

1927—Act Feb. 25, 1927, reduced export duty on sugar from \$8 to \$6 per ton.

**§ 1396. Duties and taxes covered into Virgin Islands treasury**

The duties and taxes collected in pursuance of sections 1394 and 1395 of this title shall not be covered into the general fund of the Treasury of the United States, but shall be used and expended for the government and benefit of the Virgin Islands, under such rules and regulations as the President may prescribe.

(Mar. 3, 1917, ch. 171, § 5, 39 Stat. 1133.)

**§ 1397. Income tax laws of United States in force; payment of proceeds; levy of surtax on all taxpayers**

The income-tax laws in force in the United States of America and those which may hereafter be enacted shall be held to be likewise in force in the Virgin Islands of the United States, except that the proceeds of such taxes shall be paid into the treasuries of said islands: *Provided further*, That, notwithstanding any other provision of law, the Legislature of the Virgin Islands is authorized to levy a surtax on all taxpayers in an amount not to exceed 10 per centum of their annual income tax obligation to the government of the Virgin Islands.

(July 12, 1921, ch. 44, § 1, 42 Stat. 123; Pub. L. 94-392, § 5, Aug. 19, 1976, 90 Stat. 1195.)

REFERENCES IN TEXT

The income-tax laws in force in the United States of America, referred to in text, are classified to Title 26, Internal Revenue Code.

CODIFICATION

Section is from act July 12, 1921, popularly known as the Naval Service Appropriation Act, 1922.

AMENDMENTS

1976—Pub. L. 94-392 inserted proviso authorizing Legislature of Virgin Islands to levy a surtax, not to exceed 10 per centum, on annual income tax obligation of all taxpayers.

APPLICATION OF WESTERN HEMISPHERE TRADE CORPORATION PROVISION UNDER THE VIRGIN ISLANDS TAX LAWS

Pub. L. 92-178, title III, § 307, Dec. 10, 1971, 85 Stat. 524, provided that for purposes of applying the income tax laws of the United States with respect to the Virgin Islands under this section, subpart C of part III of subchapter N of chapter 1 of the Internal Revenue Code of 1954 [former 26 U.S.C. 921, 922] (relating to Western Hemisphere Trade Corporations) shall be treated as having been repealed effective with respect to taxable years beginning after Dec. 10, 1971.

**§ 1398. Omitted**

CODIFICATION

Section, act July 1, 1922, ch. 259, 42 Stat. 788, which related to quarantine and passport fees, was from the Navy Department and Naval Service Appropriation Act, 1923, was not repeated in subsequent years. See section 1642 of this title.

**§ 1399. Repealed. Pub. L. 97-357, title III, § 308(b), Oct. 19, 1982, 96 Stat. 1710**

Section, acts July 3, 1930, ch. 847, § 8, 46 Stat. 948; July 1, 1932, ch. 370, § 1, 47 Stat. 565, made applicable to the

Virgin Islands and the navigable waters thereof, certain provisions of Title 33, Navigation and Navigable Waters, relating to obstruction of navigable waters.

**§ 1400. Repealed. Pub. L. 98-454, title VII, § 709, Oct. 5, 1984, 98 Stat. 1741**

Section, act May 20, 1932, ch. 194, 47 Stat. 160, related to extension of admiralty laws of the United States to Virgin Islands.

EFFECTIVE DATE OF REPEAL

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

**§§ 1401 to 1401e. Repealed. Pub. L. 110-40, § 1(a), June 29, 2007, 121 Stat. 232**

Section 1401, act May 26, 1936, ch. 450, § 1, 49 Stat. 1372, set out the policy of Congress to equalize taxes on real property in the Virgin Islands.

Section 1401a, act May 26, 1936, ch. 450, § 2, 49 Stat. 1372, related to valuation of real property for assessment and uniformity of rates.

Section 1401b, act May 26, 1936, ch. 450, § 3, 49 Stat. 1372, related to rate of tax in absence of local laws and regulations by President for assessment and collection pending adoption of local laws.

Section 1401c, act May 26, 1936, ch. 450, § 4, 49 Stat. 1372, provided that taxes were to be deposited in the municipal treasury of the municipality in which collected.

