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No. 25 of 2019

Fifth Session Eleventh Parliament Republic of
Trinidad and Tobago

HOUSE OF REPRESENTATIVES

BILL

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

THE FINANCE BILL, 2019

Explanatory Notes

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

This Bill seeks to amend 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 and the Co-operative Society Act, Chap. 81:03.

Clause 1 of the Bill provides for the short title.

Clause 2 of the Bill amends the Income Tax Act to provide for an increase in the solar water heating equipment tax credit.

Clause 3 of the Bill amends the Corporation Tax to increase certain tax allowances and to provide for, *inter alia*, a new methodology for the taxation of life insurance companies.

Clause 4 of the Bill amends the Petroleum Taxes Act to provide for an increase in tax credit.

Clause 5 of the Bill amends the Second Schedule of the Customs Act to increase the value of goods that can be imported without incurring customs duties at the airport.

Clause 6 of the Bill amends the Co-operative Societies Act to increase the sum of money payable to a nominee or legal personal representative of a deceased member.

Clause 7 of the Bill provides for the commencement of the Act for which this is the Bill.

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[, 2019]

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

1. This Act may be cited as the Finance Act, 2019. Short title
2. The Income Tax Act is amended in section 48C Chap. 75:01 by deleting the words “twenty-five per cent” and amended

substituting the words “one hundred per cent”.

Chap. 75:02
amended

3. The Corporation Tax Act is amended—

- (a) in section 10B(1)(b), by deleting the words “the export of”;
- (b) in section 10B(3), by deleting the words “where goods have been exported as a result of such expenditure” and substituting the words “where the service, goods or agricultural produce has, as a result of such expenditure, been exported—
 - (a) to a foreign market, other than a country specified in the Sixth Schedule; or
 - (b) for the first time to a country specified in the Sixth Schedule”;
- (c) in section 10B(6), by deleting from the words “, nor” to the words “Sixth Schedule”;
- (d) in section 10G(1), by deleting the words “three million dollars” and substituting the words “six million dollars”;
- (e) in section 10I(1), by deleting the words “three million dollars” and substituting the words “six million dollars”;
- (f) in section 10J, by deleting the words “three million dollars” and substituting the words “six million dollars”;
- (g) in section 10K, by deleting the words “three million dollars” and substituting the words “six million dollars”;
- (h) in section 10L(1), by deleting the words

“three million dollars” and substituting the words “six million dollars”;

(i) in section 10L(2), by deleting the words “two million dollars” and substituting the words “four million dollars”; and

(j) in the Fourth Schedule—

(i) in paragraph 3(1), by deleting the words “derived from the investment of its Statutory Fund” and substituting the words “on the assets supporting liabilities to Trinidad and Tobago policyholders as required under section 83(2) of the Insurance Act, 2018, such profits being credited to the policy account and included in the insurance reserves reported pursuant to section 145 of the Insurance Act, 2018”;

(ii) by inserting after paragraph (4), the following paragraph:

“(4A) For the purposes of section 281 of the Insurance Act, 2018, the profits of a foreign insurer on which corporation tax is payable shall be profits of the assets supporting liabilities to Trinidad and Tobago policyholders, such profits being credited to the policy account and included in the insurance reserves reported in the annual returns filed by the foreign insurer with the Central Bank of Trinidad and Tobago.”;

- (iii) in paragraph 5(1), by deleting the definitions of “revenue account” and “Statutory Fund” and substituting the following:

“policy account” means the revenue account or such other account which may be used in accordance with financial reporting standards to account for investment income attributable to policyholders.”; and

- (iv) in paragraph 5(2), by deleting the words “the First Schedule of the Insurance Act” and substituting the words “Schedule 1 of the Insurance Act, 2018”.

Chap. 75:04
amended

4. The Petroleum Taxes Act is amended in section 26(1), by deleting the words “twenty per cent” and substituting the words “twenty-five per cent”.

Chap. 78:01
amended
Second Schedule

5. The Second Schedule to the Customs Act is amended in item 6(aa)(5) by deleting the words “\$3,000.00” and substituting the words “\$5,000.00”.

Chap. 81:03
amended

6. The Co-operative Societies Act is amended in section 41(3), by deleting the words “five thousand dollars” and substituting the words “fifty thousand dollars”.

Commencement

7. (1) Subject to subsection (2), this Act comes into force on the 1st day of January, 2020.

(2) Section 3(j) comes into force on such day as is fixed by the President by Proclamation.

Passed in the House of Representatives this day
of , 2019.

Clerk of the House

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

Speaker

Passed in the Senate this day of ,
2019.

Clerk of the Senate

I confirm the above.

President of the Senate

No. 25 of 2019

FIFTH SESSION

ELEVENTH PARLIAMENT

REPUBLIC OF

TRINIDAD AND TOBAGO

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Received and read the

First time

Second time

Third time
