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**First Session Eighth Parliament Republic of Trinidad
and Tobago**

HOUSE OF REPRESENTATIVES

BILL

**AN ACT to provide for the variation of certain taxes and
to introduce other provisions of a fiscal nature and
for related matters**

FINANCE (MISCELLANEOUS PROVISIONS) BILL, 2002

Explanatory Note

(These notes form no part of the Bill but are intended only to indicate its general purport)

The purpose of this Bill is to provide for the variation of certain taxes and to introduce other provisions of a fiscal nature and for related matters.

Clause 1 of the Bill would state the short title of the Bill and provide for its commencement.

Clause 2 of the Bill would amend the Children Act, Chap. 46:01 to change certain definitions; to increase the penalty structure for the offence of selling tobacco products to children under the age of eighteen years; and to impose on vendors of cigarettes, a duty to prominently display a sign indicating that the sale of cigarettes or cigarette paper to individuals under the age of eighteen years is prohibited. It would be an offence not to display such a sign.

Clause 3 of the Bill would amend the Motor Vehicles and Road Traffic Act, Chap. 48:50 by inserting in section 17A a new subsection (3) which would discontinue the registration by the Licensing Authority of vehicles which are reassembled from imported new and used components, with effect from 1st May, 2003.

The First Schedule would also be amended by deleting item 25 and substituting a new item 25 which will cease to have effect from the 1st May, 2003, and this would allow for the reduction of the Special Registration Fees payable on the registration of locally assembled vehicles using new or used parts, as follows:

(a) motor vehicle with engine size not exceeding 1799 cc	\$20,000.00
(b) motor vehicle with engine size exceeding 1799 cc	\$30,000.00

respectively or the motor vehicle tax payable under paragraphs (1) to (4) of Part I of Appendix A of the Fourth Schedule, whichever is the greater.

Appendix A of the Fourth Schedule, in Part 1 would also be amended by deleting subparagraph 6 and substituting a new subparagraph 6 which would allow completely built up foreign-used vehicles to be subject to motor vehicle tax, at a standard rate of 75% of the motor vehicle tax payable on the registration of a new vehicle.

Clause 4 of the Bill would amend various sections of the Income Tax Act, Chap. 75:01.

A new section 13B would be inserted in the Income Tax Act, which would grant a capital allowance to an individual who converts a house into a guest house.

A new section 18A would be inserted in the Income Tax Act which would allow an individual who purchases a house to be used as his residence, an additional allowance up to ten thousand dollars a year, for the first five years after the purchase.

A new section 18B would also be inserted to grant to an individual a deduction of up to ten thousand dollars per annum in respect of shares in a society registered under the Co-operative Societies Act, Chap.81:03. The deduction will only be allowable where the effect of such purchase is a net increase for the year of income in the total nominal value of shares held by the taxpayer in the registered society.

Section 27(1) of the Income Tax Act would be amended to allow a person who has made a contribution under the Retiring Allowances (Legislative Service Act), Chap. 2:03, a deduction up to a maximum of twelve thousand dollars for the contributions made thereunder. This provision will have retrospective effect to January 1st, 1996. A consequential amendment would be made to section 28(15).

Section 28 (10) and (11) of the Income Tax Act would be amended to prescribe a time period within which the tax, on either a refund of pension contributions or on the surrender value of a deferred annuity, would be paid. It would also impose a penalty with interest, for failure to pay the taxes.

Section 76 (6) and (7) of the Income Tax Act would be amended to confer on the Board of Inland Revenue, the discretion to waive or reduce the penalty payable for failure, neglect or refusal of a person to furnish a return of income.

Section 77(1) of the Income Tax Act would be amended to remove the doubt as to whether the Board of Inland Revenue retains the power to require any person to make returns notwithstanding the fact that an employee is now relieved of the obligation to file returns under section 76(4).

Section 99(4) of the Income Tax Act would be amended to confer on the Board of Inland Revenue, the discretion to waive or reduce interest payable on PAYE.

