



2022 ANNUAL REPORT

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An Overview of FY 2022

The purpose of this annual public report on the Territory's revenues is twofold. Firstly, it ensures that the Territory is consistently monitoring its revenues and expenditures to allow for proactive responses to unanticipated changes or emerging trends. Secondly, this report lends credibility to the Government's efforts at increasing transparency of the Territory's finances. It is the Office of Management and Budget's (OMB) belief that the government is accountable to its taxpayers to use revenues collected in an efficient and effective manner. This report provides taxpayers with the information they need to hold the government to this standard.

This annual report contains an overview of the Territory's actual collection of General Fund revenues for FY 2022, as compared to FY 2021 and a view of FY 2022 expenditures by quarter. This report will highlight notable trends as well as some initial insight as the Territory recovers from the COVID-19 pandemic. The Territory's economy during FY 2022 has stabilized and strengthened, our business community has begun to diversify, and government operations has expanded the use of technology to increase efficiency in daily operations. The Administration's approach to the FY 2022 budget process was cautious and realistically conservative. The prudence of a conservative FY 2022 budget allowed for the Administration to continue to provide, expand, and strengthen services for the community, as well as to fund capital projects.

For FY 2022 the Territory saw overall Total Operating Income collections increase by 7%. Specifically, Total Taxes increased by 7%. Notable increases were seen in Excise Tax at 82%, Corporate Income at 50%, Individual Income at 3%. The large increase in Excise Taxes can be attributed to the resumption of collections in January FY21. By contrast the most notable reductions in taxes were Gross Receipts at 7%. Other revenues with notable increases were Fines, Forfeits, and Penalties at 54%, and Licenses at 20%, and notable reductions were the Environmental Impact Fee at 53% and Custom Dues at 21%.

The information provided in this report is the most accurate available as of the date of composition. Furthermore, the report does not purport to be audited financial statements and as such, the numbers are preliminary and subject to change. The information provided here are not final. For final numbers, please refer to the Financial Audit Report from the Department of Finance.

This annual report will focus entirely on the performance of the major revenue and expenditure categories for the General Fund. For all other major funds, a listing of the fund balance and legislative authority establishing those funds can be found in the Budget Book published on OMB's website. Subsequent iteration of the report will endeavor to include analysis of collections beyond the General Fund and a comparable exploration of the Territory's expenditures from said funds. The major revenue categories explored here are Real Property, Individual Income, Corporate Income, Excise Tax and Gross Receipts. These revenue streams have historically been the most significant contributors to the General Fund. Revenues outside operating income are considered to the extent they provide a complete picture of the Territory's General Fund collections; specifically, the transfers to the General Fund.

FY 2022 Financial Revenue

Detail of Financial Revenue

General Fund Revenue Detail	FY 2022 Legislative Appropriation	FY 2022 Preliminary Actuals
Income Taxes		
Individual Income	\$425,000,000	\$462,425,910
Corporate Income	\$65,000,000	\$109,153,900
Total Income Taxes	\$490,000,000	\$571,579,810
Other Taxes		
Real Property	\$60,000,000	\$50,238,879
Payment in lieu of Taxes	-	-
Trade & Excise	\$38,000,000	\$36,718,044
Gross Receipts	\$239,000,000	\$221,549,326
Inheritance Tax	-	-
FSC Franchise	-	-
Corporate Franchise	\$5,400,000	\$4,943,287
Stamp Tax	\$8,900,000	\$17,544,471
Total Other Taxes	\$351,300,000	\$330,994,007
Other Revenues		
Malpractice Insurance	\$4,700	-
Licenses	\$4,500,000	\$4,756,334
Fees & Permits	\$7,600,000	\$8,142,102
Lime Tree (Refinery)	-	-
Lime Tree Terminal Fee	\$11,000,000	\$21,121,258
Franchise Fees	\$580,000	\$799,960
U.S. Customer Duties	\$3,900,000	\$855,133
All Other	\$5,632,579	\$6,316,048
Miscellaneous Service Charge	\$5,891,361	\$2,527,189
Total Other Revenues	\$39,108,639	\$44,518,024
Total Gross Revenue*	\$880,408,639	\$947,091,839

*Does not include Refund, Transfers In, Transfers Out, Revenues from Anticipated Projects or Other Financing Sources

