



**Office of the Lieutenant Governor**  
**Honorable Lieutenant Governor Tregenza A. Roach, Esq.**

**Report for the FY2021 Fall Revenue Estimating Conference**  
**December 1 & 2, 2020**

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**Division of Real Property**

**Office of the Tax Assessor**  
**Ira Mills – Tax Assessor**

**Office of the Tax Collector**  
**Brent Leerdam – Tax Collector**

## Assessment of Taxes

The Office of the Tax Assessor reported in 2019 that the Total Value of Assessed Real Property in the US Virgin Islands was \$14,001,392,576.00. In 2020, the Office of the Tax Assessor determined an assessment of \$14,232,905,813.00 in Total Value of Real Property in the US Virgin Islands, representing a year over year increase of \$231,513,237.00 or 1.65%. This increase is due in large part to rebuilding efforts. Based on this assessment, the Office of the Tax Assessor identified \$73,473,790.45 in 2020 real property tax billables and issued final billing, incorporating homestead and other exemptions along with modified EDC credits, amounting to \$51,126,066.46.

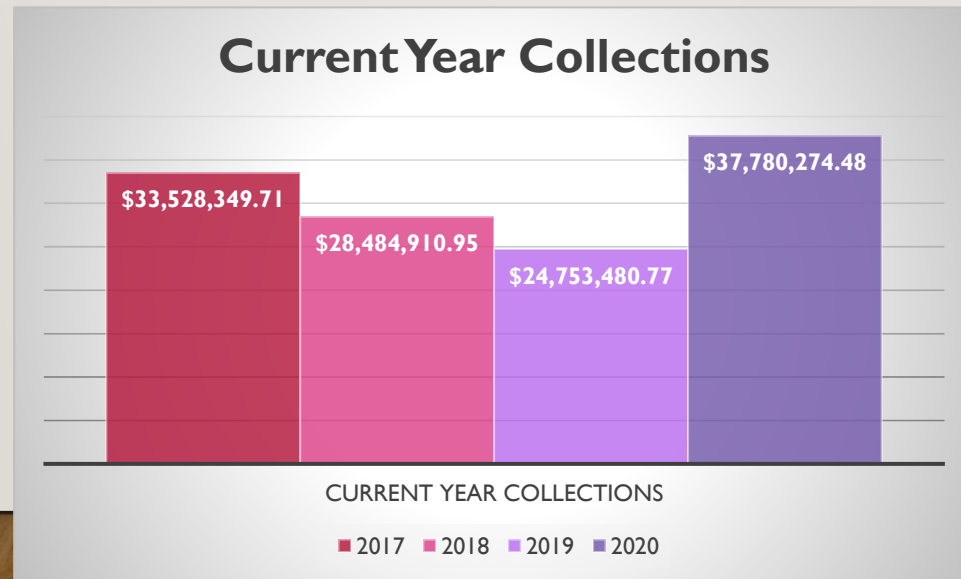
Despite the global economic impact of the pandemic and its response, the value of Virgin Islands real estate continues to increase. Real property tax proceeds remains one of the most reliable sources of revenue for the Government of the Virgin Islands.

2020 PROPERTY TAX ASSESSMENT & BILLING						
SUB-DISTRICT	PARCELS	Total Value	Tax Amount	Sewer Fee	Exemptions Applied	Amount Due
St. Thomas	41,925	6,109,395,333.00	32,807,743.46	1,250,568.73	10,299,604.82	23,758,707.37
Christiansted	20,637	3,564,478,300.00	17,433,659.20	567,336.32	6,875,102.57	11,125,892.95
St. John	13,000	3,098,962,480.00	16,242,762.46	31,126.37	4,478,646.36	11,795,242.47
Frederiksted	10,859	1,364,680,900.00	6,552,405.05	260,531.04	2,639,358.02	4,173,578.07
Water Island	269	95,388,800.00	437,220.28	-	164,574.68	272,645.60
	<b>86,690</b>	<b>14,232,905,813.00</b>	<b>73,473,790.45</b>	<b>2,109,562.46</b>	<b>24,457,286.45</b>	<b>51,126,066.46</b>