Section 103(2) of the Income Tax Act would be amended to confer on the Board of Inland Revenue the discretion to waive or reduce interest payable on outstanding balances on a part or installment of tax.

Part I of the Third Schedule to the Income Tax Act would be amended to reduce the personal income tax rates from twenty-eight cents to twenty-five cents and from thirty-five cents to thirty cents, respectively.

The Seventh Schedule to the Income Tax Act would be amended by removing the item entitled "Bakers' Plant" from class A and inserting it into Class B. The applicable rate of wear and tear on this item would therefore be twenty-five per cent.

Clause 5 would amend the Corporation Tax Act, Chap.75:02 by repealing sections 8 and 9 of the Act to eliminate export allowances. This would also have a consequential effect on the Second Schedule of the Act which would be repealed.

Section 10G(1) would be amended to increase the ceiling for the art and culture allowance from three hundred and fifty thousand dollars to four hundred and fifty thousand dollars.

A section 10I would be inserted in the Corporation Tax Act, which would give a tax allowance of one hundred and fifty per cent of the actual expenditure incurred to companies who promote or sponsor sporting activities or sportsmen. A maximum ceiling of four hundred and fifty thousand dollars is set for this allowance.

A section 10J would be inserted to sponsors to grant an allowance to sponsors for audio or video productions of local culture of one hundred and fifty per cent of the actual expenditure in respect of those productions, up to a maximum allowance of four hundred and fifty thousand dollars.

A section 10H would be inserted to grant an allowance to a production company for audio or video production of local culture of one hundred and fifty per cent of the actual expenditure incurred in making such productions up to a maximum of four hundred and fifty thousand dollars.

A section 10L would be inserted to clarify the issue on the assessment of chargeable profits. Production companies would be allowed the maximum allowance of four hundred and fifty thousand with respect to expenditure relating to their own productions, together with an aggregate maximum allowance of four hundred and fifty thousand dollars with respect to donations made to sporting activities and artistic works not related to their businesses.

The First Schedule to the Corporation Tax Act would be amended to reduce the rate of corporation tax from thirty-five per cent to thirty per cent. A new paragraph 3(1) and (2) would be inserted in the First Schedule to exclude companies engaged in liquefaction of natural gas; manufacture of petrochemicals,

physical separation of liquids from a natural gas stream and natural gas processing from a natural gas stream; transmission and distribution of natural gas and wholesale marketing and distribution of petroleum products from the payment of the new rate of corporation tax. For the avoidance of doubt, companies engaged in the wholesale marketing and distribution of petroleum products shall not include companies—

- (a) operating a liquid petroleum gas filling plant or conducting a refilling operation;
- (b) involved in the sale and distribution of leaded and unleaded gasoline, diesel and kerosene lubricants and other car care products; or
- (c) operating service stations.

Clause 6 of the Bill would delete section 60 of the Stamp Duty Act, Chap. 76:01 to remove stamp duty on life insurance policies and annuities and would make certain consequential and other amendments to the First Schedule of the Act. These amendments would have retrospective effect to September 14, 2002.

Section 68 of the Stamp Duty Act, would be amended by inserting a new subsection (2) which would confer on the President the power to remit or refund stamp duties payable where it appears to him just and equitable to do so.

Clause 7 of the Bill would amend Part XIII of the Miscellaneous Taxes Act, Chap. 77:01. Section 54 would be amended to exclude, from the definition of “taxable insurance contract”, a contract under which the beneficiary is a resident of Trinidad and Tobago and has attained sixty years of age. This amendment would take effect from 14th September, 2001.

Section 59 of the Miscellaneous Taxes Act would be amended to empower the Tax Authority to audit insurance companies to ensure that the correct insurance premium taxes are paid.

Furthermore, a new section 60A would be inserted to empower the Tax Authority to waive interest accrued in respect of outstanding taxes and penalties.

Clause 8 of the Bill would amend the Liquor Licences Act, Chap. 84:10 by repealing section 28.

