UNITED STATES VIRGIN ISLANDS
Economic Development Authority

Virgin Islands Economic Development Authority

2021 Revenue Estimating Conference

August 10, 2021

The Buccaneer Hotel
VIEDC Beneficiary

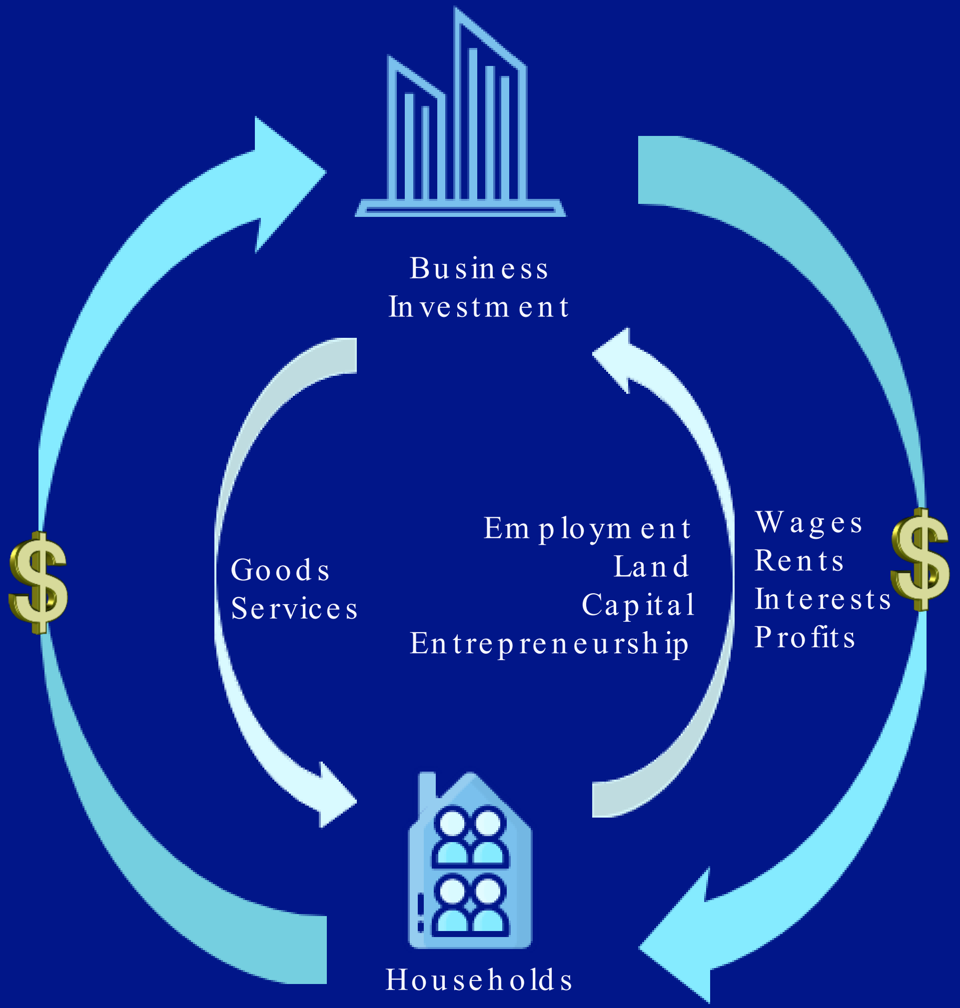
Virgin Islands Economic Development Commission

Fiscal Years 2022 -2026 Revenue Projections

Tramway Properties, Inc.
VIEDC Beneficiary

UNITED STATES VIRGIN ISLANDS
Economic Development Authority

WHAT IS ECONOMIC DEVELOPMENT?



The International Economic Development Council (IEDC) defines economic development "as a program, group of policies, or activity that seeks to improve the economic well-being and quality of life for a community, by creating and/or retaining jobs that facilitate growth, enhance wealth and provide a stable tax base."

Alpine Group USVI, LLC
VIEDC Beneficiary

FACT

Tax incentives are intended to spur economic growth that would not have otherwise occurred.