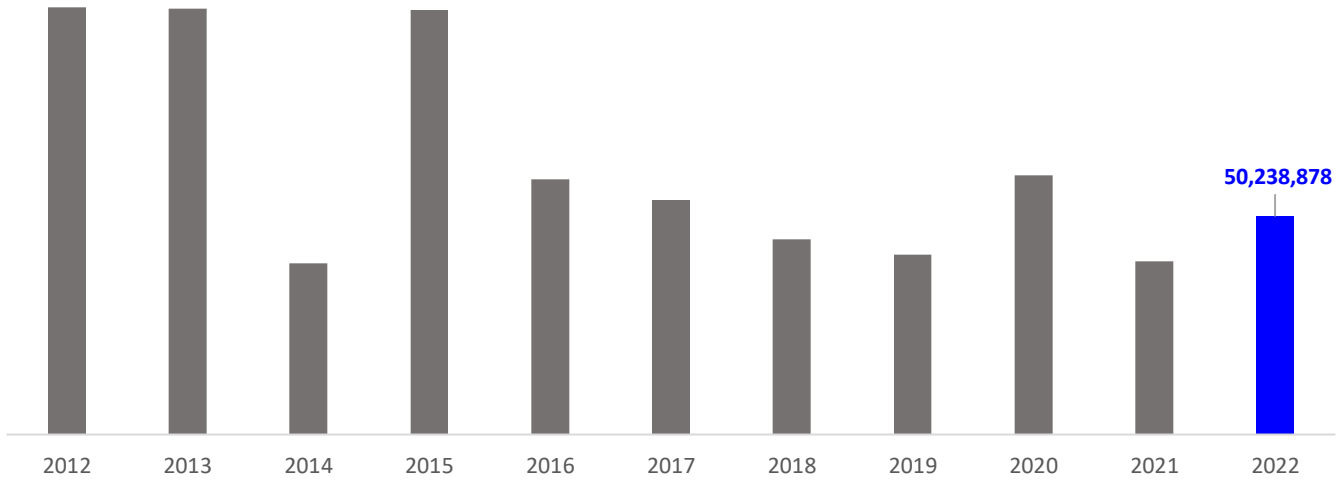
Revenue Summary by Category

Revenue Summary by Category	FY 2022 Legislative Appropriation	FY 2022 Preliminary Actuals
Income Taxes	\$490,000,000	\$571,579,810
Other Taxes	\$351,300,000	\$330,994,007
Other Revenues	\$39,108,639	\$44,518,024
Transfers In	\$81,472,472	\$82,389,023
Transfers Out	(\$84,954,965)	(\$166,945,925)
Other Financing Sources	\$30,000,000	\$8,867,059
Total Gross Revenues*	\$880,408,639	\$947,091,839
Total Net Revenues	\$933,182,249	\$ 796,401,998

*Does not include Refund, Transfers In, Transfers Out, Revenues from Anticipated Projects or Other Financing Sources

General Fund Revenue (5) Major Categories

Real Property (2012-2022)



Real Property

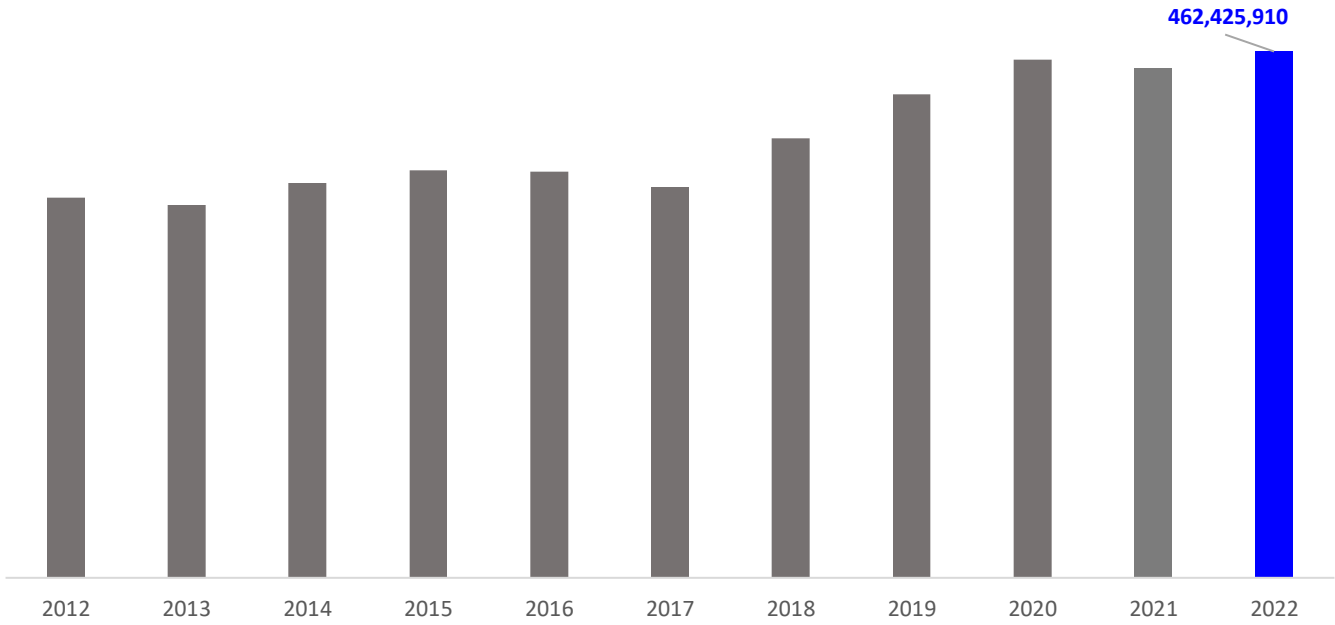
St. Thomas
FY 2022 vs FY 2021

53%

St. Croix
FY 2022 vs FY 2021

14%

Individual Income (2012-2022)