Section 60 of the Liquor Licences Act would be repealed and replaced by a new section 60, which would increase the penalty structure for the offence of selling intoxicating liquor to children under the age of eighteen years; and to impose on vendors of intoxicating liquor a duty to prominently display on their premises,

a sign indicating that the sale of intoxicating liquor to individuals under the age of eighteen years is prohibited. It would be an offence not to display such a sign.

Clause 9 the Bill would amend the Income Tax (In Aid of Industry) Act, Chap. 85:04 by repealing section 1(2) and inserting a new section 1A, which would widen the scope of the Act in its reference to “trades” to include “manufacturing trades”.

Section 2 of the Income Tax (In Aid of Industry) Act, would also be repealed and replaced by a new section 2 which would define the activities that would be considered “manufacturing trades” and this would exclude the printing and publication of newspapers, magazines, reviews and other periodicals by the proprietors for their accounts.

Section 9(1)(a) of the Income Tax (In Aid of Industry) Act would be deleted and substituted to make reference to “manufacturing trade” and to remove mention of the First Schedule.

Section 16 of the Income Tax Act (In Aid of Industry) Act would also be amended to increase the initial allowance to a person carrying on a trade, who incurs capital expenditure on the provision of machinery or plant for the purpose of that trade, from fifty percent to sixty percent.

Section 62 of the Income Tax Act (In Aid of Industry) Act would also be repealed and replaced.

The First Schedule of the Income Tax (In Aid of Industry) Act would be repealed.

Clause 10 of the Bill seeks to amend section 5(2) of the Finance Act, 1987 and would increase the penalty for late remittances of health surcharge to 100% of the amounts outstanding and the interest charged on outstanding amounts of health surcharge, to 20% per annum and would give the BIR a discretion to waive or reduce the interest payable on outstanding health surcharge.

Clause 11 of the Bill would amend the Value Added Tax Act, 1989. Section 39(8) of the Value Added Tax Act would be repealed and replaced to empower the Board of Inland Revenue to raise an assessment within six years after the end of the tax period to which the assessment relates or within three years from the date of the filing of the return, whichever is later.

BILL

AN ACT to provide for the variation of certain taxes and
to introduce other provisions of a fiscal nature and
for related matters

[, 2002]

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

1. (1) This Act may be cited as the **Finance** Short title and
commencement
(Miscellaneous Provisions) Act, 2002.

(2) This Act shall come into operation on the 1st day of January, 2003.

Chap. 46:01
amended

2. The Children Act is amended—

(a) in section 24—

- (i) by deleting the words “cigarettes or cigarette papers” and substituting the words “tobacco products”; and
- (ii) by deleting the words “five hundred dollars”, “one thousand dollars” and “one thousand five hundred dollars” and substituting the words “two thousand dollars”, “five thousand dollars” and “seven thousand five hundred dollars”, respectively;

(b) in section 25, by deleting the words “cigarettes or cigarette papers” wherever they occur and substituting the words “tobacco products”;

(c) in section 26(1), by deleting the word “cigarettes” and substituting the words “tobacco products”;

(d) by inserting after section 26, the following section:

“Vendor to
display sign

26A. (1) Every vendor of tobacco products shall cause to be displayed at all times, in a prominent place on the premises in which the tobacco products are sold, a sign, written in large, bold, upper case characters, legible from any part of the premises, that reads as follows:

‘The sale of tobacco products to individuals under the age of eighteen years is prohibited’.

(2) A person who fails to comply with subsection (1) commits an offence and is liable on summary conviction to a fine of one thousand dollars.”;

(e) in section 27—

- (i) by deleting the words “cigarettes or cigarette papers” wherever they occur and substituting the words “tobacco products”; and
- (ii) by deleting the words “cigarettes and cigarette papers” and substituting the words “tobacco products”; and

(f) by repealing section 28 and substituting the following section:

^{“Application of Part II} 28. (1) For the purposes of this Part—

“tobacco products” means cigarettes, cigars, chewing tobacco, pipe tobacco or tobacco in any of its forms and cigarette paper;

“cigarette” includes cut tobacco rolled up in paper, tobacco leaf or other material in such form as to be capable of immediate use for smoking;

“cigarette paper” means paper used for rolling tobacco to be used for cigarettes.

