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Fifth Session Eighth Parliament Republic of
Trinidad and Tobago



REPUBLIC OF TRINIDAD AND TOBAGO

Act No. 30 of 2007

[L.S.]

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

[Assented to 28th September, 2007]

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

1. This Act may be cited as the Finance (No. 2) Act, Short title
2007.

Commencement

2. (1) Sections 15(*a*), 18(*h*), 21(*b*), 22 and 23(*j*) are deemed to have come into effect on August 21, 2007.

(2) Sections 3, 4, 5, 6, 7, 8, 10, 11, 12, 13 and 14 shall come into effect on October 1, 2007.

(3) Sections 18(*a*), (*b*), (*c*), (*d*), (*e*), (*f*), (*g*), (*i*), (*j*), 19, 20, 21(*a*), 23(*f*), (*g*), (*h*), (*i*), 25 and 26 shall come into effect on January 1, 2008.

(4) Section 9 shall come into effect on January 7, 2008.

Chap. 6:02
amended

3. The Judges Salaries and Pensions Act is amended—

(*a*) in section 12(1) and (2)(*b*), by deleting the words “one thousand, one hundred and fifty dollars” wherever they occur and substituting the words “one thousand, six hundred and fifty dollars”; and

(*b*) in section 13(1) and (2)(*b*), by deleting the words “one thousand, one hundred and fifty dollars” wherever they occur and substituting the words “one thousand, six hundred and fifty dollars”.

Chap. 13:02
amended

4. The Prison Service Act is amended in the Fifth Schedule—

(*a*) in rule 4(1)—

(i) by deleting the full stop at the end of paragraph (*c*) and substituting the words “; and”; and

(ii) by inserting after paragraph (*c*) the following paragraph:

“(*d*) where a First Division prison officer prior to the date of his compulsory retirement or prior to the

date on which he proceeds on pre-retirement leave, has acted in the higher office for a continuous period of three years, that officer shall be eligible to have his retiring benefits calculated as if he were substantively appointed to that higher position.”;

(b) in rule 5(1), by deleting the words “one thousand, one hundred and fifty dollars” and substituting the words “one thousand, six hundred and fifty dollars”; and

(c) in rule 6(c), by deleting the words “one thousand, one hundred and fifty dollars” and substituting the words “one thousand, six hundred and fifty dollars”.

5. The Retiring Allowances (Diplomatic Service) Act Chap. 17:04
amended
is amended—

(a) in section 8(1), by deleting the words “one thousand, one hundred and fifty dollars” and substituting the words “one thousand, six hundred and fifty dollars”;

(b) in section 10(1), by deleting the words “one thousand, one hundred and fifty dollars” and substituting the words “one thousand, six hundred and fifty dollars”;

(c) in section 11—

- (i) in subsection (3)(a) and (b), by deleting the words “one thousand, one hundred and fifty dollars” wherever they occur and substituting the words “one thousand, six hundred and fifty dollars”;
- (ii) in subsection (4)(a) and (b), by deleting the words “one thousand, one hundred and fifty dollars” wherever they occur and substituting the words “one thousand, six hundred and fifty dollars”; and

(d) in section 16, by deleting subsection (1) and substituting the following subsection:

“(1) Where a person has ceased to be a Head of Mission and the period of his service as a Head of Mission is four years or more, he shall, in addition to the gratuity payable under section 15, be paid a retiring allowance at an annual rate equal to twenty per cent of his annual salary before he ceased to be a Head of Mission or the sum of one thousand, six hundred and fifty dollars per month, whichever is the greater.”.

Chap. 23:52
amended

6. The Pensions Act is amended—

- (a) in section 18(1), by deleting the words “one thousand, one hundred and fifty dollars” and substituting the words “one thousand, six hundred and fifty dollars”; and
- (b) in section 19(1), by deleting the words “one thousand, one hundred and fifty dollars” and substituting the words “one thousand, six hundred and fifty dollars”.

7. The Widows' and Orphans' Pensions Act is amended by deleting the words "one thousand, one hundred and fifty dollars", wherever they occur and substituting the words "one thousand, six hundred and fifty dollars". Chap. 23:54 amended

8. The Municipal Corporations (Pensions) Act is amended— Chap. 25:05 amended

- (a) in section 10, by deleting the words "one thousand, one hundred and fifty dollars" and substituting the words "one thousand, six hundred and fifty dollars"; and
- (b) in section 17, by deleting the words "one thousand, one hundred and fifty dollars" and substituting the words "one thousand, six hundred and fifty dollars".

