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Fourth Session Tenth Parliament Republic of
Trinidad and Tobago

HOUSE OF REPRESENTATIVES

BILL

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

THE FINANCE BILL, 2014

Explanatory Note

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

This Bill seeks to amend several pieces of legislation namely, the Gambling and Betting Act, Chap. 11:19; the Registration of Clubs Act, Chap. 21:01; the Municipal Corporations Act, Chap. 25:04; the Litter Act, Chap. 30:52; the State Lands Act, Chap. 57:01; the Minerals Act, Chap. 61:03; the Petroleum Act, Chap. 62:01; the Cocoa and Coffee Industry Act, Chap. 64:20; the Exchequer and Audit Act, Chap. 69:01; the Income Tax Act, Chap. 75:01; the Corporation Tax Act, Chap. 75:02; the Petroleum Taxes Act, Chap. 75:04; the Customs Act, Chap. 78:01; the Excise (General Provisions) Act, Chap. 78:50; the Liquor Licences Act, Chap. 84:10; the Income Tax (In aid of Industry) Act, Chap. 85:04; the Spirits and Spirit Compounds Act, Chap. 87:54, the Income Tax (Mineral Deposits) Regulations, G.N. No. 115 of 1950; and the Electronic Transactions Act, 2011.

Clause 1 of the Bill would provide the short title of the Bill.

Clause 2 of the Bill seeks to amend the Gambling and Betting Act, Chap. 11:19 in section 10 by defining amusement games as electro-mechanically arcade machines, by imposing restrictions on the use of those amusement games in premises licensed under the Liquor Licences Act and by providing that the maximum payout on those games would be five thousand dollars. There will now be a requirement to display the maximum payout limit on those machines.

Clause 3 of the Bill seeks to amend the Registration of Clubs Act, Chap. 21:01, in section 23 by requiring the Board of Inland Revenue to issue a tag for machines in respect of which taxes have been paid, and by requiring the Secretary of any club to display that tag subject to cancellation of the club's certificate and a penalty of fifteen per cent interest on and in addition to the tax payable. This clause would also require the Secretary of a club to deposit a sum of five hundred thousand dollars in the Treasury as a guarantee in respect of any claims that may arise.

Clause 4 of the Bill seeks to amend the Municipal Corporations Act, Chap. 25:04, by inserting a new section 60A, which would provide for the provision of a duty allowance for Municipal Police Officers.

Clause 5 of the Bill seeks to amend the Litter Act, Chap. 30:52 and would provide for the increase of fines by one hundred per cent for offences involving littering of “public places and premises” by persons including private citizens, corporate and unincorporated bodies.

Clause 6 of the Bill seeks to amend the State Lands Act, Chap. 57:01, in section 25, by increasing the fines and terms of imprisonment in relation to the offence of digging, winning or removing material on or from any State lands without the relevant licence to do so.

Clause 7 of the Bill would amend section 45 of the Minerals Act, Chap. 61:03 by increasing the fines and terms of imprisonment in relation to the offences of, *inter alia*, mining in areas that are not mining zones, knowingly purchasing any mineral from a person who is not the holder of a licence, knowingly making a false statement or fraudulent representation in or in connection with an application for a licence, failing to keep and maintain accurate records and polluting watercourses in the exercise of mining operations.

Clause 8 of the Bill seeks to amend the Petroleum Act, Chap. 62:01 by increasing the fines for engaging in petroleum operations without a licence.

Clause 9 of the Bill would repeal the Cocoa and Coffee Industry Act, Chap. 64:20.

Clause 10 of the Bill seeks to amend the Exchequer and Audit Act, Chap. 69:01 and would insert three new sections. Proposed section 23A seeks to provide for the electronic transfer of money by or to Departments of government subject to the general or specific directions of the Treasury. This section would also maintain the validity of previous transactions. Proposed section 23B would empower the Minister to make Regulations for these sections. Section 23B would also provide for the interpretation of certain

terms used in the relevant sections. The Proposed section 23C would provide that electronic funds transfers made pursuant to the Act shall be enforceable and binding.

Clause 11 of the Bill would amend the Income Tax Act, Chap. 75:01. This clause would amend section 45C by changing the year from 2015 to 2018. Additionally, the clause also classifies Natural Gas Compressors (Transmission) as a type of machinery that would be subject to wear and tear allowances at a rate of 33.3%.

Clause 12 of the Bill seeks to amend the Corporation Tax Act, Chap. 75:02. One of the main amendments to the Corporation Tax (Amendment) Bill, 2014 is to allow the Small and Medium Enterprises greater flexibility to raise additional capital from external investors without impacting negatively on the retained earnings and reserves of the Small and Medium Enterprise.

Clause 13 of the Bill seeks to amend the Petroleum Taxes Act, Chap. 75:04. The amendments to the Petroleum Taxes Act are necessary to remove the difference between the treatment for tax purpose of intangible drilling and development costs, which are expensed, and tangible costs, which are capitalized. It is intended that all the costs related to workovers, qualifying side tracks and other works will now be expensed effective January 1, 2014. Further, the amendments would allow as a deduction the expenditure incurred in respect of exploration operations in the year such expenditure is incurred for the financial years 2014 to 2017.