(2) This Part shall apply to smoking mixtures intended as a substitute for tobacco in like manner as it applies to tobacco products.”.

3. The Motor Vehicles and Road Traffic Act is amended in—

(a) section 17A, by inserting after subsection (2), the following subsection:

“ (3) Notwithstanding subsection (1), with effect from 1st May, 2003, no locally assembled motor vehicle using new or used foreign parts shall be registered for use under this Act.”;

(b) the First Schedule, by deleting item 25; and substituting the following item:

“ 25. (1) Registration of locally assembled motor vehicles using foreign parts—

(a) motor vehicle with engine size not exceeding 1799 cc—
\$20,000.00;

(b) motor vehicle with engine size exceeding 1799 cc—
\$30,000.00.

(2) Subitem (1) shall cease to have effect from 1st May, 2003.”; and

(c) the Fourth Schedule in Part I of Appendix A, by deleting subparagraph (6) and substituting the following subparagraph:

“ (6) Completely built-up foreign used motor vehicles imported by persons other than returning nationals, seventy-five per cent of the tax specified in subparagraphs (1), (2), (3) or (4).”.

4. The Income Tax Act is amended—Chap. 75:01
amended

(a) by inserting after section 13A, the following section:

“ 13B. (1) Subject to this section, where an individual converts a house into an approved guest house there shall be allowed in the year in which the certificate of completion for the approved guest house was issued, a deduction of the approved capital expenditure incurred by the individual in respect of the conversion to such guest house.

(2) The deduction referred to in subsection (1) shall not be allowed unless the individual—

- (a) obtains from the Minister, approval for conversion into a guest house prior to the commencement of conversion; and
- (b) furnishes the Board with a certificate of completion of the conversion issued by the appropriate State agency.

(3) The individual referred to in subsection (1) shall, prior to the commencement of a conversion, apply to the Minister for approval of the conversion, such application being accompanied by—

- (a) the building plans for the conversion;
- (b) any other requisite approvals which may be required from other State agencies for the conversion; and

- (c) any other information as may be required by the Minister.

(4) The Minister shall, where the individual meets the requirements under subsection (3) and after consultation with the Tourism and Industrial Development Company of Trinidad and Tobago, grant written approval to the individual for the conversion, such approval stating—

- (a) the date on which approval for the conversion is granted;
- (b) the nature of the conversion in respect of which approval is granted; and
- (c) any other information which the Minister considers necessary.

(5) In this section—

“approved capital expenditure” means such sum as the Board is satisfied has been expended on the purchase of building materials used in the conversion of a house into a guest house;

“approved guest house” means a building in respect of which approval if granted by the Minister under subsection (4), comprising not more than six separate bedrooms occupied for the purpose of providing for reward

sleeping accommodation together with services and facilities ancillary thereto provided for its guests, not being persons resident in the guest house under a contract of service;

“Minister” means the member of Cabinet to whom responsibility for tourism is assigned.”;

(b) by inserting after section 18, the following sections:

<sup>“Allowances
for purchase
of house</sup>

18A. (1) Subject to subsections (2), (3) and (4), where in a year of income commencing 1st January, 2003, an individual who is a resident and to whom section 17 applies, purchases or constructs a house to be used as his residence and was not the owner of a house at any time prior to January 1st, 2003, that person shall be entitled to an allowance of ten thousand dollars per year in respect of such purchase or construction.

(2) The allowance referred to in subsection (1) may be claimed by such individual referred to in subsection (1), for each of the first five years commencing from the year in which the house is acquired.

(3) Where in a year of income an individual claims the allowance referred to in subsection (1), the allowance shall not be granted unless the individual—

- (a) furnishes the Board with proof of ownership of the house;
- (b) satisfies the Board that the house which is to be used as his residence is a first-time acquisition; and
- (c) satisfies the Board that the taxes payable by him in that year of income under the Land and Buildings Taxes Act and the Municipal Corporations Act, have been paid in respect of the year to which the claim relates.