9. The National Insurance Act is amended—

Chap. 32:01 amended

(a) in section 2(1)—

- (i) by deleting the definition of "employer" and substituting the following definition:

“ “employer” means a person who employs at least one person under a contract of service or to whom another person is apprenticed;”;

- (ii) by deleting the definition of "employed person" and substituting the following definition:

“ “employed person” means a paid apprentice, a self-employed person or anyone who is employed under a contract of service;”;

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- (iii) by deleting the definition of “insurable employment” and substituting the following definition:
- “ “insurable employment” means any employment other than that which is provided for in section 29(2);”;
- (iv) by inserting after the definition of “insured person” the following definition:
- “ “invalid” means a person who is unable to engage in any kind of gainful occupation or is unable to perform any work for wage or profit for a period of not less than twelve months as a result of mental or bodily disease or injury;”;
- (v) in the definition of “paid apprentice”, by deleting the words “one hundred dollars” and substituting the words “one hundred and twenty dollars”;
- (vi) by inserting after the definition of “paid apprentice” the following definition:
- “ “parent” means a biological or legally adoptive parent;”;
- (vii) in the definition of “unpaid apprentice”, by deleting the words “one hundred dollars” and substituting the words “one hundred and twenty dollars”;

(b) in section 2—

- (i) in subsection (3), by deleting the words “In subsection (2)” and substituting the words “In this Act”; and
- (ii) by inserting after subsection (3), the following subsections:

“(4) For the purposes of this Act, where it is a condition for entitlement to the special maternity grant that a woman is the spouse of an insured man, the Executive Director may treat—

- (i) a single woman or widow who was living with a single man or widower as his wife at the date of delivery as if she were in law his spouse; and
- (ii) the single woman or widow referred to in paragraph (i) as the spouse of the insured where she lived with the insured man as his spouse for a minimum period of three years immediately preceding the date of delivery;

(5) For the purposes of subsection (4), the Executive Director may require such evidence as he considers necessary to determine whether the woman referred to in subsection (4) satisfies the conditions of that subsection.”;

(c) in section 29—

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

“(1) Every employer and subject to subsection (2), every employed person and every unpaid apprentice, shall be registered for the purposes of the system of National Insurance.”;

(ii) in subsection (2), by deleting the words “one hundred dollars” and substituting the words “one hundred and twenty dollars”;

(iii) in subsection (3), by—

(A) deleting the words “29th February 2004” and substituting the words “6th January 2008”;

(B) deleting the words “1st March 2004” and substituting the words “7th January 2008”; and

(C) deleting the words “one hundred dollars” and substituting the words “one hundred and twenty dollars”; and

(iv) by inserting after subsection (4) the following subsection:

“(5) The Board may reject or revoke the registration of any person purporting to be an employer or an insured person under this Act, where the registration is as a result of fraud committed against the Board, misrepresentation, or mistake.”;

(d) in section 30, by deleting subsection (5);

(e) in section 35, by deleting the word “President” and substituting the word “Board”;

(f) in section 38—

(i) in subsection (1), by deleting the words “A1, A2 and A3” and substituting the words “A1, A2, A3, A4, A5 and A6”; and

(ii) by inserting after subsection (2), the following subsection:

“(3) Where an employer fails to make a deduction in accordance with subsection (2), he shall not make that deduction at any time thereafter and shall be liable to the Board for the total outstanding sum.”;

(g) in section 39A, by deleting the words “An amount of money payable by an employee that is deducted from his salary or wages

and from an employer as a contribution under this Act shall—” and substituting the following words:

“The amount of money due and payable by an employee or by an employer as a contribution under this Part shall—”;

(h) in section 39B, by—

- (i) deleting the word “and” at the end of paragraph (a) and substituting the word “or”; and
- (ii) re-lettering paragraph (b) as paragraph (c) and inserting the following paragraph:

“(b) penalty of one hundred per cent of the outstanding sum, where the period for which the contributions were retained, is in excess of five years; and”;

(i) in section 41—

- (i) in subsection (1), by deleting all the words occurring after the word “Tables” and substituting the words “A1, A2, A3, A4, A5 and A6 in the Second Schedule”; and
- (ii) in subsection (2)—
 - (A) in paragraph (b), by deleting the word “and”;
 - (B) in paragraph (c), by inserting after the words “January 2006” the words “to 6th January, 2008”; and

(C) by inserting after paragraph (c), the following paragraphs:

“(d) in Table A4 are effective from 7th January, 2008 to 3rd January, 2010;

(e) in Table A5 are effective from 4th January, 2010 to 1st January, 2012; and

(f) in Table A6 are effective from 2nd January, 2012.”;

(j) in section 46—

(i) in subsection (1), by inserting after paragraph (bb) the following paragraphs:

“(bc) maternity allowance, that is to say, a payment in the case of the pregnancy or confinement of an employed woman;

