

when such articles contain foreign materials which may be imported directly into the United States free of duty.

**§ 1395. Tax laws continued; tax on sugar**

Until Congress shall otherwise provide all laws now imposing taxes in the said West Indian Islands, including the customs laws and regulations, shall, insofar as compatible with the changed sovereignty and not otherwise herein provided, continue in force and effect, except that articles the growth, product, or manufacture of the United States shall be admitted there free of duty: *Provided*, That upon exportation of sugar to any foreign country, or the shipment thereof to the United States or any of its possessions, there shall be levied, collected, and paid thereon an export duty of \$6 per ton of two thousand pounds, irrespective of polariscope test, in lieu of any export tax now required by law: *Provided further*, That the internal revenue taxes levied by the Colonial Council of Saint Croix, or by the Colonial Council of Saint Thomas and Saint John, in pursuance of the authority granted by this section and sections 1391,<sup>1</sup> 1392, 1394, and 1396 of this title on articles, goods, wares, or merchandise may be levied and collected as the Colonial Council of Saint Croix, or as the Colonial Council of Saint Thomas and Saint John, may direct, on the articles subject to said tax, as soon as the same are manufactured, sold, used, or brought into the island: *And provided further*, That no discrimination be made between the articles imported from the United States or foreign countries and similar articles produced or manufactured in the municipality of Saint Croix, or in the municipality of Saint Thomas and Saint John, respectively. The officials of the Customs and Postal Services of the United States are directed to assist the appropriate officials of the municipality of Saint Croix, or of the municipality of Saint Thomas and Saint John, in the collection of these taxes.

(Mar. 3, 1917, ch. 171, § 4, 39 Stat. 1133; Feb. 25, 1927, ch. 192, § 5, 44 Stat. 1235; June 24, 1932, ch. 275, 47 Stat. 333.)

**Editorial Notes**

REFERENCES IN TEXT

Section 1391 of this title, referred to in text, was repealed by Pub. L. 89-554, § 8(a), Sept. 6, 1966, 80 Stat. 643.

AMENDMENTS

1932—Act June 24, 1932, inserted provisos permitting local levy of internal revenue taxes, prohibiting discrimination against imports, and directing customs and postal services to assist in collecting taxes.

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.

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

(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.)

**Editorial Notes**

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.

**Statutory Notes and Related Subsidiaries**

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**

**Editorial Notes**

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.

**Statutory Notes and Related Subsidiaries**

## 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.

**Statutory Notes and Related Subsidiaries**

## 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****Editorial Notes**

## 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.)

**Editorial Notes**

## 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