Chap. 76:04
Act No. 21 of
1990

(4) For the purposes of this section, “first-time acquisition” means—

- (a) the purchase for the first-time of a completed house or any share therein on or after 1st January, 2003; or

(b) the construction for the first time of a house completed on or after 1st January, 2003.

Deduction for
purchase of
certain
shares
Chap. 81:03

18B. (1) An individual, who purchases shares in a society registered under the Co-operatives Societies Act whereby there is a net increase for the year of income in the total nominal value of shares up to ten thousand dollars held by him, in that society is entitled in the year of income to a deduction of an amount equal to the increase, but not exceeding ten thousand dollars per annum.

(2) An individual claiming a deduction under subsection (1) shall furnish the Board with a certificate from every society in which he held shares in the year of income in respect of which the deduction is being claimed and the certificate shall show—

(a) the number of shares held by him at the end of the year of income immediately preceding the year in which the deduction is being claimed and the nominal value of these shares; and

(b) the number of shares purchased or withdrawn by him in the year of income in respect of which a deduction is being claimed and the nominal value of his shareholding at the end of that year of income.

(3) Where in the year of income immediately preceding the year of income in which the deduction is being claimed, an individual was allowed a deduction in respect of shareholding in a society other than that in which he holds the shares in respect of which he makes a claim, he shall in addition to the certificate referred to in subsection (2), furnish the Board with a certificate from that other society and that certificate shall show—

(a) the number of shares held in that society at the end of the year of income immediately preceding and the nominal value of those shares; and

(b) the number of shares held in that society at the end of the year of income in respect of which the deduction is being claimed and the nominal value of those shares.”;

(c) in section 27—

(i) in subsection (1)—

(A) in paragraph (c), by deleting the words “or scheme; or” and substituting the words “or scheme;”;

(B) in paragraph (d), by inserting after the semicolon, the word “or”; and

(C) by inserting after paragraph (d), the following paragraph:

“(e) has made a contribution under the Retiring Allowances (Legislative Service) Act,”; and

Chap. 2:03

(ii) by inserting after subsection (1), the following subsection:

“(1A) Subsection (1)(e) shall be deemed to have come into operation on 1st January, 1996.”;

(d) in section 28—

- (i) by repealing subsection (10) and substituting the following subsection:

“ (10) Where an amount is payable by a trustee or trust corporation under an approved pension fund plan or by a company under an approved deferred annuity plan for a year of income by way of a refund of contributions or refund of premiums, as the case may be, there shall be deducted or withheld a tax equal to ten per cent of the amount payable, and—

- (a)* that tax shall be paid to the Board by the fifteenth day of the month following that in which that tax was deducted or withheld;
- (b)* there shall be payable a penalty of one hundred per cent of the tax owed for failure to pay to the Board by the fifteenth day of the month following that in which the tax was deducted or withheld; and
- (c)* there shall be payable interest at a rate of twenty per cent a year on that tax by the fifteenth day of the month following that in which the tax was deducted or withheld,

and the remainder when received by the employee or annuitant, shall be deemed not to be income of that person for the purposes of this Act.”;

- (ii) in subsection (11), by deleting paragraph (c) and substituting the following paragraph:

“(c) there shall be deducted or withheld from any amount paid to a person, in a year of income as a benefit under the amended plan, by the person paying that amount, an amount equal to twenty-five per cent thereof, and—

(i) any amount so withheld or deducted shall be remitted to the Board on the fifteenth day of the month following that in which the tax was withheld or deducted, on account of the payee’s tax for the year under this Act;

(ii) there shall be payable a penalty of one hundred per cent of the tax owed for failure to remit to the Board by the fifteenth day of the month following that in which the tax was deducted; and

(iii) there shall be payable interest at a rate of twenty per cent a year on that tax by the fifteenth day of the month following that in which the tax was deducted.”; and

(iii) in subsection (15), by deleting the words “under section 27(1)(c), or (d)” and substituting the words “under section 27(1)(c), (d) or (e)”;