Clause 14 of the Bill would amend the Customs Act, Chap. 78:01 to reflect increases in the penalties and fines for offences under the Act for offences under sections 16(5), 37(3), 38(2), 62, 63(3), 67, 105, 154, 156, 157, 167, 170, 171, 172, 177, 178, 182, 183, 196, 198, 210 and 211. Section 213 of the Act would be amended to include at the end of the section the phrase “and in any case the goods shall be forfeited.”

This clause also seeks to repeal—

(a) section 45(1)(m); and

(b) in the Order titled “Prohibition (Carriage Coastwise, Importation and Exportation) Order, 1953”

paragraph three of the Second Schedule titled “Mechanical games of chance for gambling”.

Clause 15 of the Bill would amend the Excise (General Provisions) Act, Chap. 78:50 to reflect an increase in the fines for offences under sections 40, 57 and 62.

Clause 16 of the Bill seeks to amend the Liquor Licences Act Chap. 84:10, by inserting section 20A which would require any person who wishes to operate amusement machines on licenced premises to apply to the committee for the relevant licences. This clause also imposes an annual tax on amusement machines to be known as a gaming tax of three thousand dollars.

Clause 17 seeks to amend the Income Tax (In Aid of Industry) Act, Chap. 85:04. These amendments are to facilitate the following:

- (a) capital allowance to be granted in the amount of fifty per cent of the expenditure in the year that the expenditure is incurred;
- (b) capital allowance to be granted in the second year after the expenditure is incurred in the amount of thirty per cent of the expenditure incurred; and
- (c) capital allowance to be granted in the third year after the expenditure has been incurred in the amount of twenty per cent of the expenditure incurred.

These amendments would necessitate a consequential amendment to the Income Tax (Mineral Deposits) Regulations.

Clause 18 of the Bill seeks to amend the Spirits and Spirit Compounds Act, Chap. 87:54, by amending the fines payable in sections 45 and 64 of that Act.

Clause 19 of the Bill would amend the Income Tax (Mineral Deposits) Regulations in order to facilitate the amendments made to the Income Tax (In Aid of Industry) Act, Chap. 85:04, namely—

- (a) capital allowance to be granted in the amount of fifty per cent of the expenditure in the year that the expenditure is incurred;

- (b) capital allowance to be granted in the second year after the expenditure is incurred in the amount of thirty per cent of the expenditure incurred; and
- (c) capital allowance to be granted in the third year after the expenditure has been incurred in the amount of twenty per cent of the expenditure incurred.

Clause 20 of the Bill would amend the Electronic Transactions Act, 2011, Act No. 6 of 2011, to empower the government to collect revenue and make payments in accordance with the provisions of that Act.

THE FINANCE BILL, 2014

Arrangement of Clauses

Clause

1. Short title
2. Chap. 11:19 amended
3. Chap. 21:01 amended
4. Chap. 25:04 amended
5. Chap. 30:52 amended
6. Chap. 57:01 amended
7. Chap. 61:03 amended
8. Chap. 62:01 amended
9. Chap. 64:20 amended
10. Chap. 69:01 amended
11. Chap. 75:01 amended
12. Chap. 75:02 amended
13. Chap. 75:04 amended
14. Chap. 78:01 amended
15. Chap. 78:50 amended
16. Chap. 84:10 amended
17. Chap. 85:04 amended
18. Chap. 87:54 amended
19. G.N. No.115 of 1950 amended
20. Act No. 6 of 2011 amended

BILL

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

[, 2014]

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

1. This Act may be cited as the Finance Act, 2014. Short title

Chap. 11:19
amended

2. The Gambling and Betting Act is amended—

(a) in section 10—

(i) by renumbering section 10 as section 10(1);

(ii) in section 10(1) as renumbered—

(A) in paragraph (b), by deleting the word “.” and substituting the words “; or”; and

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

“ (c) p r e m i s e s
specified in a
l i c e n c e
referred to in
section 35(3)
or (4) of the
L i q u o r
Licences Act,
which are
p e r m i t t e d
to host
a m u s e m e n t
g a m e s u n d e r
that Act;”;

Chap. 84:10

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

“ (2) For the purposes of this section, “amusement game” means an electro-mechanical game or device set in operation wholly or partly by the insertion of money or moneys’ worth and so constructed as to return to the person inserting the money or moneys’ worth, in certain circumstances, money or moneys’ worth to the maximum pay out per game of five thousand dollars per game.”;

- (b) by repealing section 13;
- (c) in item 17(2)(a) of the First Schedule, by deleting the words “\$100,000” and substituting the words “\$200,000”; and
- (d) in section 33—
 - (i) in subsection (3), by deleting the word “Board” wherever it occurs and substituting the word “Comptroller”;
 - (ii) by repealing subsection (5) and substituting the following new subsection:
 - “ (5) Where the deposit or a part thereof is to be applied to meet the amount of any claim is held to be valid by the Comptroller or by a Court, the amount shall be paid out of the deposit.”; and
 - (iii) in subsections (6) and (7), by deleting the word “Board” wherever it occurs and substituting the word “Comptroller”;