Individual Income

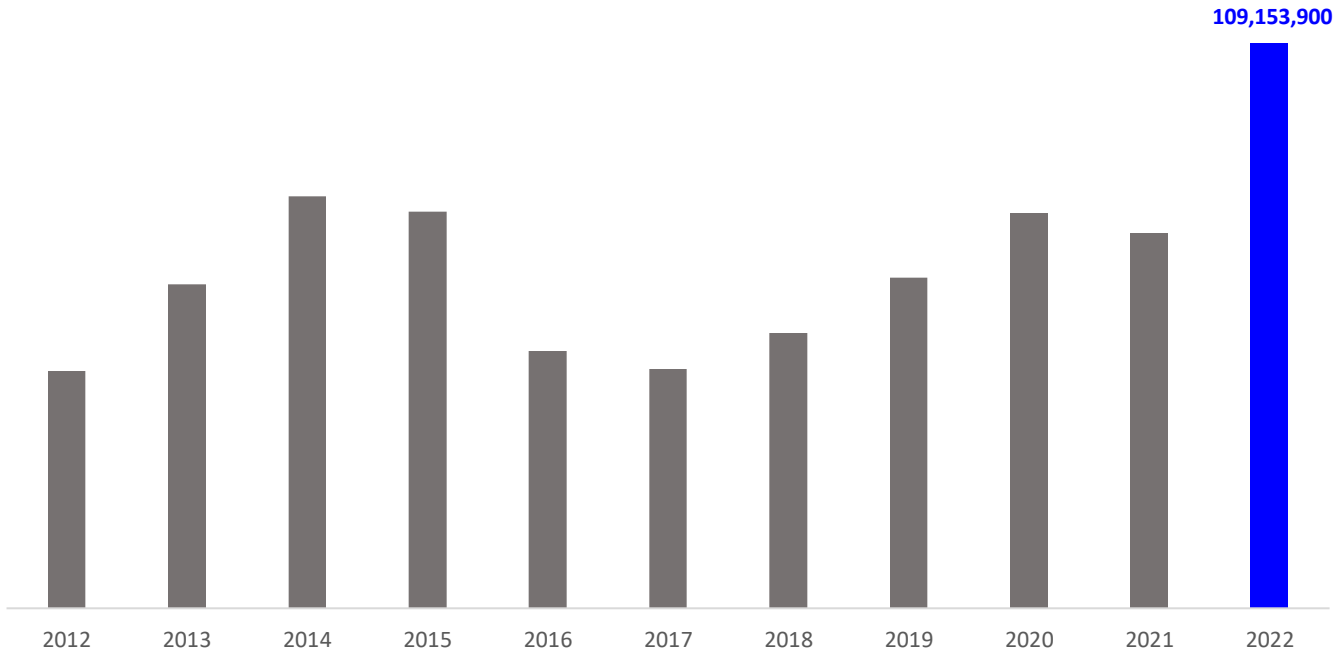
St. Thomas
FY 2022 vs FY 2021

9%

St. Croix
FY 2022 vs FY 2021

-12%

Corporate Income (2012-2022)



Corporate Income

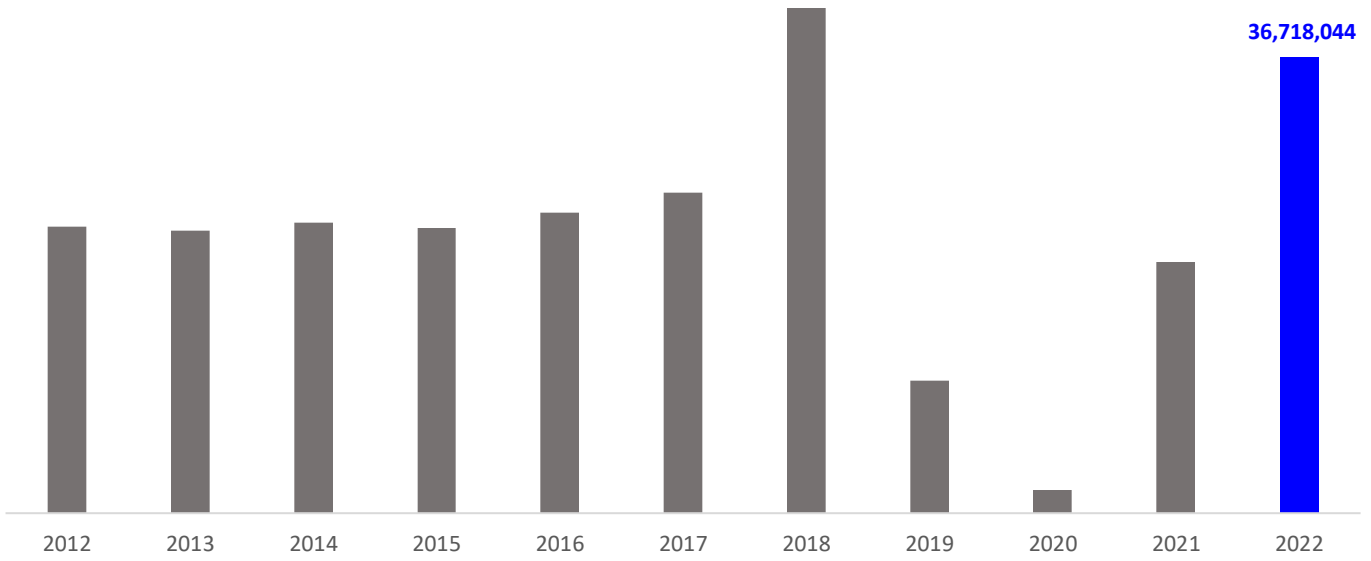
St. Thomas
FY 2022 vs FY 2021

83%

St. Croix
FY 2022 vs FY 2021

-6%

Excise Tax (2012-2022)



Excise Tax

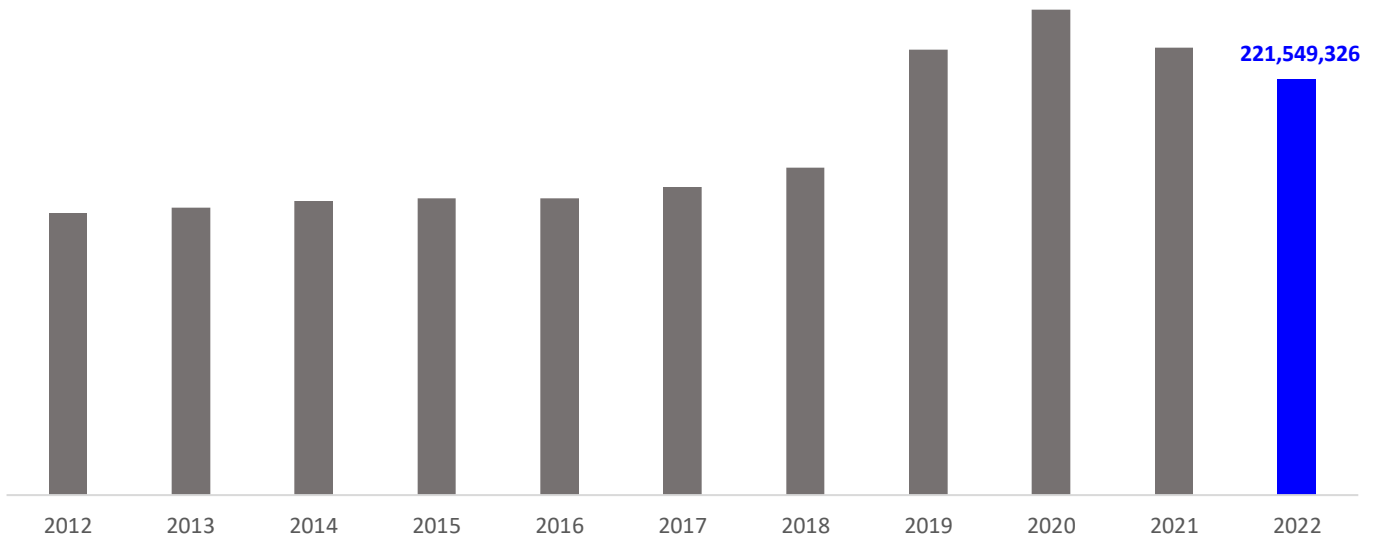
St. Thomas
FY 2022 vs FY 2021

71%

St. Croix
FY 2022 vs FY 2021

22%

Gross Receipts (2012-2022)