(bd) special maternity grant, that is to say, a lump sum payment paid in the case of the pregnancy or confinement of the spouse of an insured man where the spouse would not otherwise qualify for maternity benefit;”;

and

- (ii) in subsection (3)(c)(iii), by deleting the word “weekly” and substituting the word “periodically”;
- (k) in section 54(1), by deleting all the words after the words “as shown” and substituting the following paragraphs:
- “in—
- (a) Tables A3, B3, C3 and D3 up to 6th January, 2008; and
- (b) Tables A4, B4, C4 and D4 from 7th January, 2008,
- Third
Schedule respectively, in the Third Schedule.”;
- (l) in section 54A—
- (i) in subsection (2)—
- (A) by deleting the words “on or after 1st March, 2004 and payment is to commence on or after that day,” and substituting the words “during the period 1st March, 2004 to 6th January, 2008 and payment is to commence during that period”; and
- (B) in paragraph (v), by deleting the words “1st January, 2006” and substituting the words “6th January, 2008”;
- (ii) in subsection (4A), by deleting the words “on or after 1st March, 2004” and substituting the words “from 1st March, 2004 to 6th January, 2008”;

- (iii) in subsection (4B), by deleting the words “on or after 1st March, 2004” and substituting the words “from 1st March, 2004 to 6th January, 2008”;
- (iv) in subsection (6), by inserting after the words “March, 2004” the words “to 6th January, 2008”; and
- (v) in subsection (7), by inserting after the words “March, 2004” the words “to 6th January, 2008”;

(m) by inserting after section 54A the following section:

“Benefits in accordance with earnings class from 7th January, 2008”

54B. (1) An insured person who is eligible to receive or is in receipt of sickness or maternity benefit during the period 1st March, 2004 to 6th January, 2008 and continues to receive the benefit on or after 7th January, 2008, shall be paid at the rate of benefit in accordance with Table A3 in the Third Schedule.

Table A3
Third
Schedule

(2) Where an insured qualifies for retirement pension, invalidity pension or survivor’s benefit on or after 7th January, 2008, and payment is to commence on or after that day, the rate of contribution which is to be used to determine the average rate in accordance with section 54(2)

of the Act shall where contributions—

- Table C1(A)
Second
Schedule
- (a) were paid prior to 11th August, 1980 be converted to rates in effect on 7th January, 2008, in accordance with Table C1(A) of the Second Schedule;
- Table C2(A)
Second
Schedule
- (b) were paid on or after 11th August, 1980 to 2nd May, 1999, be converted to rates in effect on 7th January, 2008, in accordance with Table C2(A) of the Second Schedule;
- Table C3(A)
Second
Schedule
- (c) were paid on or after 3rd May, 1999 to 6th January, 2008, be converted to rates in effect on 7th January, 2008 in accordance with Table C3(A) of the Second Schedule;
- Table A5
Second
Schedule
- (d) are paid on or after 7th January, 2008 to 3rd January, 2010, be converted to rates in effect on 4th January, 2010 in accordance with Table A5 of the Second Schedule; and
- (e) are paid on or after 4th January, 2010 to 1st January, 2012, be converted to rates in effect on 2nd January,

Table A6
Second
Schedule

2012 in accordance with Table A6 of the Second Schedule.

(3) Where an insured person qualifies for sickness benefit or maternity benefit on or after 7th January, 2008 and payment is to commence on or after that day, the rate of contribution which is to be used to determine the average rate in accordance with section 54(2) of the Act shall, where contributions were paid—

Table C4(A)
Second
Schedule

(a) prior to 7th January, 2008, be converted in accordance with the rates shown in Table C4(A) of the Second Schedule;

Table C5(A)
Second
Schedule

(b) on or after 7th January, 2008 to 3rd January, 2010, be converted to rates in effect on 4th January, 2010 in accordance with Table C5(A) of the Second Schedule; and

Table C6(A)
Second
Schedule

(c) on or after 4th January, 2010 to 1st January, 2012, be converted to rates in effect on 2nd January, 2012, in accordance with Table C6(A) of the Second Schedule.

(4) Persons who qualified for the receipt of retirement pension, invalidity pension or survivor's benefit on or after 7th January, 2008 shall be paid—

Tables B4, C4
Third
Schedule

(a) such benefit in accordance with Part I of Tables B4 and C4 of the Third Schedule, with effect from 7th January, 2008; and

(b) the increments to those benefits and the increments shall be calculated at the increased rates in accordance with Part II of the Tables in paragraph (a).

(5) Notwithstanding the benefit rates in respect of retirement pension shown in Parts I and II of Table B4 of the Third Schedule of the Act, the Board shall pay with effect from 7th January, 2008 the sum of two thousand dollars monthly, as a pension to each person qualifying for or in receipt of a retirement pension of less than two thousand dollars under the Act.

Table B4
Third
Schedule

(6) Subsection (5) applies only to insured persons who have paid seven hundred and fifty or more contributions in Trinidad and Tobago.