(e) in section 76—

(i) in subsection (6), by inserting after the words “any other penalty provided in this Act,” the words “unless the Board otherwise directs,”; and

(ii) in subsection (7), by inserting after the words “any other penalty provided in this Act,” the words “unless the Board otherwise directs,”;

(f) in section 77(1), by deleting the words “The Board may,” and substituting the words “Notwithstanding section 76(4), the Board may”;

(g) in section 99(4), by inserting after the words “such additional sum” the words “unless the Board otherwise directs,”;

(h) in section 103(2), by inserting after the words “on payment of the amount he failed to pay,” the words “unless the Board otherwise directs,”;

(i) in Part I of the Third Schedule—

- (i) by deleting the words “28 cents” and substituting the words “25 cents”; and
- (ii) by deleting the words “35 cents” and substituting the words “30 cents”; and

(j) in the Seventh Schedule—

- (i) in Class A, by deleting the item entitled “Bakers’ Plant”; and
- (ii) in Class B, by inserting the item entitled “Bakers’ Plant”.

5. The Corporation Tax Act is amended—

Chap. 75:02
amended

(a) by repealing sections 8 and 9;

(b) in section 10G(1)—

- (i) by deleting the words “subject to this section” and substituting the words “subject to section 10L”; and
- (ii) by deleting the words “three hundred thousand dollars” in the last line and substituting the words “four hundred and fifty thousand dollars”;

(c) by inserting, after section 10H, the following sections:

Deduction of expenditure by promoters or sponsors of sporting activities and sportsmen

10I. (1) Subject to section 10L, where in a year of income commencing from the year 2003, a company promotes or sponsors sporting activities or events or sportsmen, 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 incurred in respect of such promotion or sponsorship, up to a maximum of four hundred and fifty thousand dollars.

(2) In the case of a sportsman sponsored by a company, the deduction shall only apply where the sportsman is a national of Trinidad and Tobago.

(3) In this section, "sporting activities or events" means athletics, badminton, basketball, amateur boxing, martial arts, wrestling, cricket, cycling, model aeroplane flying, football, rugby, golf, hockey, netball, baseball, polo, swimming, tennis, weightlifting, yachting and such other activities or events as may be prescribed, under subsection (4), by the Minister with responsibility for sports.

(4) The Minister to whom responsibility for sports is assigned may, by Order, amend the list of sporting activities or events detailed in subsection (3).

(5) For the purposes of this section "sportsman" means an individual engaged in sporting activities or events.

Deduction of
expenditure
by sponsors
for audio,
visual or
video
productions

10J. Subject to section 10L, where in a year of income commencing from the year 2003, a company sponsors audio, visual or video productions for the purposes of local education or entertainment or reflecting local culture for radio or television, 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 incurred in respect of such productions up to a maximum of four hundred and fifty thousand dollars.

Deduction of
expenditure
by a
production
company

10K. Where in a year of income commencing from the year 2003, a production company incurs expenditure in respect of audio, visual or video productions reflecting local culture for radio or television, 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 incurred in making such productions up to a maximum of four hundred and fifty thousand dollars.

Assessing
chargeable
profits

10L. (1) For the purpose of ascertaining the chargeable profits of a company for a year of income, the aggregate allowance that may be claimed under sections 10G, 10I and 10J shall not exceed the sum of four hundred and fifty thousand dollars.

(2) In the case of production companies, these companies will be allowed the maximum allowance of four hundred and fifty thousand dollars with respect to expenditure relating to their own productions, together with an aggregate maximum allowance of four hundred and fifty thousand dollars with respect to donations made to sporting activities and artistic works not related to their businesses.

Double
deductions
prohibited

10M. For the removal of doubt a company which is granted an allowance under sections 10E, 10G, 10H, 10I, 10J and 10K shall not also be entitled to a deduction under section 10 of the Income Tax Act as applies to the Corporation Tax Act.”;

Chap. 75:01

Chap. 75:02

(d) by inserting after section 19A(2), the following subsection:

“ (3) The Board shall waive the penalty for late filing in circumstances where it is just and equitable to do so.”.

