

Aug. 3, 1961, Pub. L. 87-122, title I, 75 Stat. 250.  
 May 13, 1960, Pub. L. 86-455, title I, 74 Stat. 112.  
 June 23, 1959, Pub. L. 86-60, title I, 73 Stat. 101.  
 June 4, 1958, Pub. L. 85-439, title I, 72 Stat. 163.  
 July 1, 1957, Pub. L. 85-77, title I, 71 Stat. 265.  
 June 13, 1956, ch. 380, title I, 70 Stat. 264.  
 June 16, 1955, ch. 147, title I, 69 Stat. 149.  
 July 1, 1954, ch. 446, title I, 68 Stat. 372.  
 July 31, 1953, ch. 298, title I, 67 Stat. 273.  
 July 9, 1952, ch. 597, title I, 66 Stat. 457.  
 Aug. 31, 1951, ch. 375, title I, 65 Stat. 263.  
 Sept. 6, 1950, ch. 896, Ch. VII, title I, 64 Stat. 694.

**§ 1402. Extension of industrial alcohol and internal revenue laws to Virgin Islands**

Title III of the National Prohibition Act, as amended, and all provisions of the internal revenue laws relating to the enforcement thereof, are extended to and made applicable to the Virgin Islands, from and after August 27, 1935. The Insular Government shall advance to the Treasury of the United States such funds as may be required from time to time by the Secretary of the Treasury for the purpose of defraying all expenses incurred by the Treasury Department in connection with the enforcement in the Virgin Islands of the said Title III and regulations promulgated thereunder. The funds so advanced shall be deposited in a separate trust fund in the Treasury of the United States and shall be available to the Treasury Department for the purposes of this section.

(June 26, 1936, ch. 830, title III, § 329(c), 49 Stat. 1957.)

REFERENCES IN TEXT

The National Prohibition Act, as amended, referred to in text, is act Oct. 28, 1919, ch. 85, 41 Stat. 305, as amended. Title III of such Act was classified principally to chapter 3 (§ 71 et seq.) of Title 27, Intoxicating Liquors, and was omitted from the Code in view of the incorporation of such provisions in the Internal Revenue Code of 1939, and subsequently into the Internal Revenue Code of 1986.

CODIFICATION

Provisions similar to those comprising this section relating to Puerto Rico are classified to section 734a of this title.

**§ 1403. Issuance of bonds or other obligations by government or municipalities; use of proceeds; limit on public indebtedness; terms, execution, interest rate, and sale price; taxes**

To construct, improve, extend, better, repair, reconstruct, acquire, and operate any and all types of public works which shall include, but not be limited to, streets, bridges, wharves, and harbor facilities, sewers and sewage-disposal plants, municipal buildings, schools, libraries, gymnasias and athletic fields, fire houses, electric distribution systems or other work pertaining to electric systems, and other public utilities, including those owned or operated by the Saint Thomas Power Authority, or to clear slums, accomplish urban redevelopment or provide low-rent housing, negotiable general obligation bonds and other obligations may be issued by the government of the Virgin Islands or any municipality thereof: *Provided*, That no public indebtedness of any municipality thereof shall be incurred in excess of 10 per centum of

the aggregate assessed valuation of the taxable real property in such municipality and that no public indebtedness of the government of the Virgin Islands shall be incurred in excess of 10 per centum of the aggregate assessed valuation of the taxable real property in the islands. Bonds issued pursuant to sections 1403 to 1403b of this title shall bear such date or dates, may be in such denominations, may mature in such amounts and at such time or times, not exceeding thirty years from the date thereof, may be payable at such place or places, may be sold at either public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner, as shall be prescribed by the government of the Virgin Islands or of the municipality issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signature, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate not to exceed 4 per centum per annum, payable semiannually. All such bonds shall be sold for not less than the principal amount thereof plus accrued interest. All bonds issued by the government of the Virgin Islands or any municipality thereof, including specifically interest thereon, shall be exempt from taxation by the Government of the United States, or by the government of the Virgin Islands or any political subdivision thereof, or by any State, Territory, or possession or by any political subdivision of any State, Territory, or possession, or by the District of Columbia: *Provided further*, That the government of the Virgin Islands and any municipality thereof shall be obliged to levy and collect sufficient taxes for servicing any of the outstanding bonds, even if such taxation is required at a rate in excess of or in addition to the tax or tax rate of 1.25 per centum of the assessed value which is provided for in section 1401b<sup>1</sup> of this title.

(Oct. 27, 1949, ch. 769, § 1, 63 Stat. 940.)

REFERENCES IN TEXT

Section 1401b of this title, referred to in text, was repealed by Pub. L. 110-40, § 1(a), June 29, 2007, 121 Stat. 232.

**§ 1403a. Expenditure of bond proceeds for public improvements**

The proceeds of the bond issues or other obligations herein authorized shall be expended only for the public improvements set forth in section 1403 of this title, or for the reduction of the debt created by such bond issue or obligation, unless otherwise authorized by the Congress.

(Oct. 27, 1949, ch. 769, § 2, 63 Stat. 941.)

**§ 1403b. Bond liability of United States**

Bonds or other obligations issued pursuant to sections 1403 to 1403b of this title shall not be a

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