(7) Persons who qualified for the receipt of retirement pension, invalidity pension or survivor's benefit prior to 7th January, 2008 and continue to be eligible to receive the benefit on or after 7th January, 2008, shall be paid increased benefits in accordance with Tables B4 and C4.

Tables B4,
C4

(8) Persons who qualified for the receipt of disablement pension or death benefit prior to 7th January, 2008 and continue to be eligible to receive the benefit on or after 7th January, 2008, shall be paid increased benefits in accordance with Table D4 from 7th January, 2008.

Table D4

(9) Persons who qualified for employment injury benefit including disablement grants, medical expenses and constant care and attention allowance prior to 7th January, 2008 and continue to be eligible to receive such benefits on or after 7th January, 2008, shall be paid increased benefits in accordance with Table D3 and the National Insurance (Employment Injury) Payment of Medical Expenses (Amendment) Order, 2004.

Table D3

(10) Persons who qualify for the receipt of injury, death or disablement benefit on or after 7th January, 2008, shall be paid increased benefits in accordance with Table D4.

Table D4

Tables C1, C2(A), C2(B), C3, C4, D1, D2, D3, D4 Third Schedule

(11) Notwithstanding the rates of benefit with respect to a surviving child shown in Tables C1, C2(A), C2(B), C3, C4, D1, D2, D3 and D4 of the Third Schedule, the Board shall with effect from 7th January, 2008, pay to a child qualifying for death or survivor's benefit which is less than four hundred dollars monthly, death or survivor's benefit, as the case may be, in the sum of four hundred dollars monthly.

Tables C1, C2(A), C2(B), C3 and C4 Third Schedule

(12) Notwithstanding the rates of benefit with respect to an orphan shown in Tables C1, C2(A), C2(B), C3 and C4 of the Third Schedule, with effect from 7th January, 2008, the Board shall pay to an orphan qualifying for survivor's benefit which is less than eight hundred dollars monthly, survivor's benefit in the sum of eight hundred dollars monthly.

Tables C1, C2(A), C2(B), C3, C4, D1, D2, D3 and D4 Third Schedule

(13) Notwithstanding the benefit rates in respect of widow's pension and widower's pension shown in Parts I and II of Tables C1, C2(A), C2(B), C3, C4, D1, D2, D3 and D4 of the Third Schedule of the Act, the Board shall with effect from 7th January, 2008, pay the sum of four hundred dollars monthly, as a pension to each person qualifying for a widow's or widower's pension of less than four hundred dollars monthly under the Act.

Tables C1,
C2(A), C2(B),
C3, C4, D1,
D2, D3 and
D4
Third
Schedule

(14) Notwithstanding the benefits the rates in respect of parent's pension shown in Parts I and II of Tables C1, C2(A), C2(B), C3, C4, D1, D2, D3 and D4 of the Third Schedule of the Act, the Board shall with effect from 7th January, 2008, pay the sum of two hundred dollars monthly, as a pension to each person qualifying for a parent's pension of less than two hundred dollars monthly under the Act.”;

- (n) in section 64(3), by deleting the word “knowledge” and substituting the words “personal knowledge”;
- (o) in section 65(1), by inserting after the words “failed to pay” the words “together with the applicable penalty and interest”.

10. Section 3 of the Senior Citizens' Grant Act is Chap. 32:02 amended amended—

- (a) in subsection (1), by deleting the words “one thousand, one hundred and fifty dollars” and substituting the words “in accordance with subsection (2)”;
- (b) in subsection (2)—
 - (i) in paragraph (a), by deleting the words “also entitled to a monthly allowance of two hundred dollars” and substituting the words “entitled to a monthly Senior Citizens' Grant of one thousand, six hundred and fifty dollars”; and

- (ii) in paragraph (b), by deleting the words “also entitled to a monthly allowance of one hundred dollars” and substituting the words “entitled to a monthly Senior Citizens’ Grant of one thousand, five hundred and fifty dollars”;
- (c) in subsection (3), by deleting the words “twenty-five thousand, eight hundred dollars”, wherever they occur and substituting the words “thirty thousand dollars”; and
- (d) in subsection (4), by deleting the words “twenty-four thousand dollars but not exceeding twenty-five thousand, eight hundred dollars” and substituting the words “twenty-eight thousand, two hundred dollars but not exceeding thirty thousand dollars”.

Chap. 32:03
amended

11. The Public Assistance Act is amended in section 11A—

- (a) in subsection (1)(a), by deleting the words “three thousand, six hundred dollars” and substituting the words “twelve thousand dollars”; and
- (b) in subsection (3), by deleting the words “nine hundred dollars” and substituting the words “one thousand, one hundred dollars”.

