

*Legal Supplement Part A to the "Trinidad and Tobago Gazette", Vol. 39,
No. 224, 10th November, 2000*

**Sixth Session Fifth Parliament Republic of Trinidad
and Tobago**



REPUBLIC OF TRINIDAD AND TOBAGO

Act No. 91 of 2000

[L.S.]

AN ACT to provide for the imposition or variation of certain taxes, for the incorporation of the amendments made by the Provisional Collection of Taxes Order, 2000, to introduce other provisions of a fiscal nature and for related matters.

[Assented to 2nd November, 2000]

ENACTED by the Parliament of Trinidad and Tobago Enactment
as follows:

PART I

PRELIMINARY

Short title

1. This Act may be cited as the Finance Act, 2000.

PART II

OLD AGE PENSIONS

Chap. 32:02
amended

2. The Old Age Pensions Act is amended in section 3, by deleting the words “six hundred and twenty dollars” wherever appearing and substituting the words “seven hundred and twenty dollars”.

PART III

STUDENTS’ REVOLVING LOAN

Chap. 39:05
amended

3. The Students Revolving Loan Fund Act is amended in section 10 by—

(a) inserting after paragraph (a) the following:

“(b) to process applications for the granting of loans to students subject to the provisions of any agreement referred to in section 4(1);” and

(b) renumbering the subsequent paragraphs accordingly.

PART IV

PAYMENT BY CHEQUE

Chap. 74:02
amended

4. The Rates, Taxes, Licences (Payment by Cheque) Act is amended—

(a) in section 3, by deleting the words “a fine of two thousand dollars” and substituting the words “a fine in an amount equivalent to ten times the value of the cheque”; and

- (b) in section 5, by deleting the words “a fine of two thousand dollars or to imprisonment for six months” and substituting the words “a fine in an amount equivalent to ten times the value of the cheque and to imprisonment for five years”.

PART V

INCOME TAX

5. The Income Tax Act is amended—

Chap. 75:01
amended

- (a) in section 5A(1), by deleting the words “0.25 per cent” and substituting the words “0.2 per cent”;
- (b) in section 10—
- (i) in subsection (4) by deleting the words “in respect of that residence” and substituting the words “in respect of each spouse”;
 - (ii) in subsection (9), by deleting the words “subsection (4) or (4A)” wherever appearing and substituting the words “subsection (3) or (7)”;
 - (iii) in subsection (10), by deleting the words “subsection (4) or (4A)” wherever appearing and substituting the words “subsection (4), (4A) or (7)”;
 - (iv) in subsection (11)(b), by deleting the words “(4) or (4A)” and substituting the words “(4), (4A), (7)”;

(c) in section 11(1), by inserting after paragraph (k) the following paragraph:

“(l) where that person is engaged in any trade, a deduction to be known as an apprenticeship allowance of such amount and subject to such conditions as specified in the Ninth Schedule.”;

(d) by deleting section 18 and substituting the following section:

^{“Personal allowance} 18. A person to whom section 17 applies, who—

(a) has not attained the age of sixty years, shall be entitled to a personal allowance of twenty-five thousand dollars;

(b) has attained the age of sixty years, shall be entitled to a personal allowance of thirty thousand dollars.”;

(e) in section 34A—

(i) in subsection (1), by deleting the words “ten per cent” and substituting the words “five per cent”;

(ii) in subsection (2A), by deleting the words “ten per cent” and substituting the words “five per cent”;

(iii) in subsection (10), by deleting the words “ten per cent” and substituting the words “five per cent”;

(f) in section 76(4)(a), by deleting the words “and whose income from which does not exceed fifty thousand dollars”;

(g) in section 99—

(i) by deleting subsection (1) and substituting the following:

“ (1) Notwithstanding any provision of this Act to the contrary, where emoluments arise or accrue in or are derived from or received in Trinidad and Tobago in a year of income for the benefit of an employee or the holder of an office, tax shall, subject to and in accordance with any regulations made under section 125, be deducted or withheld by the person providing the emolument.