## Current Year Tax Collections

“Current Year” property tax collections refers to revenue that is billed and obligated in a specific fiscal year and collected in the same year. For example, current year tax collections for fiscal year 2020 would be tax collected for bills that were issued in June of 2020 and collected before the fiscal year ended on September 30, 2020. Once the subsequent fiscal year begins, the remaining obligation from that 2020 billing becomes “Delinquent Tax Year” revenue.

In FY2019, the Office of the Tax Collector realized \$24.8 Million in current year property tax revenue. In FY2020, the Office of the Tax Collector collected \$37.8 Million in current year property tax revenue, representing a year over year increase of \$13 Million from 2019 or an increase of 52%. In FY2020, the collection rate of current year property tax revenue was 74% versus the FY2019 collection rate of 47%.



## Delinquent Tax Year Collections

As the Office of the Tax Collector continues efforts to increase the collection rate of current year tax obligations, focus has also been given to increase delinquent collections. An increase in the current year collection rate and the delinquency collections contribute to both the revenue collected for the GVI and the corresponding reduction in real property tax obligations owed to the GVI. Plans are underway to further stimulate a continued increase in delinquent collections in a measured and considerate manner, which will result in significant reductions in real property tax delinquencies.

In a continued effort to incentivize taxpayers to pay their delinquent taxes and to provide those taxpayers with payment assistance, Lieutenant Governor Roach has provided full authority to the Office of the Tax Collector to grant ***waivers of interest & penalties*** on real property taxes, without the need to show cause. The Office of the Tax Collector now utilizes a full suite of collection tools, to include the aforementioned amnesty, which are made available to assist individuals and businesses desiring to satisfy tax delinquencies.

The normal collection process, combined with the administrative accommodations granted by the Lieutenant Governor, provides the maximum taxpayer assistance possible. The intent of this effort is to provide delinquent property owners with viable options to discharge their tax obligations. The auction of real property for the collection of unpaid taxes is available as a part of the collections process. Delinquent taxpayers are offered every opportunity to address their tax obligations before the Office of the Tax Collector resorts to the auction mechanism.



Administrative accommodations that Lieutenant Governor Roach has provided to assist delinquent taxpayers include:

- Installment payment plans with reasonable payment terms are provided to taxpayers to assist with delinquencies
- Reduction in the amount of initial down payment required to begin a payment plan
- Waivers of interest and penalties are accommodated with evidence of circumstances that prevented timely payment
- Waiver of interest and penalties when given as an amnesty to all property owners

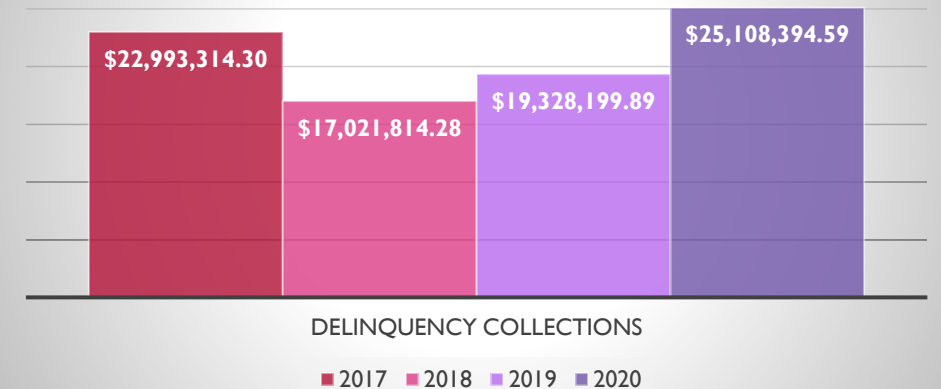
In FY2019, the Office of the Tax Collector realized \$19.3 Million in delinquent property tax revenue.