The Territory starts at a net zero position

10% Income Tax Paid to the Territory

Capital Investments

Employment Wages & Benefits for VI Residents

Charitable Contributions

100% Income Tax on Global Income

BENEFITS TO THE TERRITORY

BENEFICIARIES MUST PAY

- Income Tax
- Payroll Tax
- Property Tax
- Franchise Tax
- Stamp Tax

All other applicable taxes not covered under the grant of incentives must also be paid.

NOTE ON INCOME TAX

10% on VIEDC Corporate Income

Effective Tax Rate: 2.3% (based on tax rate of 21% and 10% surcharge)

10% on VIEDC Personal Income

Effective Tax Rate: 3.7% (based on exemption and partial exemption as provided in 29 V.I.C. À713d on Distributions, Dividends and/or Interest Withholding)

Full Tax Rate on Global Non-VIEDC Personal Income

No tax-incentive/benefits are taken on income derived from services provided in the USVI (Designated Services)

BENEFITS TO THE TERRITORY

LOCAL INVESTMENT

Minimum Capital

Investment of $100,000

Purchase Goods and Services Locally from Virgin Islands Businesses

BENEFITS TO THE TERRITORY

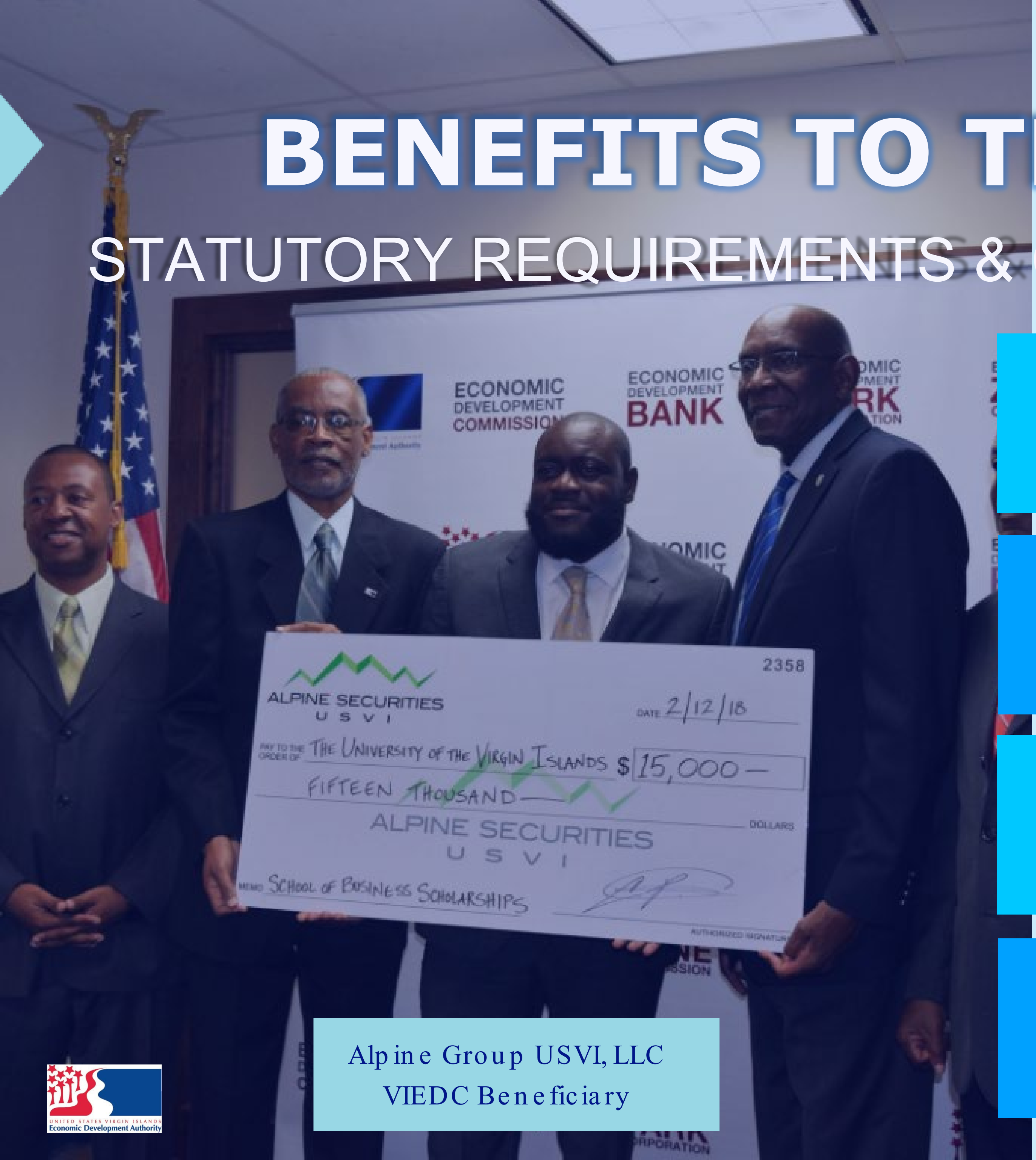
EMPLOYMENT

Hire a Minimum of 5 (Financial Services only) or 10 Full-time Employees	Pension Plan, Medical Insurance and Paid Time Off (Vacation, Sick, Donated, & Other Leave Required by Law)
80% of Full-time Positions Filled by Virgin Islands Residents	Management Training Programs
20% Management / Supervisory / Technical Positions Filled by Virgin Islands Residents	Tuition Reimbursement

United Electronic Industries Services, LLC
VIEDC Beneficiary

BENEFITS TO THE TERRITORY

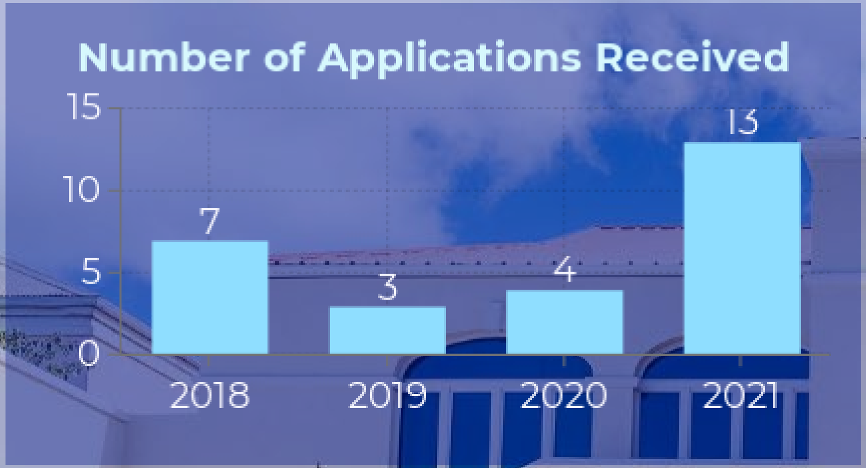
STATUTORY REQUIREMENTS & CHARITABLE CONTRIBUTIONS