3. (1) The Registration of Clubs Act is amended in Chap 21:01 amended
 section 23—

- (a) by repealing subsection (2) and substituting the following subsection:
 - “ (2) The Secretary of a members’ club shall pay to the Board of Inland Revenue on or before 15th December of each year commencing in the year 2014 for each table or device, the gaming taxes at the rates set out in the Schedule for the following year.”;
- (b) by repealing subsections (3), (5) and (6);
- (c) in subsection (7), by deleting the words “times specified in subsections (2) and (3)” and substituting the words “time specified in subsection (2)”;

(d) by inserting the following new subsections:

“ (8) From December 15, 2014, the Board shall cause to be issued in respect of each table or device, a tag for which tax is paid.

(9) The Secretary of a members’ club shall cause to be displayed on each table or device the relevant tag for which the tax was paid, failing which the certificate of the club shall be liable to cancellation by the Licensing Committee.

(10) A Secretary who fails to display the relevant tag under subsection (9) commits an offence and is liable on summary conviction to a fine of fifteen hundred dollars and in the case of a continuing offence a further eight hundred dollars for every day during which the offence continues.”;

(e) by inserting after section 23, the following section:

“Deposit made by members’ clubs 23A. (1) The Secretary of a members’ club in which gambling is carried on, shall deposit with the Comptroller of Accounts the sum of five hundred thousand dollars in respect of the members’ club and the deposit shall be invested in the discretion of the Minister in liquid securities and the interest thereon paid to the depositors at yearly intervals.

(2) In the event of a members’ club failing to pay any claim validly made on it in respect of a betting transaction where the member’s club was involved in the gambling transaction, so much of the deposit referred to in subsection (1) as is necessary to meet the amount of such claim shall be applied for that purpose.

(3) Where the deposit under subsection (2) is insufficient to meet the balance of such claim made under this section, the amount may, notwithstanding any rule of law to the contrary, be recovered by action as a civil debt.

(4) For the purposes of subsection (3), the validity of any claim in respect of a gambling transaction—

(a) shall be determined by the Comptroller where the amount of such claim does not exceed five hundred dollars; or

(b) may be determined by the Comptroller with the consent of the parties thereto where the claim exceeds five hundred dollars.

(5) Notwithstanding any rule of law to the contrary, but subject to subsection (4), an action shall lie for recovery of any amount claimed in respect of any gambling transaction conducted by a member of a members' club.

(6) Where the deposit or any part thereof is to be applied to meet the amount of any claim held to be valid by the Comptroller or by a Court, the amount payable shall be paid out of the deposit.

(7) Where the amount of any claim is held to be valid by a Court, the Clerk of the Court or the Registrar thereof shall send a certified copy of the order or judgment to the Comptroller

within twenty-one days of the making of such order or judgment.

(8) Where a payment is made out of a deposit in satisfaction of any claim in respect of a gambling transaction, the amount by which the deposit required by subsection (1) to be deposited with the Comptroller of Accounts has been reduced, shall be deposited with the Comptroller of Accounts before a members' club undertakes any further gambling transactions.

(9) The Secretary of a members' club who effects any gambling transaction—

(a) without making a deposit required by subsection (1); or

(b) without depositing the amount required to be deposited in the circumstances set out in subsection (7),

commits an offence and is liable on summary conviction to a fine of one thousand, five hundred dollars and the certificate issued under section 5(4) shall be revoked by the Licensing Committee.

(10) For the purpose of this section, "a gambling transaction" means a transaction where a payment is made in money or moneys' worth to or by a members' club whether or not the purpose of the transaction is for payment, issue or redemption of moneys' worth or for gambling."; and

(f) the Schedule is amended by deleting item 6.

(2) Subsection (1)(a), (b) and (c) shall come into effect on the October 16, 2014.

4. The Municipal Corporations Act is amended by inserting after section 60, the following new section: Chap. 25:04 amended

“Duty allowance 60A. Notwithstanding section 60 and any other written law, the President may, by Order grant a duty allowance to Municipal Police Officers.”.

5. The Litter Act is amended— Chap. 30:52 amended

(a) in section 3(6), by deleting the word—

- (i) “two” and substituting the word “four”; and
- (ii) “four” and substituting the word “eight”;

(b) in section 3A(2), by deleting the word—

- (i) “two” and substituting the word “four”; and
- (ii) “four” and substituting the word “eight”;

(c) in section 4, by deleting the word “two” and substituting the word “four”;

(d) in section 6(4), by deleting the words “two thousand dollars and to a further fine of four hundred dollars” and substituting the words “four thousand dollars and to a further fine of eight hundred dollars”; and

(e) in section 9(2), by deleting the words “two thousand dollars and to a further fine of four hundred dollars” and substituting the words “four thousand dollars and to a further fine of eight hundred dollars”.