(1A) If any question arises as to whether—

(a) an amount is an emolument in respect of which tax shall be deducted or withheld pursuant to this section; or

(b) an allowance claimed pursuant to section 98 should be admitted,

such question shall be determined by the Board subject to the provisions of this Act relating to appeals.”;

(ii) in subsection (4), by deleting the words, “fifty per cent” and “fifteen per cent” and substituting the words “one hundred per cent” and “twenty per cent” respectively;

(h) in section 103—

- (i) in subsections (1) and (2), by deleting the words “fifteen per cent” and substituting the words “twenty per cent”;
- (ii) by inserting after subsection (2) the following subsection:

“ (3) The rate of interest referred to in subsections (1) and (2) shall come into effect on 1st May, 2001.”;

(i) by inserting after section 103 the following section:

“Waiver of liabilities

103A. (1) Notwithstanding any written law to the contrary but subject to subsection (2), there shall be a waiver of the following liabilities:

- (a) interest on outstanding taxes and business levy due and payable as at 31st December, 1999, where such taxes or business levy as the case may be, are or is paid during the period 28th August, 2000 and 30th April, 2001;
- (b) interest charged on the payment, prior to 28th August, 2000, of taxes and business levy due or payable as at 31st December, 1999, where such interest has not been paid;

- (c) penalties, further tax and additional tax due and payable on outstanding taxes and business levy as at 31st December, 1999, where such taxes or business levy, as the case may be, are paid during the period 28th August, 2000 and 20th April, 2001;
- (d) penalties, further tax and additional tax in respect of taxes and business levy due or payable as at 31st December, 1999 and paid prior to 28th August, 2000, where such penalties, further tax and additional tax have not been paid;
- (e) penalties on outstanding returns for the years of income up to and including the year 1998, where such returns are filed during the period 28th August, 2000 and 30th April, 2001;
- (f) penalties with respect to returns for the years of income up to and including the year 1998 and filed prior to 28th August, 2000, where such penalties have not been paid.

(2) For the avoidance of doubt, the waiver granted in this section shall not apply to the following:

- (a) taxes and business levy;
- (b) interest, penalties, further tax and additional tax paid prior to 28th August, 2000.

(3) Where any returns, taxes and business levy remain outstanding after 30th April, 2001, the penalties, interest, further taxes and additional taxes which would have been payable on such returns, taxes and business levy shall be revived and become payable as if the waiver in subsection (1) had not been granted.”;

- (j) in the Eighth Schedule, in rule 7 in relation to the definition of “worker”, by deleting the words “including a contract of apprenticeship”;
- (k) by inserting after Eighth Schedule the following Schedule:

“NINTH SCHEDULE

(Section 11)

APPRENTICESHIP ALLOWANCE RULES

Grant of
apprenticeship
allowance

1. Where a person is engaged in any trade, an apprenticeship allowance shall be granted to that person in accordance with rules 2 and 3 in respect of every apprentice hired on or after 1st January, 2001 for a period not exceeding six months under an apprenticeship programme registered with the National Training Board.

2. An apprenticeship allowance of an amount equal to two hundred per cent of the wages actually paid to an apprentice shall be granted to the person engaged in a trade where such person hires the apprentice for a period not exceeding six months.

3. The apprenticeship allowance granted under rule 1 shall not exceed five per cent of the total wages and salary expenses claimed by the person in a year of income.

4. For the removal of doubt, a person to whom an apprenticeship allowance is granted shall not be entitled to a deduction under sections 10 and 11(1)(k) in respect of wages paid to an apprentice.

5. In these Rules, “apprentice” means a person, being not less than sixteen years but no more than twenty-four years, who has entered into a contract of apprenticeship with a person referred to under these Rules for the purpose of learning a trade.”.

PART VI

CORPORATION TAX

6. The Corporation Tax Act is amended—

Chap. 75:02
amended

(a) in section 3A, by deleting the words “0.25 per cent” and substituting the words “0.2 per cent”;

(b) by inserting after section 10F the following sections:

“Art and
culture
allowance

10G. (1) Subject to this section, where in a year of income commencing from the year 2001, a company incurs expenditure in respect of an artistic work, there shall be allowed as a deduction, in ascertaining the chargeable profits of the company for that year of income, an allowance equal to one hundred and fifty per cent of the actual expenditure up to a maximum of three hundred thousand dollars.

(2) In respect of a visual work of art—

(a) the deduction may only be claimed in respect of the initial acquisition of the work; and

- (b) the deduction may be allowed where the work—
- (i) is done by a national of Trinidad and Tobago; and
 - (ii) is certified by an art gallery, which shall submit a valuation of the work done.

(3) In the case of a performing art, the deduction shall only apply where—

- (a) the work is done by a national of Trinidad; and
- (b) the national rendering such work is registered with the Ministry with responsibility for culture or with the Tobago House of Assembly, in the case of a national residing in Tobago.