(e) in the First Schedule—

(i) by deleting the words “thirty-five per cent wherever they occur in paragraphs 1 and 2, and substituting the words “thirty per cent”;

- (ii) in paragraph 1, by deleting the words “paragraph 2” appearing after the words “except as otherwise provided” and substituting the words “paragraphs 2 and 3”; and
- (iii) by inserting the following paragraph:

“3(1) Companies engaged in the—

- (a) liquefaction of natural gas;
- (b) manufacture of petrochemicals;
- (c) physical separation of liquids from a natural gas stream and natural gas processing from a natural gas stream;
- (d) transmission and distribution of natural gas;
- (e) wholesale marketing and distribution of petroleum products; and
- (f) any other activity prescribed by Order of the Minister with responsibility for finance,

shall be subject to corporation tax at the rate of thirty-five per cent per annum.

(2) For the avoidance of doubt, companies engaged in the wholesale marketing and distribution of petroleum products shall not include companies—

- (a) operating a liquid petroleum gas filling plant or conducting a refilling operation;

(b) involved in the sale and distribution of leaded and unleaded gasoline, diesel and kerosene lubricants and other car care products; or

(c) operating service stations.”; and

(f) by repealing the Second Schedule.

Chap. 76:01
amended

6. (1) The Stamp Duty Act is amended—

(a) by deleting section 60;

(b) in the First Schedule—

(i) in the item described as “Bond, Covenant, or Instrument of any kind whatsoever, whether by way of principal or collateral security for the payment of money,”, by deleting the words commencing with the words “Where the payment is to continue for a term of life or any other indefinite period” and ending with the words “0.25”;

(ii) in the item described as “Conveyance or transfer of any stock or funded debt or shares of any company or corporation”—

(A) by deleting the words “On sale—” and substituting the words “On sale of any stock or funded debt or shares not listed by a self-regulatory organisation—”; and

(B) by inserting after paragraph (1), the following paragraph:

“ (1A) On shares listed by a self-regulatory organisation not sold or transferred in accordance with the rules of the self-regulatory organisation . . . five per cent of the market value of the transaction.”; and

(iii) in the item described as “Policy of Insurance—”

(A) by deleting all the words commencing with the words “Upon any life or lives, or upon any event or contingency relating to or depending upon any life or lives:” and ending with the words “\$5,000 of the amount insured . . . 5.00”; and

(B) by inserting below the words “Against loss or damage by fire . . . 0.25”, the following words:

“EXEMPTION

Policy of Insurance upon any life or lives or upon any event or contingency relating to or depending upon any life or lives.”;

(c) in section 68, by renumbering that section as “68(1)” and inserting the following new subsection:

“ (2) Notwithstanding subsection (1), the President may remit or refund stamp duties payable where it appears to him just and equitable to do so.”.

(2) Subsection (1)(a) and (b) shall be deemed to have come into operation on the 14th day of September, 2001.

Chap. 77:01
amended

7. The Miscellaneous Taxes Act is amended in Part XIII—

(a) in section 54(1), in the definition of “taxable insurance contract”—

(i) in paragraph (g), by deleting the fullstop after the word “insurance” and substituting the words “; and”;

(ii) by inserting after paragraph (g), the following paragraph:

“(h) a contract under which the policy holder is a resident of Trinidad and Tobago who has attained the age of sixty years.”; and

(iii) by inserting after section 54(1), the following section:

“ 54. (1)(A) Paragraph (h) of section 54(1) shall be deemed to have come into effect from 14th September, 2001.”;

(b) by inserting after section 59, the following section:

“Tax
Authority
may audit

59A. (1) The Tax Authority may at any time audit insurance companies to ensure that the correct taxes are paid to the said Authority.