6. The State Lands Act is amended in section 25— Chap. 57:01 amended

(a) in paragraph (a), by deleting the words—

- (i) “one hundred and twenty thousand dollars and imprisonment for a term

of one year” and substituting the words “three hundred thousand dollars and imprisonment for a term of three years”; and

- (ii) “two hundred and fifty thousand dollars and imprisonment for a term of two years” and substituting the words “five hundred thousand dollars and imprisonment for a term of five years”; and

(b) in paragraph (b), by deleting the words—

- (i) “sixty thousand dollars and imprisonment for a term of six months” and substituting the words “one hundred and twenty thousand dollars and imprisonment for a term of one year”; and
- (ii) “one hundred and twenty thousand dollars and imprisonment for one year” and substituting the words “three hundred thousand dollars and imprisonment for a term of three years”.

Chap. 61:03
amended

7. The Minerals Act is amended in section 45—

(a) in subsection (1), by deleting the words—

- (i) “two hundred thousand dollars and imprisonment for a term of two years” and substituting the words “five hundred thousand dollars and imprisonment for a term of five years”; and
- (ii) “three hundred thousand dollars and imprisonment for a term of three years” and substituting the words “seven hundred thousand dollars and imprisonment for a term of seven years”;

- (b) in subsection (3), by deleting the words “one hundred thousand dollars and imprisonment for a term of one year” and substituting the words “five hundred thousand dollars and imprisonment for a term of five years”;
- (c) in subsection (4), by deleting the words “one hundred thousand dollars and imprisonment for a term of one year” and substituting the words “five hundred thousand dollars and imprisonment for a term of five years”; and
- (d) in subsection (5), by deleting the words “fifty thousand dollars and imprisonment for a term of six months” and substituting the words “two hundred thousand dollars and imprisonment for a term of two years”.

8. The Petroleum Act is amended in section 6(2), by deleting the words “thirty thousand dollars” and “one thousand five hundred dollars” and substituting the words “five hundred thousand dollars” and “fifty thousand dollars” respectively. Chap. 62:01 amended

9. The Cocoa and Coffee Industry Act is repealed. Chap. 64:20 amended

10. (1) The Exchequer and Audit Act is amended by inserting after section 23, the following Part: Chap 69:01 amended

“PART IVA

ELECTRONIC FUNDS TRANSFER

Electronic funds transfer 23A.(1) Notwithstanding any other written law, a payment into or issue out of—

- (a) the Exchequer Account; or
- (b) other public moneys, howsoever held,

may be made by means of electronic funds transfer in accordance with general or specific directions issued by the Treasury.

(2) Nothing in subsection (1), shall affect the validity of making payments or issues referred to in that subsection by any means that were lawful before the coming into force of this Part.

Regulations
for this Part

23B. (1) The Minister may make Regulations to give effect to the provisions of this Part including—

- (a) the conditions relating to electronic funds transfers, including the use of bank cards, credit cards or electronic money;
- (b) processes and controls for ensuring valid and reliable authentication and access to information;
- (c) environmental and application controls to support the use of electronic signatures;
- (d) guidelines and controls to ensure protection for clients and Departments, the content and timing of disclosures and the identification of documentation with respect to electronic funds transfers;
- (e) the liabilities of the State with respect to—
 - (i) unauthorized electronic funds transfers by a Department or public official;
 - (ii) fraudulent or negligent conduct of a Department or public official and the treatment of losses occurring as a result of such conduct;
 - (iii) notification of loss, theft or unauthorised use of bank cards, credit cards or other devices; or

(iv) system malfunction or failure; or

(f) dispute resolution.

(2) Regulations made under this section shall be subject to negative resolution of Parliament.

(3) Notwithstanding any other written law to the contrary, Regulations made under this section may provide in respect of any contravention of a regulation a penalty on summary conviction of a fine of one hundred and fifty thousand dollars and imprisonment for one year.

(4) In this section—

“bank card” has the meaning assigned by section 2 of the Electronic Transfer of Funds Crime Act;

“client” means a person who conducts business with a Department or any other person who is entitled to receive or required to make payments to such a Department;

“credit card” has the meaning assigned to it by section 2 of the Electronic Transfer of Funds Crime Act;

“Department” includes—

- (a) a Ministry;
- (b) Parliament, a Joint Select Committee of Parliament or a committee of either House of Parliament;
- (c) the Court of Appeal, the High Court, the Industrial Court, the Tax Appeal Board or any court of summary jurisdiction; and

(d) a department of Government not under ministerial control;

“electronic funds transfer” means any transfer of funds through electronic means that is initiated by a Department or a client so as to instruct, authorize or order the Central Bank or a financial intermediary to debit or credit an account held with the Central Bank or financial intermediary;

“electronic money” has the meaning assigned to it by section 2 of the Financial Institutions Act;

Chap. 79:09

“electronic signature” has the meaning assigned to it in section 2 of the Electronic Transactions Act, 2011;

