

1958—Pub. L. 85-851 substituted “United States attorney” for “district attorney” wherever appearing.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-454 effective on ninetieth day following Oct. 5, 1984, see section 1005 of Pub. L. 98-454, set out as a note under section 1424 of this title.

SUBCHAPTER VI—SYSTEM OF ACCOUNTS

§ 1631. Establishment and maintenance; scope

The Governor shall establish and maintain systems of accounting and internal control designed to provide—

(a) full disclosure of the financial results of the government’s activities;

(b) adequate financial information needed for the government’s management purposes;

(c) effective control over and accountability for all funds, property, and other assets for which the government is responsible, including appropriate internal audit; and

(d) reliable accounting results to serve as the basis for preparation and support of the government’s request for the approval of the President or his designated representative for the obligation and expenditure of the internal revenue collections as provided in section 26, the Governor’s budget request to the legislature, and for controlling the execution of the said budget.

(July 22, 1954, ch. 558, § 18, 68 Stat. 505.)

REFERENCES IN TEXT

Section 26, referred to in subsec. (d), probably means section 26 of S. 3378 (act July 22, 1954, ch. 558, 68 Stat. 497) prior to the submission of S. 3378 to the Conference Committee which redesignated section 26 as section 28 of S. 3378. Said section 28 was composed of subsecs. (a) to (d). Subsecs. (a), (c), and (d) thereof enacted sections 1642, 1643, and 1644 of this title, respectively. Subsec. (b) thereof added subsec. (c) to section 3350 of former Title 26, Internal Revenue Code. Reference to section 3350(c) of former Title 26 is deemed a reference to section 7652(b)(3) of Title 26, Internal Revenue Code. See section 7852(b) of Title 26, Internal Revenue Code, which provides that any reference in any other law to a provision of the Internal Revenue Code of 1939 be deemed a reference to the corresponding provisions of the Internal Revenue Code of 1986.

AGREEMENT REGARDING FINANCIAL ACCOUNTABILITY AND PERFORMANCE STANDARDS

Pub. L. 106-84, § 2, Oct. 28, 1999, 113 Stat. 1295, provided that:

“(a) IN GENERAL.—The Secretary of the Interior is authorized to enter into an agreement with the Governor of the Virgin Islands establishing mutually agreed financial accountability and performance standards for the fiscal operations of the Government of the Virgin Islands.

“(b) TRANSMISSION TO CONGRESS.—Upon ratification of the agreement authorized in subsection (a) by both parties, the Secretary shall forward a copy of the agreement to the Committee on Resources [now Committee on Natural Resources] in the House of Representatives and the Committee on Energy and Natural Resources in the Senate.”

§ 1632. Repealed. Pub. L. 90-496, § 14, Aug. 23, 1968, 82 Stat. 842

Section, act July 22, 1954, ch. 558, § 19, 68 Stat. 505, authorized Comptroller General of United States to review annually the office and activities of Government

Comptroller of Virgin Islands, and report thereon to Governor, Secretary of the Interior, and Congress.

EFFECTIVE DATE OF REPEAL

Pub. L. 90-496, § 14, Aug. 23, 1968, 82 Stat. 842, provided that the repeal of this section is effective on the date of enactment of Pub. L. 90-496, which was approved Aug. 23, 1968.

SUBCHAPTER VII—FISCAL PROVISIONS

§ 1641. Method of payment of official salaries

The salaries and travel allowances of the Governor, Lieutenant Governor, the heads of the executive departments, other officers and employees of the government of the Virgin Islands, and the members of the legislature shall be paid by the government of the Virgin Islands at rates prescribed by the laws of the Virgin Islands.

(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 1641 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, provided 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 Legislator<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.

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