(2) The Tax Authority shall, in respect of the collection and recovery of taxes and an audit under subsection (1), have all the powers which the Board of Inland Revenue has in relation to income tax under the Income Tax Act.”; and

(c) by inserting after section 60, the following section:

“Tax
Authority
may waive
interest

60A. The Tax Authority may waive interest accrued in respect of—

(a) outstanding taxes; and

(b) penalties,

where it considers it just and equitable to do so.”.

8. The Liquor Licences Act is amended—

Chap. 84:10
amended

(a) by repealing section 28; and

(b) by repealing section 60 and substituting the following section:

“Sale of
intoxicating
liquor to
children

60. (1) A person who knowingly sells or allows another person to sell intoxicating liquor to a child under the age of eighteen years, whether for the child’s own

use or not, commits an offence and is liable on summary conviction for a first offence to a fine of two thousand dollars, and in the case of a second offence to a fine of five thousand dollars, and in the case of a third or subsequent offence to a fine of seven thousand five hundred dollars.

(2) A licence granted or transferred to or renewed in favour of a person convicted under subsection (1), shall be suspended for a period of one year.

(3) A person who is licensed under this Act to sell intoxicating liquor shall cause to be displayed at all times, in a prominent place on the premises in which the liquor is sold, a sign, written in bold upper case characters, legible from any part of the premises, that reads as follows:

“THE SALE OF INTOXICATING LIQUOR TO INDIVIDUALS UNDER THE AGE OF EIGHTEEN YEARS IS PROHIBITED.”.

(4) A person who fails to comply with subsection (3) commits an offence and is liable on summary conviction to a fine of one thousand dollars.”.

9. The Income Tax (In Aid of Industry) Act is ^{Chap. 85:04} amended—
 amended—

- (a) in section 1, by repealing subsection (2);
- (b) by inserting after section 1, the following section:

“Application
of Act

1A. This Act shall, except as may be otherwise expressly provided therein, be applicable to all manufacturing trades.”;

- (c) by repealing section 2 and substituting the following section:

“Interpreta-
tion

2. (1) In this Act “manufacturing trade” means any activity involving the mechanical, physical or chemical transformation of materials, substances or components into new products but does not include the printing and publication of newspapers, magazines, reviews and other periodicals by the proprietors for their account.

(2) For the purposes of Parts II, III and V “production business” has the meaning assigned to it in the

Chap. 75:04

Petroleum Act.”;

- (d) in section 9(1), by repealing paragraph (a) and substituting the following paragraph:

“(a) for the purposes of a manufacturing trade; and”;

- (e) in section 16(1), by deleting the words “one half of the expenditure” and substituting the words “sixty per cent of the expenditure incurred in the provision of machinery and plant for the purposes of that trade.”;

- (f) by renumbering the section numbered as section 16A in the second place where it occurs, as section 16B;
- (g) by repealing section 62 and substituting the following section:

“Application
of Part VIII

62. None of the provisions of this Part shall apply to any manufacturing trade other than the mining, working and processing of asphalt and none of provisions of Part IX shall apply to this Part.”; and

- (h) by repealing the First Schedule.

Act No. 14 of 1987
amended

10. The Finance Act, 1987 is amended in section 5(2)—

- (a) by deleting the words “fifty per cent” and “fifteen per cent” and substituting the words “one hundred per cent” and “twenty per cent”, respectively; and
- (b) by deleting the words “unless the Board otherwise directs” and inserting after the words “such additional sum” the words “unless the Board otherwise directs,”.

Act No. 37 of 1989
amended

11. Section 39(8) of the Value Added Tax Act, 1989 is repealed and the following subsection substituted:

- “ (8) An assessment under subsection (1) shall not be made, amended or vacated after—
- (a) six years from the end of the tax period to which the assessment relates; or
 - (b) three years from the date of filing of the return to which the assessment relates,
- whichever is later.”.

No. 10 of 2002

FIRST SESSION
EIGHTH PARLIAMENT
REPUBLIC OF
TRINIDAD AND TOBAGO

BILL

AN ACT to provide for the variation of certain taxes and to introduce other provisions of a fiscal nature and for related matters

Received and read the

First time.....

Second time.....

Third time.....