Act No. 6
of 2011

“information” has the meaning assigned to it by section 2 of the Electronic Transactions Act, 2011;

“Minister” means the Minister with responsibility for finance;

“public official” means an individual exercising a public official function or acting in a public official capacity and includes the following:

- (a) the President;
- (b) a Minister of Government;
- (c) a Parliamentary Secretary;
- (d) a member of Parliament;
- (e) a Judge, Magistrate or the holder of any other judicial or *quasi-judicial* office;
- (f) a member of the Public Service, Judicial and

Legal Service, Teaching Service and Police Service Commissions;

- (g) an accounting officer;
- (h) a receiver of revenue;
- (i) an administering officer appointed by the Minister to administer a special fund;
- (j) an officer authorised by the State to attend meetings abroad; and
- (k) such other individuals as are approved by the Treasury in writing.

Validity of
payments

23C. Notwithstanding any other law, any electronic funds transfer made in accordance with this Act shall be legally enforceable and binding.”.

(2) Subsection (1) shall come into effect on such date as is proclaimed by the President by Proclamation.

11. The Income Tax Act is amended in—

Chap 75:01 amended

- (a) section 45A, by deleting the words “, after consultation with the Industrial Development Corporation”;
- (b) section 45C—
 - (i) in subsection (1), by deleting the words “2015” and substituting the words “2018”; and
 - (ii) in subsection (2)(b), by deleting the words “2015” and substituting the words “2018”;
- (c) section 45D(1), by deleting the words “Minister with responsibility for housing” and substituting the words “Minister with responsibility for industry”; and

(d) Class C of the Seventh Schedule by inserting after “Roadmaking Plant – Jitney” the following item:

“Natural Gas Compressors (Transmissions)...33.3%”.

Chap 75:02 amended **12.** The Corporation Tax Act is amended in section 10F—

(a) in section 3—

(i) in subsection (2)(a), by—

- (A) inserting the word “unconnected”, before the word “shareholders”; and
- (B) inserting the word “new”, before the words “issued share capital of the company”; and

(ii) in subsection (2)(b), by—

- (A) inserting the word “unconnected”, before the word “shareholders”; and
- (B) inserting the word “new”, before the words “issued share capital of the company”;

(iii) in subsection (3), by deleting paragraphs (a), (b) and (c) and substituting the following paragraphs:

- “ (a) minimum issued share capital is five million dollars and maximum issued share capital does not exceed fifty million dollars following the initial public offering;

(b) minimum and maximum capital base comprises of issued share capital only and does not include retained earnings and accounts transferred from such issued share capital or retained earnings to a reserved account; and

(c) minimum number of unconnected shareholders is twenty-five.”; and

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

“ (1A). For the purposes of subsection (1), all outgoings and expenses wholly and exclusively incurred by the company in respect of the acquisition of the income in relation to those debt securities whether or not such income is exempt from tax under this Act or any other written law shall not include purchase consideration paid.”;

(c) in subsection (2), by deleting the words “or the consideration paid”; and

(d) by inserting after subsection (2), the following new subsections:

“ (3) Subsection (1) shall not apply to outgoings and expenses incurred by a company in relation to strips of bonds or other securities that were not originally issued either in Trinidad and Tobago or in a CARICOM Member State.

(4) For the purposes of subsection (3), “a CARICOM Member State” means a State Party to the Revised Treaty of Chaguaramas including the Single Market and Economy signed in 2001 in Nassau, Bahamas.”.

Chap. 75:04 amended **13. The Petroleum Taxes Act is amended—**

(a) in section 12B(1), by—

- (i) inserting after the word “deduction” the words “from January 1, 2014”; and
- (ii) deleting the words “other than tangible cost”;

(b) by inserting after section 12C, the following new section:

“Capital expenditure allowance 12D. (1) In ascertaining the taxable profits of a person carrying on production business who, during the financial years commencing January 1, 2014 and ending on December 31st, 2017, incurs capital expenditure in respect of exploration operations on land or in a submarine area, that person may, subject to subsection (2), elect to claim as a deduction the capital expenditure incurred in respect of such operations in the financial year in which the expenditure is incurred.

(2) Expenditure in respect of which a deduction is claimed under subsection (1), does not fall to be treated under sections 14 and 15(1C) and (1E) in computing

the taxable profits of a person who has incurred capital expenditure in respect of exploration operations on land or in a submarine area.”;

- (c) in section 13(1), by deleting the words “including in particular paragraph 7 of the Second Schedule”;
- (d) by repealing section 15(1A), (1B), (2) and (3);
- (e) by repealing section 26B(2) and substituting the following new subsection:
 - “ (2) Subject to subsection (1), where there is any excess credit at the end of a financial year it may be claimed in the next financial year immediately following the financial year in which the expenditure was incurred and in no other financial year.”; and
- (f) in the Second Schedule, by deleting clause 7.