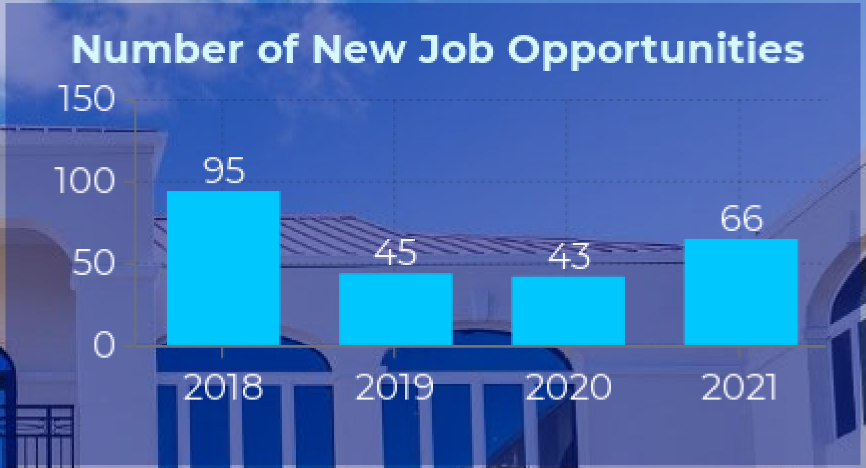


Alpine Group USVI, LLC
VIEDC Beneficiary

- Contribution of $3000 Annually to the Board of Education
- Contribution of $2500 Annually to the Department of Labor
- Charitable Contributions Annually to Local Non-profits, 501(c)3 Entities and/or Government Programs
- Education Assistance, Including Internship Opportunities and Scholarships