Chap. 35:50
amended

12. The Fire Service Act is amended in the Fifth Schedule in paragraph 3(1), (3), (4), (8) and (9), by deleting the words “one thousand, one hundred and fifty dollars” and substituting the words “one thousand, six hundred and fifty dollars”.

13. The Teachers' Pensions Act is amended in section 12(1), by deleting the words "one thousand, one hundred and fifty dollars" wherever they occur and substituting the words "one thousand, six hundred and fifty dollars". Chap. 39:02 amended

14. The Assisted Secondary School Teachers' Pensions Act is amended in section 11(1), by deleting the words "one thousand, one hundred and fifty dollars" and substituting the words "one thousand, six hundred and fifty dollars". Chap. 39:03 amended

15. The Motor Vehicles and Road Traffic Act is amended— Chap. 48:50 amended

(a) in section 14—

- (i) in subsection (1), by deleting the words "Board of Inland Revenue" and substituting the words "Comptroller of Customs and Excise"; and
- (ii) by repealing subsection (2) and substituting the following subsections:

"(2) Motor vehicles tax shall be payable by the importer to the Comptroller of Customs and Excise upon the vehicle being entered for use within Trinidad and Tobago and before the registration of the motor vehicle.

(2A) For the purposes of collecting and enforcing the payment of the motor vehicles tax, the Customs Act relating to the importation of goods

shall apply in the same manner as if it were a duty of customs.

(2B) Where, on or before the coming into operation of the Finance (No. 2) Act, 2007, a motor vehicle has been entered for use within Trinidad and Tobago but no motor vehicles tax has been paid on such vehicle, the provisions of this Act shall apply in relation to the collection of such tax as if the Finance (No. 2) Act, 2007 had not been enacted.”; and

(b) in Part II of Appendix A to the Fourth Schedule—

(i) in paragraph 1(a)—

- (A) by deleting the words “five years” and substituting the words “two years”;
- (B) in subparagraph (i), by deleting the words “more than six months but not more than one year” and substituting the words “six months or less”;
- (C) in subparagraph (ii), by deleting the words “one year” and “two years” and substituting the words “six months” and “one year” respectively; and

- (D) in subparagraph (iii), by deleting the words “two years” and substituting the words “one year”; and
- (ii) by deleting paragraph 2.

16. The Airports Authority of Trinidad and Tobago Act is amended in section 15, by deleting paragraph (f). Chap. 49:02 amended

17. The Petroleum Production Levy and Subsidy Act is amended— Chap. 62:02 amended

- (a) in section 2, by inserting after the definition of “production business”, the following definition:

“production sharing contract” means an agreement entered into in accordance with the Petroleum Act;” and

- (b) by inserting after section 9, the following section:

“Production sharing contract to prevail 9A. Notwithstanding the provisions of this Act, where in relation to the levy, the production sharing contract—

- (a) excludes the provisions of this Act in respect of the levy, this Act shall not apply to the contract;
- (b) modifies the provisions of this Act, then for the purposes of such contract, this Act shall be read and construed accordingly; or

(c) conflicts or is at variance
with this Act,

the provisions of the contract shall
prevail.”.

Chap. 75:01
amended

18. The Income Tax Act is amended—

(a) in the Table under section 5A, by
inserting in the appropriate sequence the
following:

“Section 82A (Relief from payment of
tax)”;

(b) in section 8(1)(x), by inserting after the
words “pension fund plan” the words “or
deferred annuity plan”;

(c) in section 11, by inserting after paragraph
(b), the following paragraphs:

“(ba) where that person has incurred
expenditure in constructing or
setting up a facility which is
dedicated for use as a child
care or homework facility for
dependants of employees who
are minors, an amount
equivalent to the expenditure
actually incurred in that year in
constructing or setting up the
facility up to a maximum of five
hundred thousand dollars in
respect of each facility but not
exceeding in the aggregate in a
year of income the sum of three
million dollars;

(bb) where the amount actually
expended in paragraph (ba)
exceeds the sum of five hundred

thousand dollars, the amount in excess may be claimed as a wear and tear allowance in accordance with subsection (1)(b) and sections 11A and 11B;”;

(d) in section 28—

- (i) in subsection (10)(b), by deleting the words “one hundred per cent” and substituting the words “twenty-five per cent”;
- (ii) in subsection (11)(c)(ii), by deleting the words “one hundred per cent” and substituting the words “twenty-five per cent”;
- (iii) in subsection (15), by deleting the words “twelve thousand dollars” and substituting the words “twenty-five thousand dollars”;

(e) by inserting after section 82, the following section:

“Relief from
payment of
tax

82A. For the purposes of sections 79 to 82, 86, 87 and 89, where the tax payable by a person—

- (a) as stated in a notice of assessment or additional assessment;
- (b) upon the variation of an assessment after the determination of an objection or appeal in accordance with this Act,

does not exceed one hundred dollars, the tax so payable shall be deemed to be nil.”;

(f) in section 99(4), by deleting the words “one hundred per cent” and substituting the words “twenty-five per cent”;

(g) in section 103, by inserting after subsection (3) the following subsections:

“(4) Notwithstanding subsections (1) and (2), the amount of interest a person is liable to pay on account of the tax payable by him may be calculated by the Board from the due date up to a date determined by the Board, which is earlier than the date of payment.