Section 1401d, acts May 26, 1936, ch. 450, § 5, 49 Stat. 1372; June 30, 1949, ch. 285, § 12, 63 Stat. 356, related to payments to be made by the Virgin Islands Corporation into municipal treasuries of the Virgin Islands in lieu of certain taxes, valuation of real property in the Virgin Islands owned by the Virgin Islands Corporation as a basis for determining the amount of taxation, and payment to be made for any property owned by the United States in the Virgin Islands used for ordinary business or commercial purposes.

Section 1401e, act May 26, 1936, ch. 450, § 6, 49 Stat. 1373, related to exemptions from taxation and authority of municipalities to alter, amend, or repeal existing laws.

EFFECTIVE DATE OF REPEAL

Pub. L. 110-40, § 1(b), June 29, 2007, 121 Stat. 232, provided that: "This section [repealing sections 1401 to 1401e of this title] shall be deemed to have taken effect on July 22, 1954."

**§ 1401f. Omitted**

CODIFICATION

Section, act Oct. 5, 1992, Pub. L. 102-381, title I, 106 Stat. 1392, which authorized Territorial and local governments of Virgin Islands to make purchases through General Services Administration, was from the Department of the Interior and Related Agencies Appropriations Act, 1993, and was not repeated in subsequent appropriation acts. See section 1469e of this title. Similar provisions were contained in the following prior appropriation acts:

- Nov. 13, 1991, Pub. L. 102-154, title I, 105 Stat. 1007.
- Nov. 5, 1990, Pub. L. 101-512, title I, 104 Stat. 1932.
- Oct. 23, 1989, Pub. L. 101-121, title I, 103 Stat. 716.
- Sept. 27, 1988, Pub. L. 100-446, title I, 102 Stat. 1797.
- Dec. 22, 1987, Pub. L. 100-202, § 101(g) [title I], 101 Stat. 1329-213, 1329-231.
- Oct. 18, 1986, Pub. L. 99-500, § 101(h) [title I], 100 Stat. 1783-242, 1783-258, and Oct. 30, 1986, Pub. L. 99-591, § 101(h) [title I], 100 Stat. 3341-242, 3341-258.
- Dec. 19, 1985, Pub. L. 99-190, § 101(d) [title I], 99 Stat. 1224, 1238.
- Oct. 12, 1984, Pub. L. 98-473, title I, § 101(c) [title I], 98 Stat. 1837, 1851.

Nov. 4, 1983, Pub. L. 98-146, title I, 97 Stat. 931.  
 Dec. 30, 1982, Pub. L. 97-394, title I, 96 Stat. 1979.  
 Dec. 23, 1981, Pub. L. 97-100, title I, 95 Stat. 1401.  
 Dec. 12, 1980, Pub. L. 96-514, title I, 94 Stat. 2969.  
 Nov. 27, 1979, Pub. L. 96-126, title I, 93 Stat. 965.  
 Oct. 17, 1978, Pub. L. 95-465, title I, 92 Stat. 1289.  
 July 26, 1977, Pub. L. 95-74, title I, 91 Stat. 295.  
 July 31, 1976, Pub. L. 94-373, title I, 90 Stat. 1052.  
 Dec. 23, 1975, Pub. L. 94-165, title I, 89 Stat. 987.  
 Aug. 31, 1974, Pub. L. 93-404, title I, 88 Stat. 812.  
 Oct. 4, 1973, Pub. L. 93-120, title I, 87 Stat. 433.  
 Aug. 10, 1972, Pub. L. 92-369, title I, 86 Stat. 512.  
 Aug. 10, 1971, Pub. L. 92-76, title I, 85 Stat. 233.  
 July 31, 1970, Pub. L. 91-361, title I, 84 Stat. 673.  
 Oct. 29, 1969, Pub. L. 91-98, title I, 83 Stat. 151.  
 July 26, 1968, Pub. L. 90-425, title I, 82 Stat. 430.  
 June 24, 1967, Pub. L. 90-28, title I, 81 Stat. 63.  
 May 31, 1966, Pub. L. 89-435, title I, 80 Stat. 174.  
 June 28, 1965, Pub. L. 89-52, title I, 79 Stat. 179.  
 July 7, 1964, Pub. L. 88-356, title I, 78 Stat. 278.  
 July 26, 1963, Pub. L. 88-79, title I, 77 Stat. 102.  
 Aug. 9, 1962, Pub. L. 87-578, title I, 76 Stat. 339.  
 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.

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