

Virgin Islands Economic Development Commission
Public Hearing of Tuesday, April 27, 2021
Summary Read Out

During the Virgin Islands Economic Development Commission (“VIEDC”) Public Hearing on Tuesday, February 9, 2021, the VIEDC Governing Board heard one (1) application presentation and one (1) compliance presentation as follows:

Applications

❖ **Lotus Holdings, LLC – New Application**

(Category IV – Financial Service Designated Services Business; Investment: \$100,000.00; Jobs: 5; Location: St. Thomas, VI)

Lotus Holdings, LLC (“Lotus”) seeks VIEDC tax incentive benefits as a Category IV - Financial Service Designated Services Business for its provision of family office services, investment management and consulting services, venture capital management and investment, business management and consulting, and international commercial distribution of locally designed products. Lotus Holdings has established two wholly-owned, disregarded subsidiaries, Lotus Family Office, Inc. and Danadis Fashion House, LLC (the “Fashion House”), through which it will provide its services in accordance with V.I. CODE ANN. tit. 29 § 714(c). All clients of Lotus will be located outside the USVI.

On March 15, 2021, Lotus filed an application with the Virgin Islands Economic Development Commission (“VIEDC”) for tax incentive benefits. Lotus commits to employ five (5) non-owner full-time employees within one (1) year from the date its Certificate is signed by the Chairman, or within one year of commencement of benefits, whichever is later. The rate of growth of Lotus will be a key factor in determining how quickly the company hires additional employees. Lotus is committed to the development of a workforce that reflects the diverse population of the USVI and is committed to a policy of non-discrimination on the basis of race, gender, age, sexual orientation, ethnic or national origin, or religion. Lotus states it will invest a minimum of One Hundred Thousand Dollars (\$100,000.00) in the benefited business within one (1) year of its commencement of benefits or one (1) year from the date the Chairman signs the Certificate, whichever is later. Lotus will be located on the island of St. Thomas.

Compliance

❖ **Fintrac, Inc. – Waiver of Minimum Full-Time Employment Requirement**

(Category IV – Designated Services Business; Investment: \$100,000.00; Jobs: 5; Location: St. Thomas, VI)

Fintrac, Inc. (“Fintrac”) is a beneficiary of the Virgin Islands Economic Development Commission (“VIEDC”) Economic Development Program. Fintrac was granted tax exemption incentives as a designated service business operating as an agriculture consulting firm. Fintrac provides market-

led production, post-harvest processing, and quality assurance support to the agribusiness sector worldwide with special focus on developing countries. Beneficiary primarily works in developing tropical countries through long-term country specific contracts funded by the United States Agency for International Development (“USAID”) and other donor organization.

On February 18, 2021 the office of Marjorie Rawls Roberts, P.C. on behalf of Fintrac, Inc. filed a petition as follows:

- a. Termination of the Certificate as of December 31, 2022; and
- b. A Full-time employment waiver from sixteen (16) full-time employees to ten (10) full-time employees from March 31, 2021 to December 31, 2021, then to three (3) full-time employees from January 1, 2022 to July 31, 2022, to one (1) full-time employee from August 1, 2022 to December 31, 2022.

According to the petition, the owners of Fintrac are in the process of winding down business operations as its final contracts are set to conclude in 2022. For ease of administration, the Beneficiary began to wind down business operations in 2020 and anticipates that it will cease operations as of December 2022. The Beneficiary intends to keep all remaining staff positions, 13, through December 31, 2021. However, with the impending wind-down of operations and the uncertainties surrounding the global COVID-19 pandemic, the Beneficiary anticipates the some of its remaining employees may seek and secure alternate employment earlier than planned so is seeking “additional flexibility” since it would not replace employees who “voluntarily separated.”