14. The Customs Act is amended—

Chap. 78:01 amended

- (a) in section 16(5), by deleting the words “two thousand, five hundred dollars” and substituting the words “one hundred and twenty-five thousand dollars or treble the value of such goods, whichever is the greater.”;
- (b) in section 37(3), by—
 - (i) deleting the words “twenty-five” and substituting the word “fifty”;
 - (ii) deleting the words “at the election of the Comptroller,” and substituting the words “or whichever is greater, and to imprisonment for a term of eight years”; and

- (iii) inserting the words “to imprisonment for a term of eight years,” before the words “in addition to such penalty,”;
- (c) in section 38(2), by deleting the words—
 - (i) “twenty-five” and substituting the word “fifty”; and
 - (ii) “at the election of the Comptroller,” and substituting the words “whichever is greater and to imprisonment for a term of eight years and the forfeiture of all such goods.”;
- (d) by repealing section 45(1)(m);
- (e) in section 57, by deleting the word “four” and substituting the words “one hundred”;
- (f) in section 62, by—
 - (i) deleting the word “four” and substituting the words “one hundred and twenty-five”; and
 - (ii) deleting the words “at the election of the Comptroller” and substituting the words “whichever is greater”;
- (g) in section 63(3), by deleting the words “five hundred dollars” and substituting the words “one hundred and twenty-five thousand dollars”;
- (h) in section 67, by deleting the word “four” and substituting the word “twenty”;
- (i) in section 105, by deleting the words “in such sum” and substituting the words “in the sum of twenty-five per cent of the duty and tax payable on the goods”;

- (j) in section 154, by deleting the words “except as otherwise provided in section 153” and substituting the words “in addition to any offence for which he may be convicted under any written law”;
- (k) in section 156, by—
 - (i) deleting the word “four” and substituting the words “one hundred and twenty-five”; and
 - (ii) deleting the words “at the election of the Comptroller” and substituting the words “whichever is greater.”;
- (l) in section 157, by—
 - (i) deleting the word “four” and substituting the words “one hundred and twenty-five”; and
 - (ii) deleting the words “at the election of the Comptroller” and substituting the words “whichever is greater.”;
- (m) in section 167, by deleting the words “twenty thousand dollars” and substituting the words “one hundred and twenty-five thousand dollars”;
- (n) in section 170, by deleting the words “four thousand dollars” and substituting the words “one hundred and twenty-five thousand dollars or treble the value of such goods, whichever is the greater”;
- (o) in section 171, by—
 - (i) deleting the word “four” and substituting the word “twenty”; and

- (ii) deleting the words “at the election of the Comptroller” and substituting the words “whichever is greater”;
- (p) in section 172, by deleting the words—
 - (i) “eight hundred” and substituting the words “four thousand”; and
 - (ii) “at the election of the Comptroller” and substituting the words “whichever is greater”;
- (q) in section 177, by deleting the word “four” and substituting the words “one hundred and twenty-five”;
- (r) in section 178, by deleting the words “one hundred” and substituting the words “four thousand”;
- (s) in section 182, by deleting the words “five hundred” and substituting the words “four thousand”;
- (t) in section 183, by deleting the word “eight” and substituting the word “fifty”;
- (u) in section 196, by deleting the word “four” and substituting the word “fifty”;
- (v) in section 198(1)—
 - (i) in paragraph (a), by deleting the word “two” and substituting the words “five hundred”;
 - (ii) in paragraph (b), by deleting the word “two” and substituting the words “five hundred”; and
 - (iii) in paragraph (c), by—
 - (A) deleting the word “two” and substituting the words “five hundred”; and

- (B) deleting the word “twenty thousand” and substituting the words “one million”;
- (w) in section 210, by deleting the word “two” and substituting the word “four”;
- (x) in section 211, by—
 - (i) inserting after the words “where no penalty is provided, shall incur” the words “upon conviction”;
 - (ii) deleting the word “four” and substituting the word “fifty”;
 - (iii) deleting the words “at the election of the Comptroller,” and substituting the words “whichever is greater and to imprisonment for a term of eight years and the forfeiture of all such goods”; and
 - (iv) deleting the words “and any such person may be arrested and detained by an Officer, and taken before a Magistrate to be dealt with according to law”;
- (y) in section 213—
 - (i) by deleting the words “notwithstanding sections 248 and 249” and substituting the words “in addition to any offence for which he may be convicted under any written law”; and
 - (ii) in subparagraph (iii), by inserting after the word “years” the words “, and in any case the goods shall be forfeited”; and

(z) in the Prohibition (Carriage Coastwise, Importation and Exportation) Order, 1953 in the Second Schedule, by repealing the third paragraph entitled “mechanical games of chance for gambling”.

Chap 78:50
amended

15. The Excise (General Provisions) Act is amended—

(a) in section 40(1), by deleting the word “four” and substituting the word “forty”;

(b) in section 57, by deleting the word “four” and substituting the word “forty”; and

(c) in section 62—

(i) in subsection (1), by deleting the word “four” and substituting the words “two hundred”; and

(ii) in subsection (2), by deleting the word “twenty” and substituting the words “two hundred”.

