



OFFICE OF THE GOVERNOR

John P. de Jongh, Jr.

**For Immediate Release
(340) 774-0294**

083-2009

March 10, 2009

BIR ANNOUNCES THE NEW WITHHOLDING RATES UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT

Gizette L. Thomas, Esq., Director of the Virgin Islands Bureau of Internal Revenue, informs Virgin Islands employers that the revised withholding tax rates are now available for immediate implementation of the reduced withholding rates under the American Recovery and Reinvestment Act of 2009 (referred to as ARRA). The new tax tables are issued in Publication 15-T, New Withholding Tables, which can be obtained on the Internal Revenue Service website at <http://www.irs.gov/pub/irs-pdf/p15t.pdf>. The Virgin Islands is awaiting its shipment of the revised publications, however, the information is already updated on the Internal Revenue Service website.

Under ARRA, taxpayers are entitled to a credit equal to the lesser of: (1) 6.2% of their earned income; or (2) \$400 for single filers and \$800 for joint filers. This year's stimulus credit will be given in the form of a reduction in the taxes withheld from the employee's wages, instead of a separate check from the Bureau of Internal Revenue. Questions concerning the implementation of the withholding rates should be directed to the Bureau's Chief Counsel at (340) 715-1040, ext. 2249.

###