

**Virgin Islands
Economic Development Commission**

The Youth Recreational Incentives Act

TITLE TWENTY-NINE Public Planning and Development
Chapter 12. Economic Development and Incentives

*** Statutes current through Act 7727 of the 2014 Regular and Special Session ***

Chapter 12. Economic Development and Incentives
Subchapter II. The Youth Recreational Incentives Act

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§ 741. Declaration of Purpose and Policy

The Legislative intent of this subchapter is to promote the establishment of structured, sports-oriented and/or recreational facilities, to make opportunities for training and employment of local personnel in areas not currently available to Virgin Islands residents; to provide positive outlets for young people in an effort to curb juvenile delinquency; all of which purposes are in the best interest of addressing juvenile delinquency, engaging in crime prevention, and promoting the overall betterment of the territory of the Virgin Islands.

(a) To this end, it is the policy and determination of the Legislature and the Government of the Virgin Islands to provide tax incentives to encourage individuals, partnerships, joint ventures, corporations, and/or organizations to invest in specific types of sports-oriented and/or recreational facilities for young people in the territory, including but not limited to the following:

- (1) skating rinks;
- (2) bowling alleys;
- (3) sports training gymnasiums;
- (4) youth recreational sports centers offering a combination of activities;
- (5) amusement parks which consist primarily of rides; or

(6) such other facilities as the Commission deems eligible for benefits under this chapter.

(b) It is further the policy and determination of the Government of the Virgin Islands that applications for designated tax incentives shall be monitored by the Economic Development Commission, with the approval of the Governor, but shall remain separate and apart from other programs over which the Commission has jurisdiction because the mission, nature, purpose and policies of this program differs from that of other programs over which the Commission has jurisdiction.

(c) The Legislature and the Government of the Virgin Islands further declares that the issuance and approval of all incentives to provide positive sports and/or recreational activities and facilities shall be in the nature of a written contract between the Government of the Virgin Islands and the beneficiary; the provisions of which shall be binding upon both parties.

(d) It is further declared that, subject to the approval of the Governor, any recreational incentive contract granted in accordance with the provisions of this subchapter may be revoked, suspended or modified in accordance with the provisions of Title 29, chapter 12, section 722, Virgin Islands Code.

HISTORY: --Added Oct. 13, 1994, No. 6032, § 1, Sess. L. 1994, p. 236.

§ 742. Definition

As used in this subchapter, unless the context otherwise requires:

(a) "Commission" means the Virgin Islands Economic Development Commission as established in Title 29, chapter 12, section 704, Virgin Islands Code.

(b) "Young people" as used in this chapter means persons between the ages of nine (9) and eighteen (18).

HISTORY: --Added Oct. 13, 1994, No. 6032, § 1, Sess. L. 1994, p. 236.

§ 743. Powers of Commission

The Virgin Islands Economic Development Commission shall have within its powers the authority to negotiate and sign all contracts pursuant to establishing the provisions of this subchapter.

HISTORY: --Added Oct. 13, 1994, No. 6032, § 1, Sess. L. 1994, p. 236.

§ 744. Requirements for granting benefits

To qualify and remain eligible for benefits, an individual, partnership, joint venture, corporation, or organization which applies for benefits provided under this subchapter must:

(a) Establish a facility deemed suitable and safe by the appropriate governing agencies, with

adequate equipment, machinery, safety mechanisms, and other necessities for the initiation and maintenance of a complete program of recreation for which the proposed facility was established; and

(b) Obtain and display for inspection a Certificate of Insurance evidencing insurance coverage of the sports or recreational facility and activities.

HISTORY: --Added Oct. 13, 1994, No. 6032, § 1, Sess. L. 1994, p. 236.

§ 745. Tax exemptions to beneficiaries

An individual, partnership, joint venture, corporation, or organization who qualifies under the provisions of this subchapter shall be entitled to:

(a) An exemption from the payment of all gross receipts taxes while the business remains in operation and maintains its mission of providing recreational services for young people as specified in the approved application for a period of five (5) years.

(b) An exemption from all excise taxes on building materials, articles, goods, merchandise, tools, equipment and supplies that constitute necessary purchases for the initial start-up of the business.

(c) An exemption from real property taxes for the property on which the facility exists, provided, that the beneficiary is the owner of the real property and the facility is used for the purposes outlined in the approved application for a period of five (5) years.

HISTORY: --Added Oct. 13, 1994, No. 6032, § 1, Sess. L. 1994, p. 236.

§ 746. Obligations of the beneficiary

(a) A beneficiary shall be required to promote the sport and/or recreation activity to young people within the territory by sponsoring and/or co-sponsoring youth leagues, which may include inter-island competitions between high schools.

(b) A beneficiary shall hire and train individual employees pursuant to the provisions of Title 29, chapter 12, section 710, Virgin Islands Code.

(c) A beneficiary shall hire and train at least one local resident for a management position for every three managers on staff, with no limitation on the number of residents who may become managers.

HISTORY: --Added Oct. 13, 1994, No. 6032, § 1, Sess. L. 1994, p. 236.