(5) The Board shall, by notice in writing, inform the person that interest shall not be calculated in accordance with subsection (1) or (2) as the case may be where the person pays the interest calculated in accordance with subsection (4) on or before a date stipulated in the notice.

(6) Where the interest so calculated by the Board under subsection (4) remains unpaid after the date stipulated in the notice, the person shall be liable to pay interest calculated in accordance with subsections (1) and (2).”;

(h) by deleting section 103A and substituting the following:

“Waiver of liabilities

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

(a) in interest on outstanding income tax, further tax, additional tax, withholding tax and business

levy due and payable for the years of income up to and including the year 2006, where such taxes or levy are paid during the period 21st August, 2007 to 30th April, 2008;

- (b) outstanding interest charged on any income tax, further tax, additional tax, withholding tax and business levy due and payable for the years of income up to and including the year 2006, where such taxes and levy have been paid prior to 21st August, 2007;
- (c) penalties due and payable on the outstanding income tax and withholding tax for the years of income up to and including the year 2006, where such taxes are paid during the period 21st August, 2007 to 30th April, 2008;
- (d) penalties in respect of income tax and withholding tax due and payable for the years of income up to and including the year 2006 and paid prior to 21st August, 2007, where such penalties have not been paid;

- (e) penalties on outstanding income tax returns for the years of income up to and including the year 2006, where such returns are filed during the period 21st August, 2007 to 30th April, 2008; and
- (f) penalties with respect to income tax returns for the years of income up to and including the year 2006 and filed prior to 21st August, 2007, where such penalties have not been paid.

(2) For the avoidance of doubt, the waiver granted in this section shall not—

- (a) affect any liability to income tax, further tax, additional tax, withholding tax or business levy due and payable by a person under this Act; or
- (b) apply to any interest and penalties paid prior to 21st August, 2007.

(3) Where any income tax returns, income tax, withholding tax and business levy remain outstanding after 30th April, 2008, the interest and penalties, which would have been payable on such returns, taxes and levy shall be revived and become payable as if the waiver in subsection (1) had not been granted.”;

- (i) in section 134A(3), by deleting the words “one hundred per cent” and substituting the words “twenty-five per cent”; and
- (j) in Part II of the Third Schedule—
 - (i) in item (i), by deleting the words “15 per cent” and “10 per cent” and substituting the words “10 per cent” and “5 per cent” respectively;
 - (ii) in item (ii), by deleting the words “20 per cent” where they first occur and substituting the words “15 per cent” and by deleting the words “but where such payment is a payment of interest on any debt, mortgage or other security the rate shall be 20 per cent;” and
 - (iii) in item (iii), by deleting the words “20 per cent” and substituting the words “15 per cent”.

19. The Corporation Tax Act is amended—

Chap. 75:02
amended

- (a) in the Table in section 3A, by inserting in the appropriate sequence the following:
 - “Section 82A (Relief from payment of tax)”;
- (b) in the Table under section 19, by inserting in the appropriate sequence the following:
 - “Section 82A (Relief from payment of tax)”.

20. The Petroleum Taxes Act is amended—

Chap. 75:04
amended

- (a) in section 2(1) by inserting in the appropriate alphabetical sequence, the following definitions:
 - “ “deep horizons onshore/nearshore area” is an area so classified by the Minister with responsibility for petroleum;

“deep marine area” is an area so classified by the Minister with responsibility for petroleum;

“shallow marine area” is an area so classified by the Minister with responsibility for petroleum;

“shallow horizons onshore/nearshore area” is an area so classified by the Minister with responsibility for petroleum;

“production sharing contract” means an agreement entered into in accordance with the Petroleum Act;”;

(b) in section 15—

- (i) in subsection (4), by deleting the words “All production business” and substituting the words “Subject to subsection (4A) and section 15A, all production business”; and
- (ii) by inserting after subsection (4), the following subsection:

“(4A) Notwithstanding subsection (4), a person carrying on any production business under a production sharing contract entered into before the coming into operation of the Finance (No. 2) Act, 2007, shall not consolidate that business with any other production business where the contract so provides.”;

(c) by inserting after section 15, the following section:

<sup>“Consolidation
of production
business”</sup> 15A. (1) Subject to subsection (3), all production business carried on by a person in any deep marine area under a production sharing contract entered into on or after the coming into operation of the Finance (No. 2) Act, 2007, may be consolidated only with other production business carried on in other deep marine areas under a production sharing contract entered into on or after the coming into operation of the said Act.