Gross Receipts

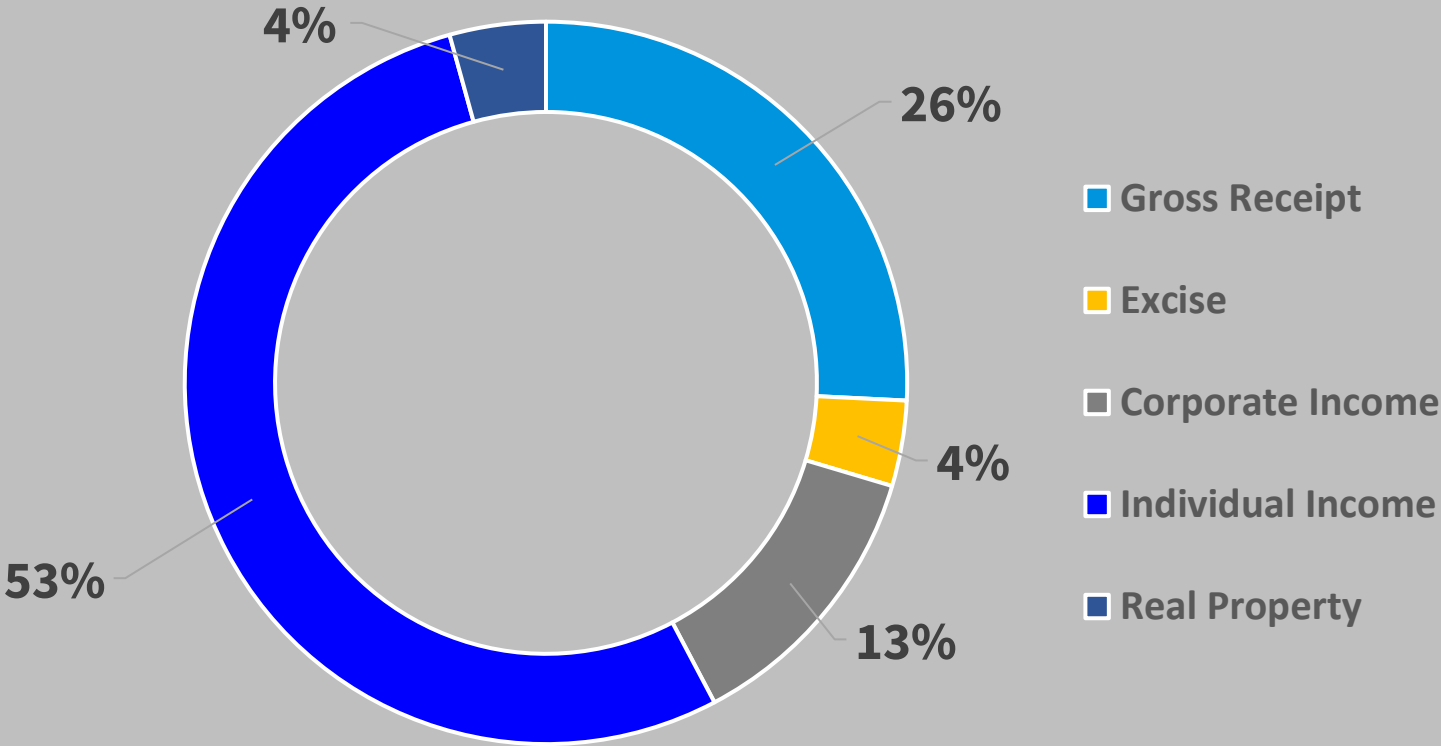
St. Thomas
FY 2022 vs FY 2021

0.12%

St. Croix
