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BLOG **November 5, 2026**

Opportunity Begins Here: Why Economic Development Incentives Matter for USVI Competitiveness

Entrepreneurship Month Series | Part 1 of 2

Starting or growing a business takes vision, planning, and resources. Entrepreneurs must consider the cost of operating, the availability of talent, the infrastructure they need, and how they will reach their customers. Those considerations help shape an important decision: Where can this business succeed? For the U.S. Virgin Islands, economic development incentives are one tool for encouraging businesses to choose the Territory as a place to invest, operate, and grow. In Part 1 of VIEDA's Entrepreneurship Month video series, "Opportunity Begins Here," we explore how incentives can strengthen the USVI's competitiveness and help eligible businesses create room for future investment.

Why Competitiveness Matters

Businesses have choices about where they locate and expand. A company considering the USVI must evaluate whether its operations can remain financially sustainable while meeting its workforce, production, and customer needs. Incentives can help improve that financial picture. By reducing certain tax obligations for eligible, approved businesses, they can influence whether an investment is feasible and how much capacity a business has to reinvest. They work alongside other important considerations, including talent, infrastructure, and access to markets. Together, these factors shape the Territory's ability to attract and retain business activity.

Understanding the EDC Opportunity

Through the Virgin Islands Economic Development Commission (VIEDC) program, eligible, approved businesses may receive a 90% reduction in qualifying income tax, exemptions from certain business taxes, and reduced customs duty. These benefits are subject to eligibility, approval, applicable law, and the terms of the business's certificate of incentives. Business owners should speak with VIEDA to understand which provisions may apply to their proposed activities.

Benefits Come with Responsibilities

Participation carries obligations. As the video explains, investment, resident employment, and ongoing compliance are important parts of the program. Businesses must understand the requirements that apply to their category and meet the conditions attached to their approval. Exploring incentives should therefore include a conversation about both the potential benefits and the commitments involved. For entrepreneurs, this is an opportunity to ask practical questions: Does my business qualify? What investment and employment requirements apply? What will I need to document and maintain throughout participation?

What Reinvestment Could Look Like

The video uses an illustrative manufacturing example to show how additional financial capacity could support a business's next steps. A manufacturer might invest in equipment to improve production, strengthen packaging to better serve customers, or provide employee training to build skills. These choices can help a business improve its operations and prepare for growth. The example illustrates a possibility rather than a guaranteed outcome. Each business's ability to reinvest depends on its finances, operating needs, and plans.

AT A GLANCE

Why Incentives Matter
Helping the USVI compete for business investment.

Room to Grow
Potential savings can support equipment, training, and expansion.

VIEDC Benefits
Tax incentives for eligible, approved businesses.

Shared Responsibility
Investment. Resident employment. Ongoing compliance.

OPPORTUNITY BEGINS HERE
Entrepreneurship Month Part 1

WATCH & LEARN
How incentives help the USVI compete.
usvieda.org

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Explore More
Learn more about VIEDA programs, investment opportunities, and doing business in the U.S. Virgin Islands.
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Start with a Conversation

Understanding economic development incentives begins with understanding your business goals. Whether you are exploring a new venture, considering expansion, or evaluating the USVI as a business location, VIEDA can help you learn about available programs and their requirements.

Watch "**Opportunity Begins Here: How Incentives Help the USVI Compete**," then visit **usvieda.org** to explore your options.



Coming next in *The Prosperity Pulse*: What does our community receive in return? Part 2 continues the conversation by examining the community side of economic development incentives.

*****Program benefits and requirements depend on eligibility, approval, applicable law, and the terms of the certificate of incentives. Contact VIEDA for guidance specific to your business.**

Explore VIEDA's Virgin Islands Economic Development Commission (VIEDC) Tax Incentives.
Ready to establish, expand, or relocate your business in the U.S. Virgin Islands?
Through its VIEDC program, VIEDA offers tax incentives to qualifying businesses to encourage investment, create jobs, and support economic growth in the Territory.
Explore how the VIEDC Program can support your business goals while contributing to the U.S. Virgin Islands community.

Learn more at www.usvieda.org or email info@usvieda.org.
St. Thomas/St. John: (340) 714-1700
St. Croix: (340) 773-6499

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