



**GOVERNMENT OF
THE VIRGIN ISLANDS OF THE UNITED STATES**
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VIRGIN ISLANDS BUREAU OF INTERNAL REVENUE



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**BIR ISSUES GUIDELINES FOR EXCISE TAX CLEARANCE
ON IMPORTED GOODS**

Claudette Watson-Anderson, CPA, Director of the Virgin Islands Bureau of Internal Revenue, provides the following guidelines to all taxpayers who are doing business with the Bureau's excise tax offices.

1. All taxpayers importing items into the Territory must visit the Excise Tax office to file and pay excise tax before visiting and clearing the items with the Customs office.
2. Taxpayers must bring the invoice and the bill of lading to have the items cleared with the excise office, even if the items are exempt from excise tax. If you have obtained the items for less than fair market value, the excise will be calculated based on fair market value. Any taxpayer doing business with the Government of the Virgin Islands or Federal Government is subject to excise tax, unless the taxpayer has a separate exemption under the law.
3. EDC companies must present the EDC certificate at the time of clearance of items, and may have to pay excise tax on items being imported that are not exempt under the EDC certificate. Tax Exempt Organizations must be up to date with their Form 990 filings to obtain exemption from excise tax. Non-

profit organizations are not entitled to exempt from excise tax unless they have obtained 501(c)(3) status with the IRS.

4. Credit cards and checks are accepted for the payment of excise tax.

Beginning March 3rd, excise taxpayers and brokers will have the ability to prepare and upload their excise tax returns by visiting the Bureau's website at www.vibir.gov and clicking on the excise tax link. The Bureau will also track the data for all items being imported into the territory. The upgrade to the excise tax system was accomplished through a grant from the Department of Interior.

Questions regarding these guidelines should be directed to Glen Hodge, Supervisor of the Excise Tax Division, at (340) 775-0192.

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January 23, 2014