



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



6115 Estate Smith Bay-Suite 225  
St. Thomas VI 00802  
Phone: (340) 715-1040  
Fax: (340) 774-2672

4008 Estate Diamond Plot 7 B  
Christiansted VI 00820-4421  
Phone: (340) 773-1040  
Fax: (340) 773-1006

**BIR Informs Taxpayers of Hotel Room Tax Increase to 12.5%**

Marvin L. Pickering, EA, PHR, Director of the Virgin Islands Bureau of Internal Revenue, informs hoteliers, time share developers and innkeepers that the hotel room tax will increase from 10% to 12.5% effective 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. 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.

The 12.5% hotel room tax should be separately stated on the invoice to avoid any appearance of collecting more tax than is allowed by law. 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 30<sup>th</sup> 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.

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