(4) In this section “artistic work” means any work of art, whether visual or performing.

Scholarship
allowance

10H. (1) In ascertaining the chargeable profits of a company for a year of income commencing from the year 2000, there shall be allowed the actual expenses incurred in granting scholarships to nationals who are not employees, directors or associates of directors of that company, for tertiary education at institutions and in areas of study accredited and approved respectively by the Ministry with responsibility for education.

(2) For the purpose of subsection (1), an “associate” includes the spouse, parent, child, brother, sister or partner of a person.”;

(c) in section 16A(1), by deleting the words “fifteen per cent” and substituting the words “twenty-five per cent”;

(d) in section 19, by inserting in the appropriate numerical position in the Table, the following:

“ Section 103A (Waiver of interest, additional tax, penalty, etc.)”.

PART VII

STAMP DUTY

7. The Stamp Duty Act is amended in the First Schedule—Chap. 76:01
amended

(a) under the heading “Conveyance or transfer on sale of any property” in paragraph (2), by deleting the words “three hundred thousand dollars” and substituting the words “three hundred and fifty thousand dollars”; and

(b) under heading “Mortgage, Bond, Debenture, Covenant, Bill of Sale or Warrant of Attorney to confess and enter up judgment” in relation to the exemption on mortgage deeds, by deleting the word “\$270,000” and substituting the word “\$315,000”.

PART VIII

MISCELLANEOUS TAXES

Chap. 77:01
amended

8. The Miscellaneous Taxes Act is amended by inserting after Part XIII the following Part:

“PART XIV

ENVIRONMENTAL LEVY

Interpreta-
tion

61. In this Part—

“Board” means the Board of the Green Fund Agency;

“business levy” means the tax levied and paid by a company to the Board of Inland Revenue under section 3A of the Corporation Tax Act;

“company” means a body corporate or an unincorporated association and includes a partnership;

“financial year” has the meaning assigned to it in section 3 of the Constitution;

“Fund” means the Fund established under section 65 of this Part;

“Minister” means the Minister to whom responsibility for the environment is assigned.

Green Fund
levy

62. (1) With effect from 1st January, 2001, there shall be levied and paid to the Board of Inland Revenue a tax at the rate of 0.1 per cent to be known as a Green Fund levy on the gross sales or receipts of a company carrying on business in

Trinidad and Tobago, whether or not such business is exempt from the business levy.

Chap. 75:01 (2) The Green Fund levy shall be payable on the gross sales or receipts of a company in each quarter ending on 31st March, 30th June, 30th September, and 31st December, in each year of income and the provisions of section 79 of the Income Tax Act shall apply *mutatis mutandis* to this subsection.

(3) The provisions of section 3A(6), (7), (8), (9) and (10) of the Corporation Tax Act relating to the business levy shall apply *mutatis mutandis* in relation to the Green Fund levy but with the necessary modifications and adaptations.

(4) The Board of Inland Revenue shall, in respect of the collection and recovery of the Green Fund levy, have all the powers as it has in relation to income tax under the Income Tax Act.

Payment to Fund 63. The Board of Inland Revenue shall, within fourteen days from the end of each quarter, remit to the Green Fund the tax paid to it under this Part.

Refunds 64. (1) Where it is proved to the satisfaction of the Board of Inland Revenue that a company has, in any quarter, paid tax under this Part in excess of the amount in respect of which the company is properly chargeable, that company shall be entitled to have the amount so paid in excess refunded to it.

(2) Every claim for refund shall be made within one year from the end of the quarter to which the claim relates.

(3) The Board of Inland Revenue shall cause the amount to be refunded to come out of any tax paid to it under this Act.

(4) Instead of making a refund that might otherwise be made under this section, the Board of Inland Revenue may, where the company is liable to make another payment under this Part, apply the amount to be refunded against the other liability and notify the company accordingly.

Establish-
ment of Fund

65. Notwithstanding section 29(2), a fund to be known as the Green Fund is hereby established for the purposes of this Part.

Purposes of
Fund

66. The purposes of the Green Fund are—

- (a) to enable grants to be made to community groups and organisations primarily engaged in activities related to the remediation, reforestation and conservation of the environment;
- (b) to undertake or do all such things as are incidental or conducive to the attainment of the purpose referred to at paragraph (a).

Resources of
the Green
Fund

67. The resources of the Green Fund shall consist of the tax levied and paid to the Board of Inland Revenue under this Part.