HISTORICAL NEW APPLICANT STATISTICS





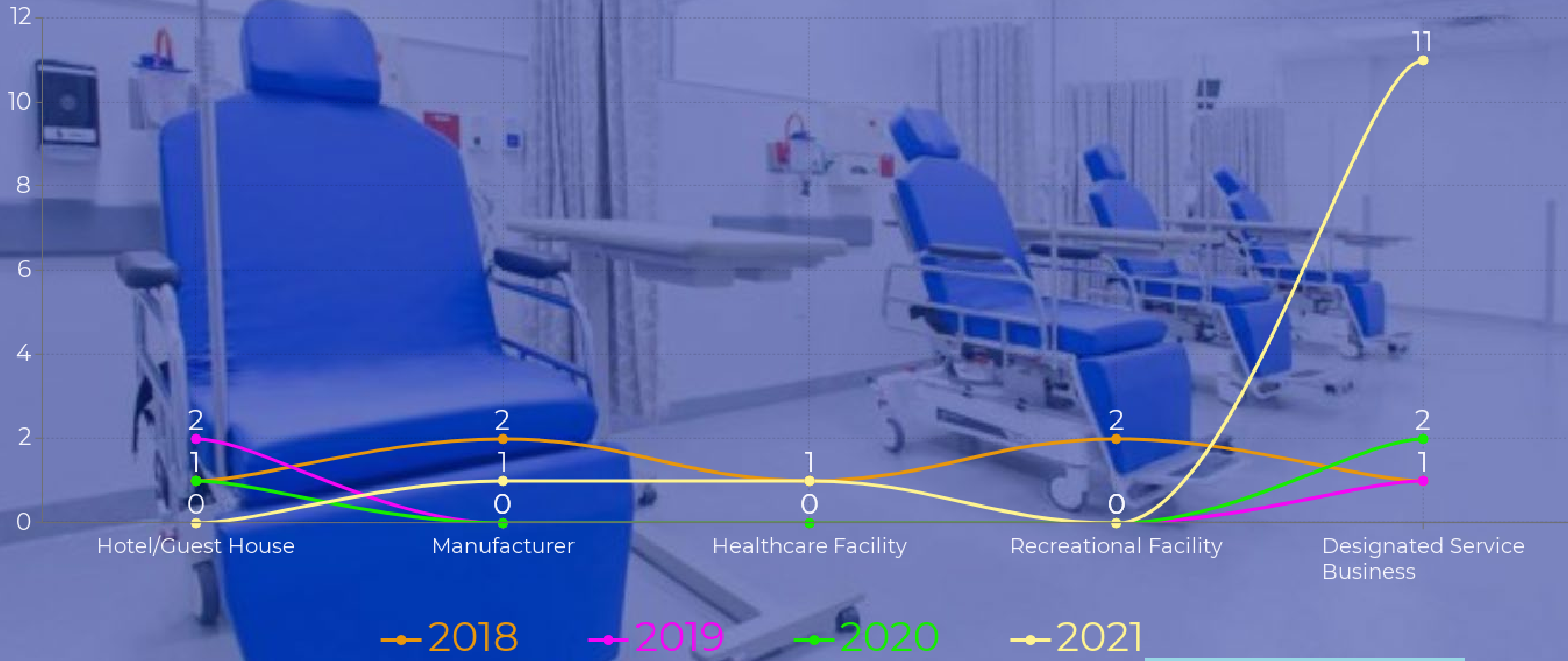
Data as of June 30, 2021

International Private Bank, LLC

VIEDC Beneficiary

New Applicant Historical Data

Industry Type



Data as of June 30, 2021

Plessen Healthcare, LLC
VIEDC Beneficiary

ECONOMIC IMPACT ANALYSIS

Impact of the Beneficiaries of the EDC Program for the Period 2013-2015

19.3 THOUSAND

Full -Time Equivalent Jobs
Average: 6,436/year

$9.7 MILLION

Charitable Contributions
Average: $3.23M/year

$309 MILLION

Taxes and Duties Paid