(2) Subject to subsection (3), all production business carried on in—

- (a) a shallow horizon onshore/nearshore area;
- (b) a deep horizon onshore/nearshore area;
- (c) a shallow marine area,

by a person under a production sharing contract entered into on or after the coming into operation of the Finance (No. 2) Act, 2007, may be consolidated only with other production business carried on in any of the areas specified in paragraphs (a) to (c) under a production sharing contract entered into on or after the coming into operation of the said Act.

(3) Notwithstanding subsections (1) and (2), a person carrying on any production business under a production

sharing contract entered into on or after the coming into operation of the Finance (No. 2) Act, 2007, shall not consolidate such business with other production business carried on—

- (i) under an exploration and production licence, whether entered into on, before or after the coming into operation of the Finance (No. 2) Act, 2007; or
- (ii) under the production sharing contract entered into before the coming into operation of the Finance (No. 2) Act, 2007.”;

(d) in the Table under section 16, by inserting in the appropriate sequence the following:

“Section 82A (Relief from payment of tax)”;

(e) in item 6C of the Second Schedule—

(i) in sub-item (2)—

- (A) in paragraph (b), by deleting the words “and supplemental refining tax”;
- (B) by inserting after paragraph (b) the following paragraph:

“(c) petroleum impost and royalty paid in accordance with the Petroleum Act.”; and

(ii) by inserting after sub-item (2), the following sub-item:

“(3) Notwithstanding subitems (1) and (2), in ascertaining the taxable profits for a year of income of a person carrying on production business under a production sharing contract entered into on or after the coming into operation of the Finance (No. 2) Act, 2007 no deduction shall be allowed in respect of—

- (a) petroleum production levy payable under the Petroleum Production Levy and Subsidy Act;
- (b) petroleum impost and royalty payable under the Petroleum Act; and
- (c) supplemental petroleum tax payable under this Act.”; and

(f) in the Third Schedule, by deleting item 7 and substituting the following item:

“ 7. (1) The income derived by a person carrying on production business, whether on land or in a marine area, under a production sharing contract shall be subject to supplemental petroleum tax.

(2) Notwithstanding the provisions of item 7(1), where in relation to the supplemental

petroleum tax, a production sharing contract—

- (a) excludes the provisions of this Act in respect of that tax, this Act shall not apply to the contract;
- (b) modifies the provisions of this Act, then for the purposes of such contract, this Act shall be read and construed accordingly; or
- (c) conflicts or is at variance with this Act,

the provisions of the contract shall prevail.

(3) Every act done by the Board of Inland Revenue prior to the commencement of this Act in relation to the allowance of petroleum impost and royalty as a deduction in ascertaining taxable profits of a person in respect of production business is validated and declared to have been lawfully done by the Board.”.

Chap. 75:06
amended

21. The Value Added Tax Act is amended—

- (a) in section 35, by deleting subsection (5) and substituting the following subsection:

“(5) Notwithstanding anything in this section, where the amount of tax calculated in accordance with this Act as being payable to the Board in respect of a tax period does not exceed one hundred dollars, the amount so calculated shall be deemed to be nil.”; and

(b) by deleting section 54A and substituting the following section:

“Waiver of
certain
liabilities

54A. Notwithstanding any written law to the contrary, there shall be a waiver of the following liabilities:

- (a) interest and penalties on outstanding taxes due and payable as at 31st December, 2006, where such taxes are paid during the period 21st August, 2007 to 30th April, 2008;
- (b) outstanding interest charged on any taxes due and payable as at 31st December, 2006, where such taxes have been paid prior to 21st August, 2007;
- (c) penalties in respect of taxes due and payable as at 31st December, 2006 and paid prior to 21st August, 2007, where such penalties have not been paid;
- (d) penalties on outstanding returns for periods up to 31st December, 2006, where such returns are filed during the period 21st August, 2007 and 30th April, 2008; and
- (e) penalties with respect to returns for periods up to 31st December, 2006 and filed prior to 21st August, 2007, where such penalties have not been paid.

(2) For the avoidance of doubt, the waiver granted under subsection (1) shall not—

- (a) affect any liability to the taxes which are due and payable under this Act; or
- (b) apply to any interest and penalties paid prior to 21st August, 2007.

(3) Where any taxes remain outstanding after 30th April, 2008, the interest and penalties 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.”.