Chap. 84:10
amended

16. (1) The Liquor Licences Act is amended by inserting after section 20, the following new section:

“Annual tax on amusement games 20A.(1) Notwithstanding section 58, licenced premises referred to in section 35(3) or (4) may host amusement games where there are no more than twenty amusement games in operation at any given time.

(2) In respect of amusement games referred to in subsection (1), the maximum pay out sum per game of five thousand dollars shall be prominently displayed on each amusement game.

(3) Commencing in the year 2015, there shall be charged on all amusement

games to be operated on premises referred to in subsection (1), a tax to be known as a “gaming tax” which shall be three thousand dollars per amusement game, per annum and which shall be payable to the Board of Inland Revenue on or before December 15, in the year prior to the year for which the tax is being paid.

(4) The holder of a licence specified in section 35(3) or (4) who desires to operate an amusement game shall provide to the Board of Inland Revenue in advance of the installation and operation of an amusement game—

- (a) the name of the licensee;
- (b) the operation and address of the licensee;
- (c) the precise situation of the premises; and
- (d) the exact number of amusement games to be used on the premises.

(5) Where a gaming tax has been paid in respect of any amusement game—

- (a) the Board of Inland Revenue shall cause to be issued a tag for each amusement game for which tax is paid; and
- (b) the licensee shall cause to be attached and displayed on each amusement game, the tag issued by the Board of Inland Revenue prior to installation and operation of such amusement game.

(6) Where the holder of a licence specified in section 35(3) or (4) fails to remit the tax specified in subsection (2) to

the Board of Inland Revenue within the specified time, he shall be liable to pay together with the tax payable, interest at the rate of fifteen per cent per annum on the tax.

(7) Where the holder of a licence specified in section 35(3) or (4) fails to display the tag issued by the Board of Inland Revenue on an amusement game situate on the licenced premises or fails to display the maximum pay out on an amusement game—

- (a) he commits an offence and is liable to a penalty of fifteen hundred dollars and in the case of a continuing offence a further eight hundred dollars for every day during which the offence continues; and
- (b) the licence of the premises shall be liable to cancellation by the Licensing Committee.

(8) A tag issued under this section is non-transferrable.

(9) For the purposes of this section, “an amusement game” has the meaning assigned to it by section 10 of the Gambling and Betting Act.”.

(2) Where on or after the coming into force of this Act, a licensed premises referred to in section 35(3) or (4) has on it an amusement game, the gaming tax payable in respect of the game for the unexpired portion of the year 2014, shall be calculated on a prorated basis for the unexpired portion of the year.

(3) The tax payable under subsection (2), in respect of an amusement game already on a licensed

premises on the coming into force of this Act, shall become due and payable three months within the coming into force of this section.

17. The Income Tax (In Aid of Industry) Act is Chap. 85:04 amended amended—

(a) in section 2—

- (i) in subsection (3), by deleting the words “Petroleum Act” and substituting the words “Petroleum Taxes Act”; and
- (ii) by inserting after subsection (3), the following new subsection:

“ (4) For the purposes of Parts II and IIA, “refining business” has the same meaning assigned to it in the Petroleum Taxes Act.”;

(b) in section 16—

- (i) in subsection (1A), by deleting the words “the production of sugar, petroleum” and substituting the words “the refining business or the production of sugar”; and
- (ii) by inserting after subsection (1A), the following new subsection:

“ (1B) In the case of persons carrying on production business, the rate of initial allowance shall be limited to fifty per cent of the expenditure incurred.”;

(c) by repealing section 16A;

(d) by repealing section 17A and substituting the following new section:

“Allowance on machinery or plant 17A. (1) For the purposes of section 11(1)(b) of the Income Tax

Act, where, on or after January 1, 2014, a person carrying on refining business incurs expenditure on the provision of machinery or plant for the purposes of the trade, there shall be made to him from the financial year in which the expenditure was incurred an allowance of twenty per cent calculated on a straight line basis, on the residue of such expenditure after deduction of the initial allowance referred to in section 16(1A).

(2) For the purposes of section 11(1)(b) of the Income Tax Act, where on or after January 1, 2014, a person carrying on production business incurs expenditure on the provision of machinery or plant for the purposes of the trade, there shall be made to him—

- (a) in the first year following the year in which the expenditure is incurred, an allowance of thirty per cent of the expenditure; and
- (b) in the second year following the year in which the expenditure is incurred, an allowance of twenty per cent of the expenditure.