Average: $103M/year

$1 BILLION

Wages & Salaries
Average: $339M/year

$1.5 BILLION

Territory -Wide Economic Output
Average: $500M/year

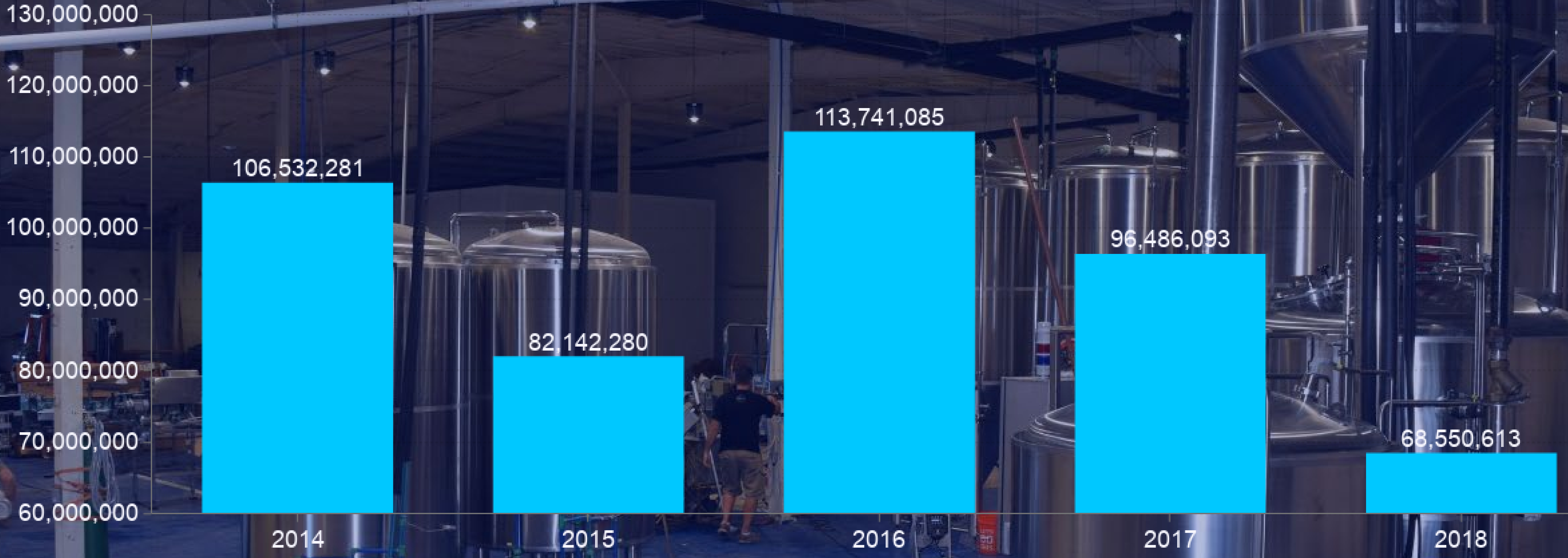
Source: USVIEDA Economic Impact Analysis conducted by UVI's Institute for Leadership & Organizational Effectiveness (2019)

Seven Seas Water Corporation (USVI)
VIEDC Beneficiary

United States Virgin Islands Economic Development Authority

TOTAL TAXES & DUTIES PAID

2014-2018 STATISTICS



The average annual taxes and duties paid from 2014-2018 was $98.2 million.