Management
of Green
Fund Agency

68. (1) There is hereby established a body corporate to be known as the Green Fund Agency hereinafter called "the Agency" which shall manage the Green Fund.

(2) The Agency shall have a common seal, which shall be attested by the signature of the Chairman or Secretary and kept in the custody of the Chairman or Secretary.

(3) All documents, other than those required by law or by resolution of the Board of the Agency to be under seal, may be signified under the hand of the Chairman or Secretary.

(4) The seal of the Agency shall, where required, be affixed to instruments or other documents in the presence of the Chairman or the Secretary.

(5) The Board of the Agency shall be appointed by the President and shall consist of—

- (a) a Chairman nominated by the Minister;
- (b) three members representing the Environmental Management Authority

Act No. 3 of
2000

established under the Environmental Management Authority Act, 2000, one of whom shall be the Secretary;

- (c) three members representing labour; and
- (d) three members representing the private sector.

(6) Members of the Board of the Green Fund shall be appointed for a term of not more than three years and shall be eligible for re-appointment.

(7) The members of the Board shall be paid such remuneration and allowances as the President may from time to time determine.

(8) The duties and functions of the Board shall be—

- (a) to determine the eligibility of community groups and organisations engaged in activities related to the remediation, reforestation and conservation of the environment, for grants from the Fund;
- (b) to process and determine applications for grant from the Fund;
- (c) to determine the feasibility of undertaking the projects and enterprises;
- (d) to advise the Minister on the disbursement of grants to community groups or

organisations engaged in activities related to remediation, reforestation and conservation of the environment;

- (e) to disburse or apply moneys from the Fund in meeting any obligation or discharging any function of the Agency;
- (f) to perform such other functions as the Minister may by Order prescribe.

(9) The Agency shall not borrow sums by way of overdraft or other loans for the purpose of carrying out its functions under this Part.

(10) The Agency shall not make a grant to a community group or organisation under this Part unless the group or organisation—

- (a) has been in existence for a period of not less than two years; and
- (b) submits to the Agency a copy of its Rules or other constituent documents together with audited statements of its accounts for the last two years immediately preceding the date of its application for a grant.

(11) Any individual who, acting on behalf of an organisation or group referred to in this Part,

making or causing to be made false representation, induces or attempts to induce the Board to make a grant under this Part, is liable on summary conviction to a fine of fifteen thousand dollars and to imprisonment for two years.

(12) Where the Agency makes a grant under this Part, it shall cause to be published in the *Gazette* the name of the organisation to which the grant has been made and the amount of the grant made.

(13) The Board may, with the approval of the Minister, make rules for the purpose of regulating itself.

Meetings of
the Board

69. (1) The Board shall meet at such times as may be necessary or expedient and at such places and days as the Chairman may determine.

(2) Six members shall constitute a quorum of the Board.

(3) The Chairman shall preside over meetings of the Board, but where the Chairman is absent, the members present and forming a quorum may appoint a member to preside over that meeting.

(4) The decisions of the Board shall be by a majority of votes of members present and in the case in which there is an equality of votes, the Chairman or member appointed

to preside over the meeting shall, in addition to an original vote exercise a casting vote.

(5) The Board may co-opt any person to attend a particular meeting of the Board for the purpose of assisting or advising the Board, but no person who has been so co-opted shall preside over the meeting of the Board or have a right to vote.

(6) Minutes in proper form of each meeting shall be kept by the Secretary and shall be confirmed by the Chairman or the member appointed to preside over the meeting, at the next meeting.

Disburse-
ment

70. (1) The Board shall only disburse monies from the Fund for the purpose of the Fund, such disbursement being made through a bank designated by the Minister with responsibility for finance, by Notification, as the financial agent of the Agency.

(2) The bank designated as the financial agent of the Agency under subsection (1) shall be subject to the terms and conditions of any agreement for that purpose between the Agency and itself.

Accounts and
Audit

71. (1) All accounts relating to the Fund shall be public accounts for the purposes of section 116 of the Constitution and shall be audited annually by the Auditor General.

(2) The Agency shall maintain proper accounts and records of the transactions and affairs of the Agency and shall do all things necessary to ensure that all payments out of the resources of the Agency are correctly made and properly authorised and that adequate control is maintained over the assets of the Agency.

(3) The Agency shall submit a financial statement in respect of a financial year to the Minister not later than three months after the close of the financial year.

(4) The Agency shall forward to the Minister a copy of the audited statement of accounts together with any report thereof made by the Auditor General not later than one month after the receipt thereof and the Minister shall ensure that the audited statement of accounts and report are laid in Parliament within one month thereafter, or if Parliament is not in session, within one month after the commencement of the next sitting.