In FY2020, the Office of the Tax Collector collected \$25.1 Million in delinquent property tax revenue, representing a year over year increase of \$5.8 Million from 2019, a 30% increase.

**Delinquent Accounts by Sub-District - As of 11-25/2020**

	Tax Records	Base Tax	Penalty	Interest	Sewer Fees	Total Due
<b>St. Thomas</b>	134,139	\$53,203,108.40	\$651,549.22	\$11,035,287.84	\$3,787,358.98	\$68,677,304.44
<b>Christiansted</b>	34,872	\$17,976,551.30	\$168,051.73	\$3,561,697.19	\$1,393,015.61	\$23,099,315.83
<b>St. John</b>	19,631	\$25,248,909.03	\$91,396.89	\$5,005,602.80	\$47,793.42	\$30,393,702.14
<b>Frederiksted</b>	22,455	\$8,841,901.50	\$108,469.67	\$1,734,403.00	\$889,621.61	\$11,574,395.78
<b>Water Island</b>	216	\$326,139.58	\$1,050.00	\$70,501.47	\$0.00	\$397,691.05
	<b>211,313</b>	<b>\$105,596,609.81</b>	<b>\$1,020,517.51</b>	<b>\$21,407,492.30</b>	<b>\$6,117,789.62</b>	<b>\$134,142,409.24</b>

**RPT Delinquency Collections**



## FY 2021 Collection Forecast

For the current FY2021, the Office of the Tax Collector forecasts collections of \$58,000,000 in revenue, which is based on current economic uncertainties. Of the expected FY2021 collections in real property taxes, current year represents \$33,000,000.00, while delinquencies represent \$25,000,000.00.

<b><u>REAL PROPERTY TAX FORECAST FOR FY2021</u></b>				
<b>YEAR</b>	<b>DELINQUENT</b>	<b>MIN TAX</b>	<b>2021 BILLS</b>	<b>TOTALS</b>
<b><u>FY 2021 FORECAST*</u></b>	<b><u>\$25,000,000.00</u></b>	<b><u>\$1,650,000.00</u></b>	<b><u>\$31,350,000.00</u></b>	<b><u>\$58,000,000.00</u></b>
FY 2021 ACTUALS				
<b>YEAR</b>	<b>DELINQUENT</b>	<b>MIN TAX</b>	<b>2020 BILLS</b>	<b>TOTALS</b>
FY 2020 FORECAST*	\$23,000,000.00	\$1,650,000.00	\$30,000,000.00	\$54,650,000.00
FY 2020 ACTUALS	\$25,108,394.59		\$37,780,274.48	\$62,888,669.07
<b>YEAR</b>	<b>DELINQUENT</b>	<b>MIN TAX</b>	<b>2019 BILLS</b>	<b>TOTALS</b>
FY 2019 FORECAST	\$20,446,000.00	\$1,650,000.00	\$28,372,000.00	\$50,468,000.00
FY 2019 ACTUALS	\$19,300,000.00		\$27,200,000.00	\$46,500,000.00
Note - 2019 BILLS WERE ISSUED ON JULY 15, 2019				
<b>YEAR</b>	<b>DELINQUENT</b>	<b>MIN TAX</b>	<b>2018 BILLS</b>	<b>TOTALS</b>
FY 2018 FORECAST*	\$15,000,000.00	\$3,300,000.00	\$23,800,000.00	\$42,100,000.00
FY 2018 ACTUALS	\$17,000,000.00		\$31,800,000.00	\$48,800,000.00
* FORECAST OF EACH YEAR BASED ON ISSUANCE OF BILLS IN JUNE				

**Division of Real Property  
Office of the Tax Collector  
Brent A. Leerdam, Tax  
Collector  
Report Date: 11/25/2020**