(3) Where a person carrying on production business or refining business has an unrelieved balance as at

December 31, 2013, his allowance shall continue to be calculated in the manner in which it was calculated prior to January 1, 2014.”;

(e) in section 18(1), by deleting the words “5(1)(c) and (d)” and substituting the words “5(1)(b) and (c)”;

(f) by repealing section 21A(3);

(g) in section 23(1), by deleting the words—

(i) “the appointed day”, and substituting the words “January 1, 2014”; and

(ii) “one-tenth” and substituting the words “fifty per cent”;

(h) by repealing section 23(2) and (3);

(i) in section 24—

(i) by repealing subsections (1), (2), (3) and (4), and substituting the following subsections:

“ (1) Where on after January 1, 2014, a person carrying on a trade which consists of, or includes the working of any mine, oil well or other source of mineral deposits of a wasting nature has carried out such trade, for the purposes of that trade expenditure to which this Part applies, in ascertaining the chargeable income of such

person, there shall be made to him—

(a) in the first year following the year in which the expenditure is incurred, an allowance of thirty per cent of the expenditure; and

(b) in the second year following the year in which the expenditure is incurred, an allowance of twenty per cent of the expenditure.

(2) Where the person referred to in subsection (1) has, as at December 31, 2013, an unrelieved balance of expenditure, he shall be allowed on the unrelieved balance, an allowance of twenty per cent, calculated on a straight line basis.

(3) Where the sources under this section ceases to be worked, the person carrying on the trade may elect that the unrelieved allowances, if any, for the year of income in which that event occurs, be claimed over the two preceding years, providing that the amount of such allowance to be given for the preceding years of income shall not exceed an amount which would reduce the tax

payable to less than one-half of the amount which would have been payable had the allowance not been given.”;

(ii) in subsection (5), by deleting the word “References” and substituting the words “Subject to subsection (5A), references”; and

(iii) by inserting after subsection (5), the following new subsection:

“ (5A) Subsection (5) applies to annual allowances made prior to January 1, 2014.”;

(j) in section 63(3), by deleting the words “5(1)(c) and (d)” and substituting the words “5(1)(b) and (c)”;

(k) in section 63A—

(i) by repealing subsection (2) and substituting the following subsection:

“ (2) A claim for an allowance from capital expenditure shall not be deferred.”; and

(ii) in subsection (3), by deleting the words “residue of expenditure on which the annual allowance” and substituting the words “expenditure on which the allowances”;

(l) in section 69(3), by inserting after the words “annual allowance” the words “and other allowance under sections 17A(2) and 24(1)”;

and

(*m*) in the Fourth Schedule—

- (i) in clause 2(*a*), by inserting after the words “annual allowance” the words “and other allowance under sections 17A(2) and 24(1)”;
- (ii) in clause 3(1), by inserting after the words “annual allowance” the words “and other allowance under sections 17A(2) and 24(1)”;
- (iii) in clause 3(2), by inserting after the words “annual allowances”, in the second place where they occur, the words “and other allowance under sections 17A(2) and 24(1)”.

Chap. 87:54 amended **18. The Spirits and Spirit Compounds Act is amended—**

- (*a*) in section 45(2), by deleting the words “in such sum” and substituting the words “in the sum of twenty-five per cent of the duty and tax payable on the goods”; and
- (*b*) in section 64, by deleting the words “as the proper officer requires” and substituting the words “in the sum of twenty-five per cent of the duty and tax payable on the goods”.

G.N. No. 115 of 1950 amended **19. The Income Tax (Mineral Deposits) Regulations is amended in regulation 6—**

- (*a*) by revoking subregulation (2)(*a*)(ii);
- (*b*) in subregulation (2)(*b*), by deleting subparagraph (ii) and its proviso and substituting the following paragraph:
 - “(ii) so much of any annual allowances and other allowance made under section 24(1) of the Act to the seller as is attributable to the seller’s expenditure on the assets.”;
 - and

(c) by inserting after subregulation (2), the following new subregulation:

“ (3) Notwithstanding sub-regulation (2)(b)(ii), where only some of the assets connected with a source are in question, the amount of the seller’s annual allowances and other allowance made under section 24(1) attributable to those assets shall be ascertained by applying the provisions of Part III of the Act relating to the computation of the annual allowances and other allowance made under section 24(1) as though the seller’s expenditure on those assets had been the only expenditure qualifying for annual allowances and other allowances made under section 24(1) in connection with the source.”.

20. The Electronic Transactions Act, 2011 is Act No. 6 of 2011 amended amended—

(a) in section 2, by inserting in the appropriate alphabetical sequence, the following definition:

“ “revenue” means all tolls, duties, fees, licences, taxes, imports, royalties, rents, penalties, forfeitures, dues and all other receipts of the State from whatever source arising, over which Parliament has power of appropriation, including the proceeds of all loans raised;”;

(b) in section 53(1)—

(i) by deleting the word “or” at the end of paragraph (c);

(ii) by inserting the word “or” at the end of paragraph(d); and

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

“(e) collects revenue or makes payments.”.

Passed in the House of Representatives this day
of 2014.

Clerk of the House

I confirm the above and certify that this is a Money Bill.

Speaker

Passed in the Senate this day of ,
2014.

Clerk of the Senate

I confirm the above.

President of the Senate

No. 7 of 2014

FOURTH SESSION
TENTH PARLIAMENT
REPUBLIC OF
TRINIDAD AND TOBAGO

BILL

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

Received and read the

First time

Second time

Third time