FY 2022 vs FY 2021

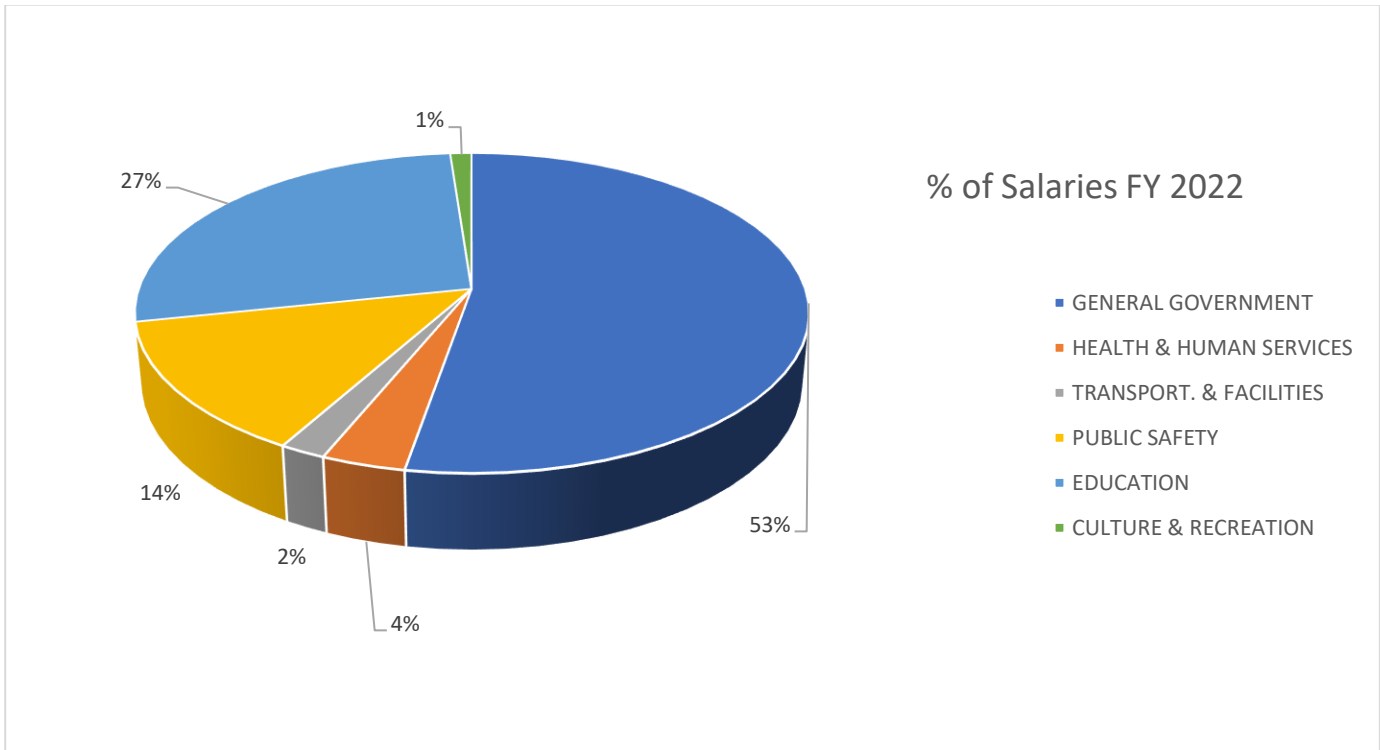
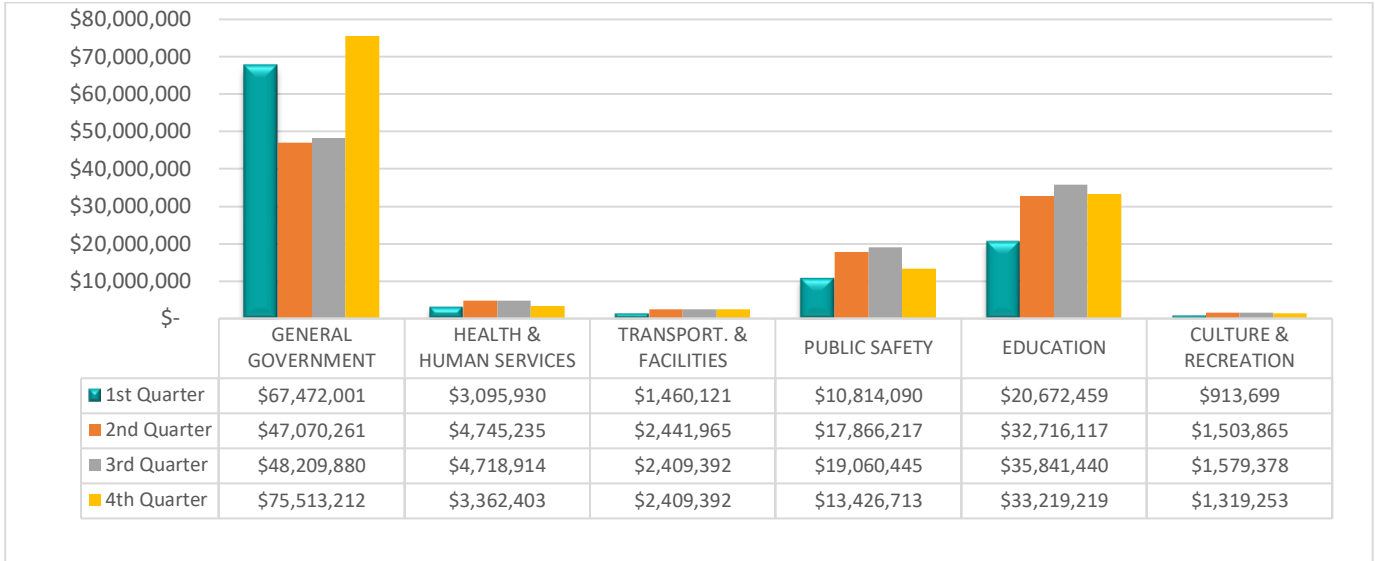
-22%