(5) In addition to the annual audit, the Auditor General may, at any time, audit the accounts and examine the records of financial transactions of the Agency and shall forthwith report to the Chairman of the Agency, the Minister and to Parliament, any irregularities

disclosed by such audit and examination which, in the opinion of the Auditor General, are of sufficient importance to be so reported.

Records and reports

72. (1) The Agency shall submit an annual report on the operations of the Agency in respect of a financial year, within three months, after the close of the financial year.

(2) The Minister shall cause to be laid in Parliament the annual report referred to in subsection (2) within one month after he has received it, or if Parliament is not then in session, within one month after the commencement of the next session.

Exemption from taxes

73. The profits of the Agency shall be exempt from all taxes.”.

PART IX

VALUE ADDED TAX

9. The Value Added Tax Act, 1989 is amended— Act No. 37 of 1989 amended

(a) in section 16(5), by inserting the words “if the travel or package tour is paid for in Trinidad and Tobago or” before the words “if the journey originates in Trinidad and Tobago”;

(b) by inserting after section 54, the following section:

“Waiver of interest, penalty

54A. (1) Notwithstanding any written law to the contrary but

subject to subsection (2), there shall be a waiver of the following liabilities:

- (a) interest on outstanding taxes due or payable as at 31st December, 1999 where such taxes are paid during the period 28th August, 2000 to 30th April, 2001;
- (b) interest charged on the payment, prior to 28th August, 2000, of taxes due or payable as at 31st December, 1999, where such interest has not been paid;
- (c) penalties and penal taxes incurred on outstanding taxes due or payable as at 31st December, 1999, where such taxes are paid during the period 28th August, 2000 to 30th April, 2001;
- (d) penalties and penal taxes in respect of taxes due as at 31st December, 1999 and paid prior to 28th August, 2000, where such penalties and penal taxes have not been paid.

(2) For the avoidance of doubt, the waiver granted under subsection (1) shall not apply to the following:

- (a) the taxes;

(b) interest, penalties and penal taxes paid prior to 28th August, 2000.

(3) Where any taxes remain outstanding after 30th April, 2001, the interest, penalties and penal taxes which would have been payable on such outstanding taxes shall be revived and become payable as if the waiver in subsection (1) had not been granted.”;

(c) in Schedule 2, by inserting after item 32 the following item:

“ 33. The items contained in the First Schedule to the Customs Act, being—

- (a) sports footwear having tariff heading number 6402.19;
- (b) sports footwear having tariff heading number 6403.19;
- (c) sports footwear having tariff heading number 6404.111;
- (d) golf requisites having tariff heading number 9506.31;
- (e) tennis requisites having tariff heading number 9506.40;
- (f) soccer requisites having tariff heading number 9506.992;
- (g) athletic requisites having tariff heading number 9506.912;
- (h) cricket requisites having tariff heading number 9506.991;

- (i) other sports having tariff heading number 9506.919;
- (j) gymnastics having tariff heading number 9506.911;
- (k) other outdoor games having tariff heading number 9506.999.”.

PART X

HEALTH SURCHARGE

Act No. 14 of 1987
amended

10. The Finance Act, 1987 is amended by inserting in the Schedule in the appropriate numerical position, the following number:

“103A.”.

PART XI

COMMENCEMENT

Commencement

11. (1) Subject to this section, unless the contrary intention appears, this Act comes into operation on the date of its enactment.

(2) Section 2 is deemed to have come into effect on 1st October, 2000.

(3) Section 5(b) is deemed to have come into effect on 1st January, 1999.

(4) Section 6(b) in relation to section 10H of the Corporation Tax is deemed to have come into effect on 1st January, 2000.

(5) Sections 5(i), 6(d), 9(a), (b) and 10 are deemed to have come into effect on 28th August, 2000.

(6) Sections 5(g)(ii) and (h) shall come into effect on 1st May, 2001.

(7) Sections 3, 4, 5(a), (c), (d), (e), (f), (g) (i), (j) and (k), 6(a) and (b) in relation to section 10c of the Corporation Tax Act, 6(c), 7, 8 and 9(c) shall come into effect on 1st January, 2001.

Passed in the House of Representatives this 30th day of October, 2000.

D. DOLLY
Acting Clerk of the House

Passed in the Senate this 31st day of October, 2000.

N. COX
Clerk of the Senate