
From: William Blum <[REDACTED]>
Sent: Wednesday, September 21, 2016 11:22 PM
To: jeffrey E. (jeevacation@gmail.com)
Cc: Robert Ladislaw
Subject: NIIT provisions

Dear Jeff --</=>

I wanted to revisit this issue which we talke= about on the phone. As presently drafted, the provision would actua=ly allow the BIR to pursue taxpayers who did not pay this tax for the 2013=through 2015 tax years based on a 6-year statute of limitations instead of=3 years and it also allows a reduced penalty (5%) for those years for taxp=yers who pay before audit – sort of like an amnesty. I expect =hat this would actually be a revenue raiser so the Governor should be happ= with it. Should I leave that in?

</=:p>

Also, as presently drafted, VI source dividends and interest=would not be subject to the tax for future years (starting in 2017). =I think that would have little impact actually since the money maker for t=e Government here is capital gains and that would not be exempted. B=t exempting VI source income and dividends is an incentive (albeit a small=one) to invest in USVI entities and to lend money to VI persons. Sho=ld I leave that in?

I am=planning to get another draft out tomorrow, probably by mid-day.

Feel free to call if you want to di=cuss.

Yours,</=pan>

Bill

<=o:p>

William Blum | Partner

SOLOMON BLUM HEYMANN LLP &=bsp; &nbs=; &=bsp;
40 Wall Street, 35th floor
New York, NY 10=05

Tel
[REDACTED]

Fax

[REDACTED]

Email =/p>

[REDACTED]

</=d>