Percentage of (5) Major Tax Categories Collections for FY 2022

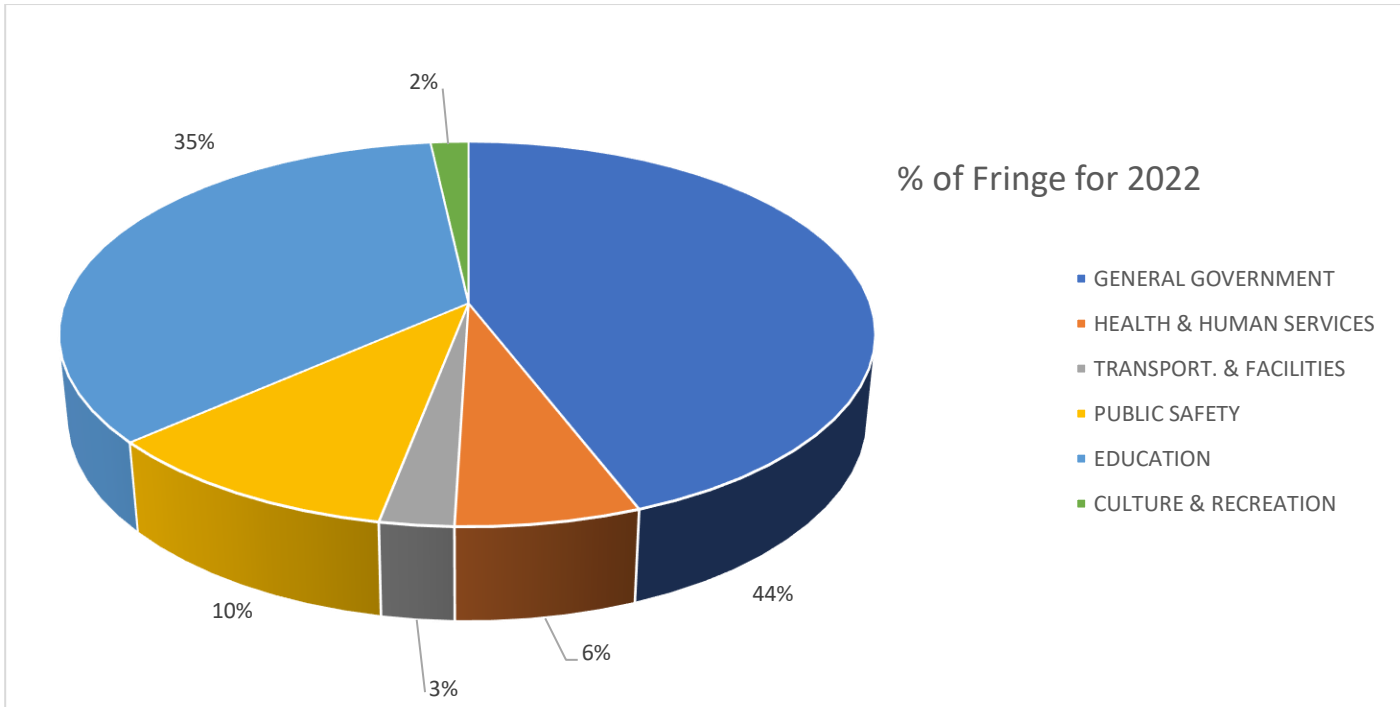
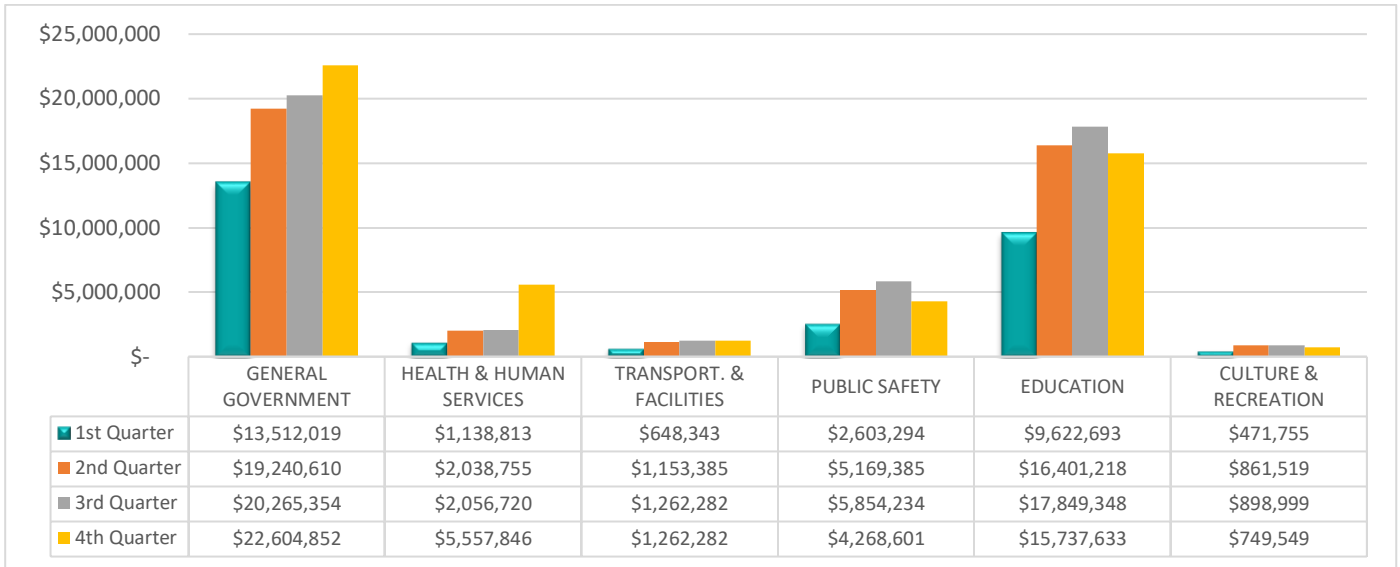


