text note below.