Chap. 76:04
amended

22. The Lands and Buildings Taxes Act is amended by inserting after section 21, the following section:

“Waiver of
certain
liabilities

21A. (1) Notwithstanding any written law to the contrary, there shall be a waiver of—

- (a) the amount by which the lands and buildings tax due and payable as at 31st December, 2006, is increased pursuant to section 21; and
- (b) interest on the tax so increased,

where the lands and buildings tax is paid on or before 30th April, 2008;

(2) For the avoidance of doubt, the waiver granted under subsection (1) shall not—

- (a) affect any liability to the lands and buildings tax which is due and payable under this Act; or
- (b) apply to the amount and interest which have been paid prior to 21st August, 2007.

(3) Where any lands and buildings tax remains outstanding after 30th April, 2008, the increased tax and interest which would have been payable on such tax so increased, shall be revived and become payable as if the waiver in subsection (1) had not been granted.”.

23. The Miscellaneous Taxes Act is amended—

Chap. 77:01
amended

(a) by deleting section 23 and substituting the following:

“Interpretation 23. (1) The Tax Authority for the purposes of departure tax under this Part shall be the Chief Immigration Officer.

(2) In this Part, “port” means—

- (a) the port of Port-of-Spain and the port of Scarborough as defined in section 2 of the Port Authority Act; and

Chap. 51:01

- (b) any other port which is vested in the Port Authority of Trinidad

and Tobago in accordance with section 57 of the Port Authority Act.”;

(b) in section 25, by deleting the words “or aircraft”;

(c) in section 26, by deleting the words “or aircraft” wherever they occur;

(d) in section 27(k), by deleting the words “aircraft or”;

(e) in section 32(1)—

(i) in paragraph (c), by deleting the words “or aircraft”; and

(ii) by deleting paragraph (d);

(f) in section 40—

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

“(1A) Every payment of the tax required to be made under subsection (1) shall be accompanied by a return in such form as may be approved by the Board and signed by a person or agent authorized by the financial institution.”; and

(ii) in subsection (2), by deleting the words “fifty per cent” and substituting the words “twenty-five per cent”;

(g) in section 52—

(i) by inserting after subsection (5), the following subsection:

“(5A) Every payment of tax required to be made under

subsection (5) shall be accompanied by a return in such form as may be approved by the Tax Authority and signed by the hotel operator.”; and

(ii) by deleting subsection (11);

(h) in section 58(2), by deleting the words “fifty per cent” and substituting the words “twenty-five per cent”;

(i) in section 59, by inserting after subsection (1), the following subsection:

“(1A) Every payment of insurance premium tax required to be made under subsection (1) shall be accompanied by a return in such form as may be approved by the Tax Authority and signed by a person authorized by the insurer.”; and

(j) by inserting after section 62, the following section:

“ 62A. Section 103A of the Income Tax Act shall apply as if references therein to taxes and interest under that Act included references to taxes and interest under this Act as it relates to the green fund levy.”.

24. The Customs Act is amended in section 45A— Chap. 78:01
amended

(a) in subsection (1), by deleting the words “five years” and substituting the words “two years”;

(b) in subsection (1)(a), by deleting the words “for more than six months but not more than one year” and substituting the words “for not more than six months”;

- (c) in subsection (1)(b), by deleting the words “one year” and “two years” and substituting the words “six months” and “one year” respectively;
- (d) in subsection (1)(c), by deleting the words “two years” and substituting the words “one year”; and
- (e) by deleting paragraphs (c) and (d) of subsection (2).

Chap. 85:04 amended **25.** The Income Tax (In Aid of Industry) Act is amended in section 16(1), by deleting the words “sixty per cent” and substituting the words “seventy-five per cent”.

Act No. 14 of 1987 amended **26.** The Finance Act, 1987 is amended in section 5, by deleting subsection (2) and substituting the following subsections:

“(2) An employer, in addition to being liable to pay to the Board the amount of health surcharge which he has failed to deduct or deposit under this Part, shall pay to the Board, from the date on which the amount is due to the date of payment, a sum of twenty-five per cent of such amount and interest at the rate of twenty per cent a year on such amount and on such additional amount, unless the Board otherwise directs.

(3) Notwithstanding subsection (2), the amount of interest an employer is liable to pay on account of the health surcharge payable by him may be calculated by the Board from the due date up to a date determined by the Board, which is earlier than the date of payment.

(4) The Board shall, by notice in writing, inform the employer that interest shall not be calculated in accordance with subsection (2)

where the employer pays the interest calculated in accordance with subsection (3) on or before a date stipulated in the notice.

(5) Where the interest so calculated by the Board under subsection (3) remains unpaid after the date stipulated in the notice, the person shall be liable to pay interest calculated in accordance with subsection (2).”.

Passed in the House of Representatives this 21st day of September, 2007.

N. JAGGASSAR
Acting Clerk of the House

Passed in the Senate this 25th day of September, 2007.

J. SANDY
Acting Clerk of the Senate