Expenditures

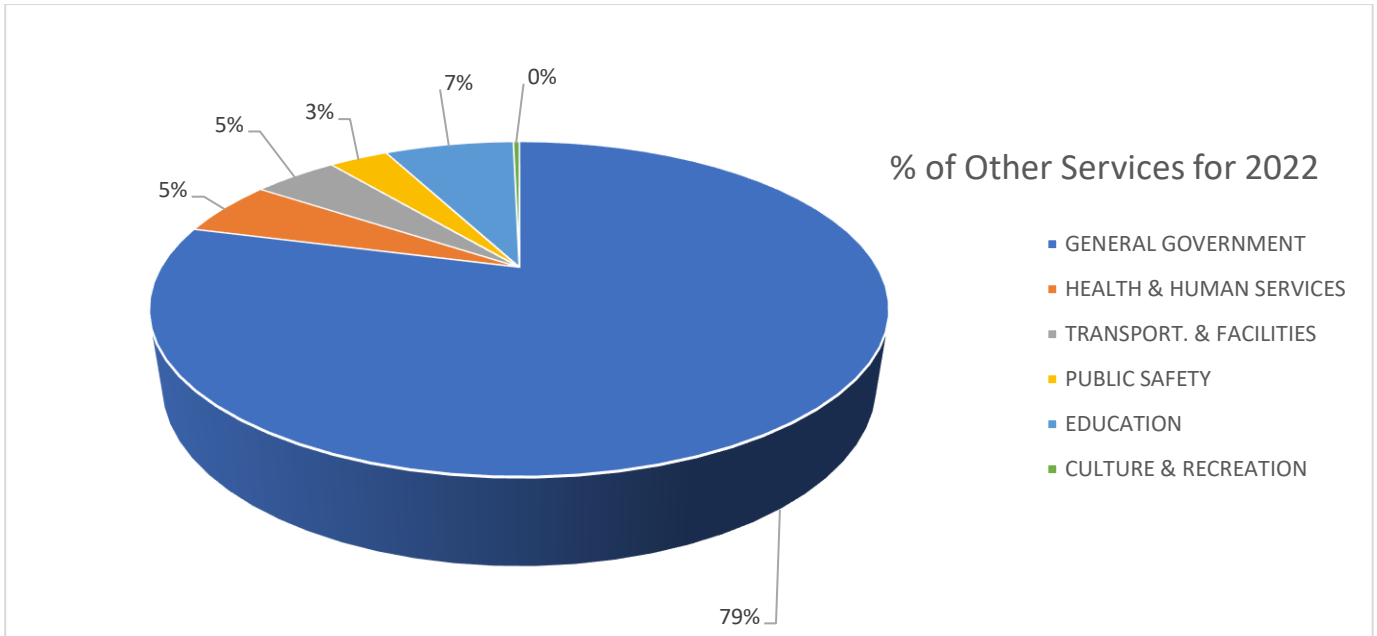
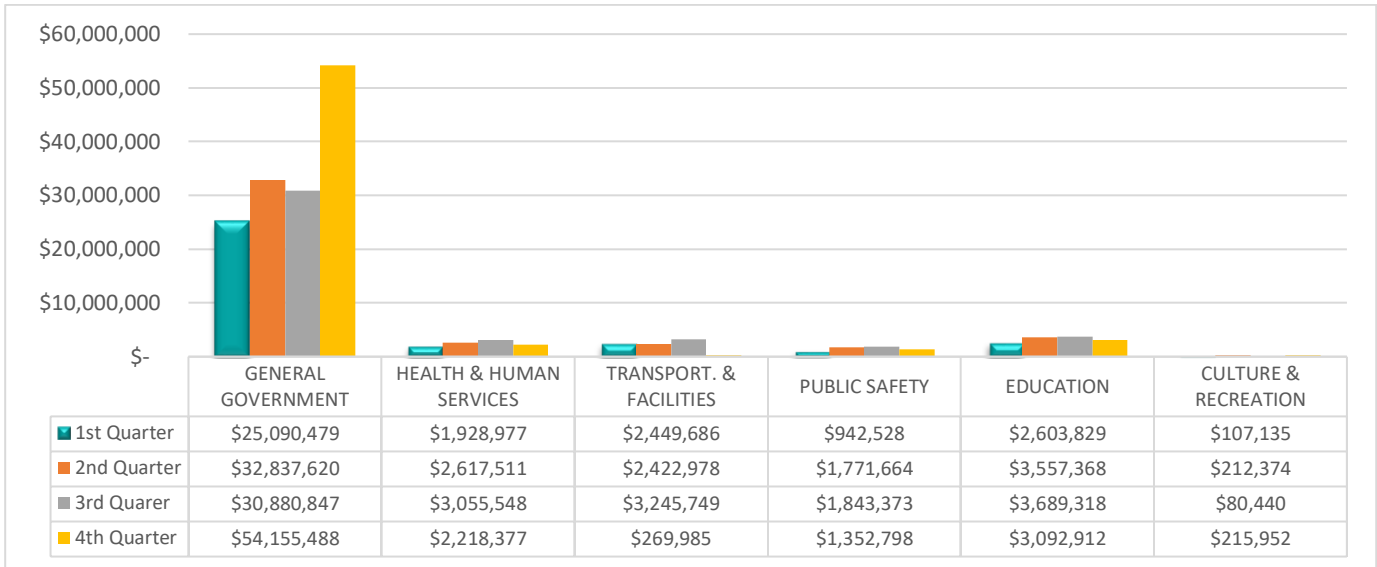
Salaries (October 2021- September 2022)