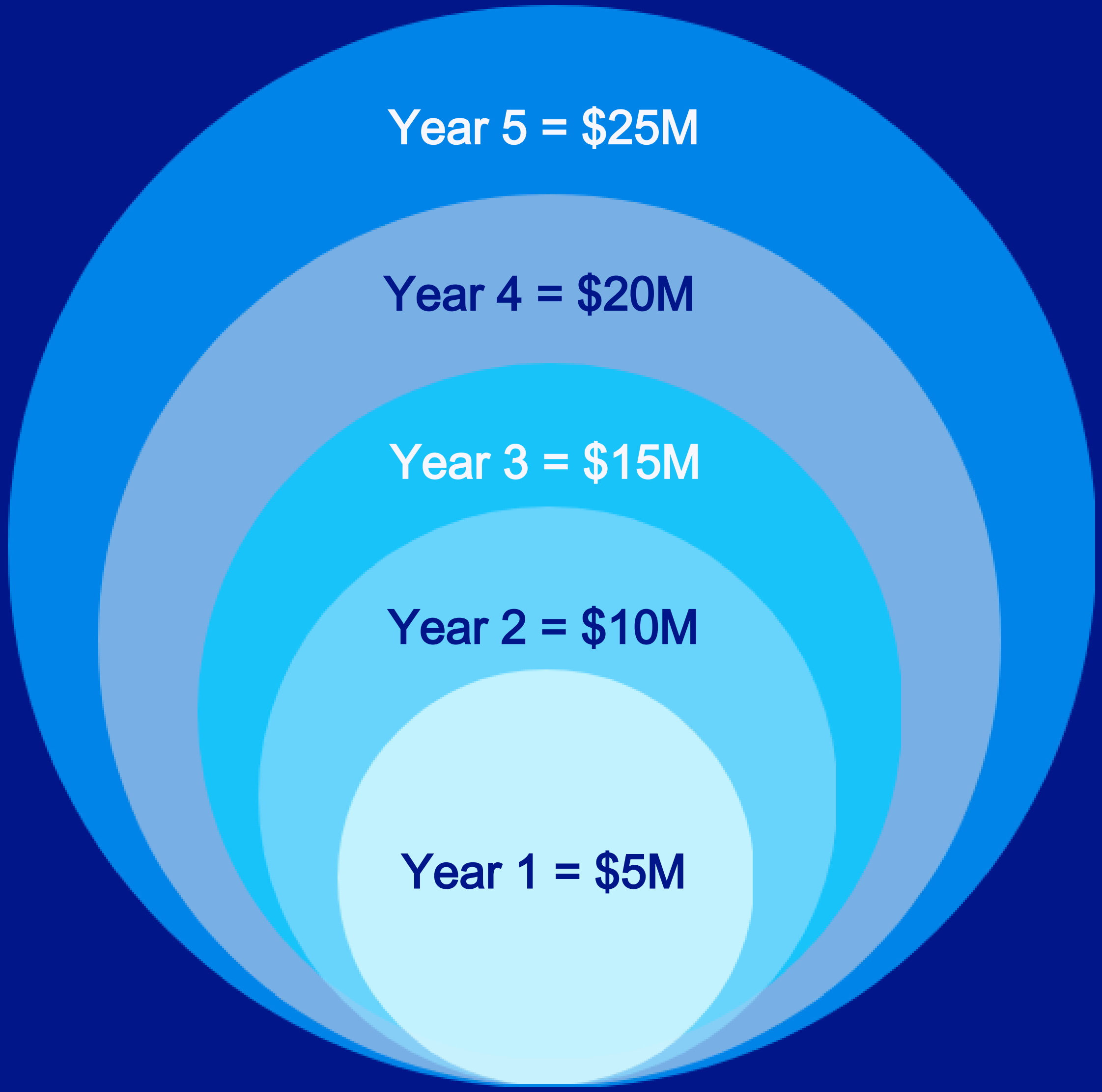
Leatherback Brewing Company, LLC
VIEDC Beneficiary

Economic Development Authority

FISCAL IMPACT TO THE USVI ECONOMY

FY 2022-2026 ANTICIPATED REVENUES

Over Next Five Years



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