



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



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BIR Reminds Taxpayers of Hotel Room Tax Increase to 12.5%

Marvin L. Pickering, EA, PHR, Director of the Virgin Islands Bureau of Internal Revenue, reminds hoteliers, time share developers and innkeepers that the hotel room tax will increase from 10% to 12.5% effective for hotel stays beginning January 1, 2016. The increased tax rate will apply to every guest that resides in the hotel, villa, time share, inn, or any other sleeping accommodations for a period of less than 90 days, beginning on January 1, 2016.

The hotel room tax is 12.5% of the gross room rental, which includes the gross room rate plus any additional charges, such as energy surcharges and maintenance fees. Please review the calculation of the hotel room tax to ensure that you are calculating in accordance with Title 33 section 54 of the Virgin Islands Code. The 12.5% hotel room tax should be separately stated on the invoice to alert guests to the amount of tax that is owed by them. According to Director Pickering, it is imperative that taxpayers are able to easily identify the tax charges on their bill, to ensure that the tax is being properly calculated.

Hotel room tax returns are due on the 30th day after the end of each month. Questions concerning the hotel room tax should be directed to the Office of Chief Counsel at (340) 715-1040, ext 2249.