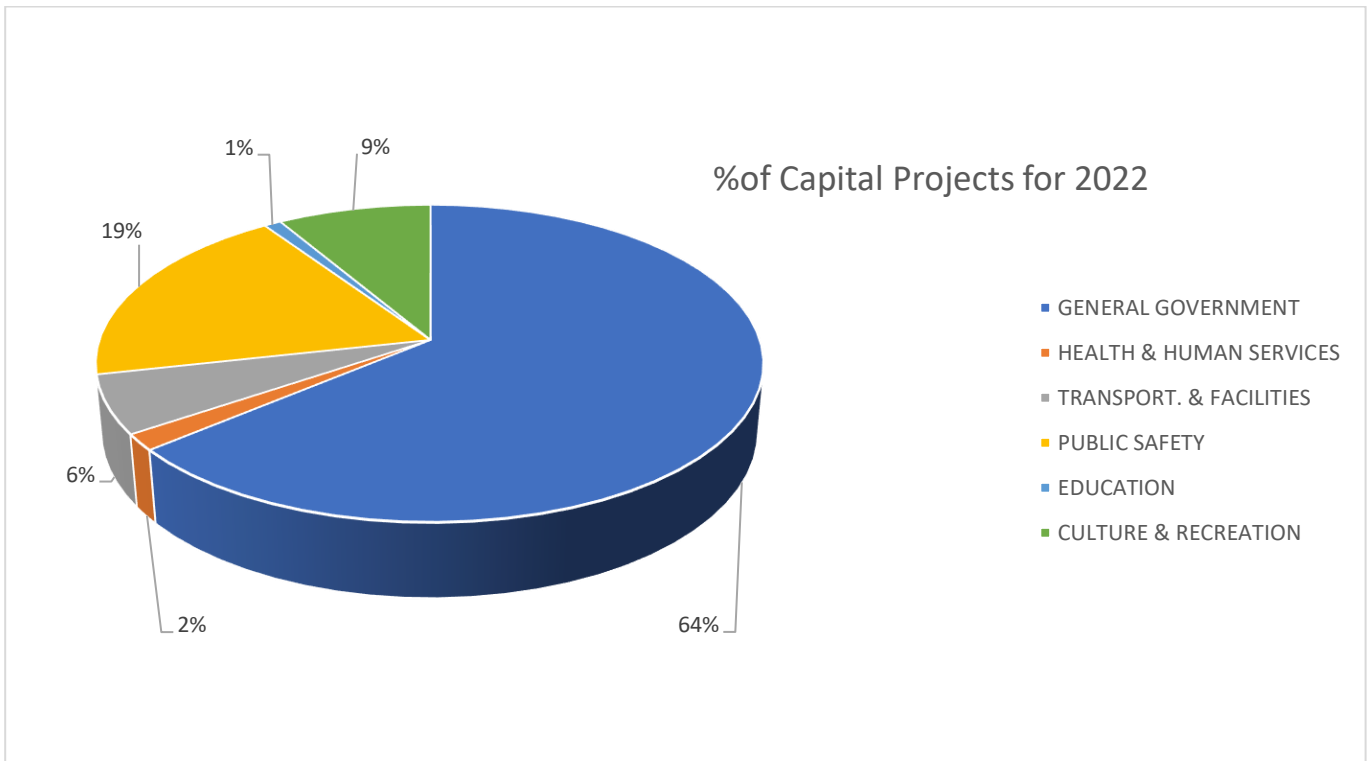
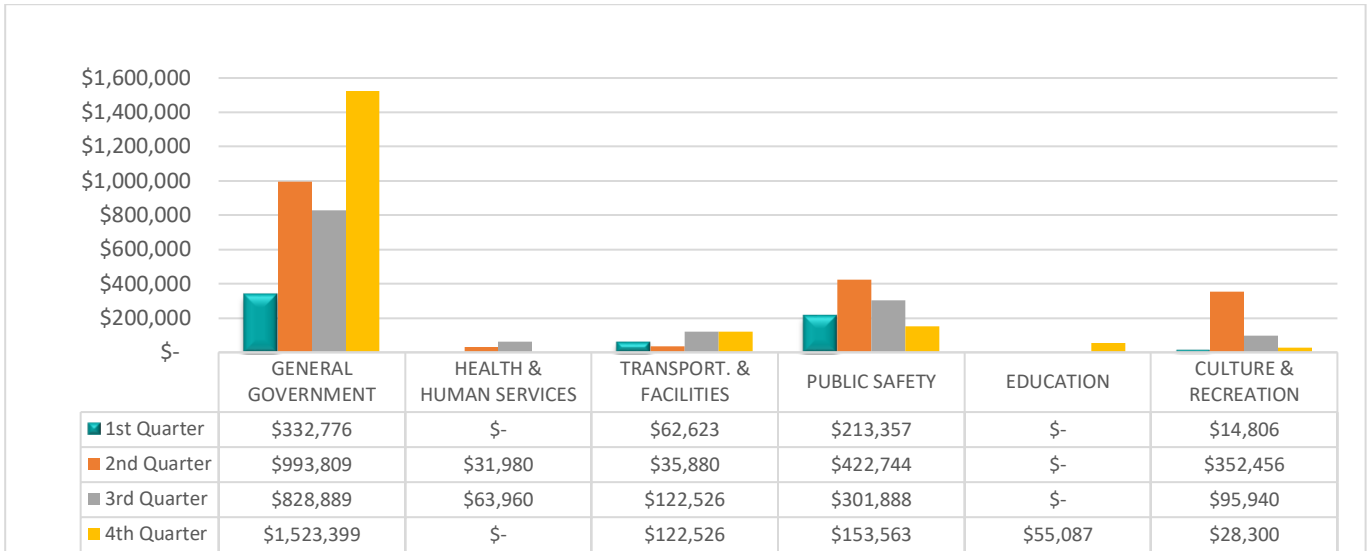
Fringe (October 2021- September 2022)



Other Services (October 2021- September 2022)

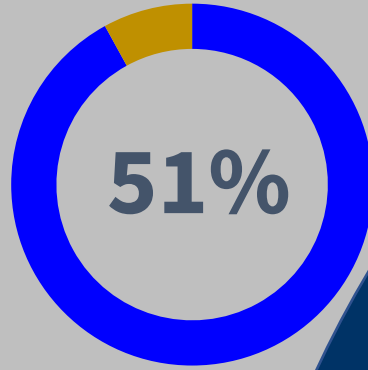


Capital Projects (October 2021- September 2022)

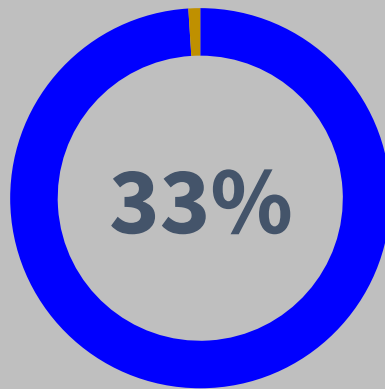


Expenditures

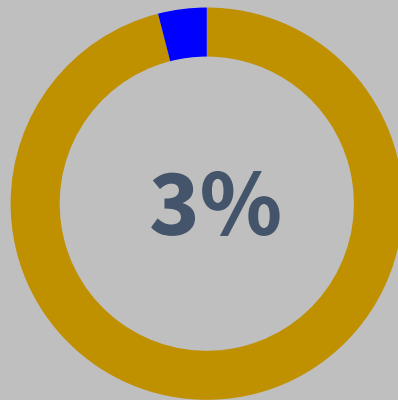
FY 2022 vs FY 2021



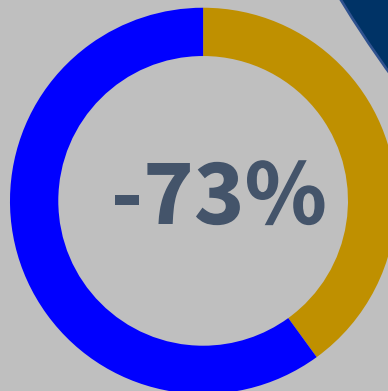
Salaries increased by 51%



Fringe increased by 33%



Other Services increased by 3%



Capital Projects decreased by 73%