



TRINIDAD AND TOBAGO

No. 23—1960

[L.S.]

I ASSENT

SOLOMON HOCHOY,

Governor.

3rd August, 1960.

AN ORDINANCE to amend the Dwelling Houses (Encouragement of Construction) Ordinance, 1958.

[1st January, 1958.]

ENACTED by the Governor of Trinidad and Tobago with the advice and consent of the Legislative Council thereof.

Commencement.

Enactment.

1. (1) This Ordinance may be cited as the Dwelling Houses (Encouragement of Construction) (Amendment) Ordinance, 1960, and shall be read as one with the Dwelling Houses (Encouragement of Construction) Ordinance, 1958, hereinafter referred to as the Principal Ordinance.

Short title and commencement.

Ord. No. 17—1958.

(2) This Ordinance shall be deemed to have come into operation on the 1st day of January, 1958.

Section 2 of
Principal
Ordinance
amended.

2. Section 2 of the Principal Ordinance is hereby amended—

(a) by deleting the definitions of “services” and “unfurnished” appearing therein; and

(b) by inserting in their appropriate alphabetical order the following definitions:—

““guaranteed mortgage” means a mortgage in respect of which there subsists a guarantee entered into pursuant to the provisions of section 5 of this Ordinance;

“purchase” in relation to a dwelling house means the purchase of the fee simple interest or of a term of years absolute in the dwelling house and the land on which such dwelling house stands, and “purchase price” shall be construed accordingly;

“sale” in relation to a dwelling house means the sale of the fee simple interest or the assignment for valuable consideration of a leasehold interest in the dwelling house and the land on which such dwelling house stands;

“service charge” means a charge referred to under section 6A of the Ordinance.”.

Section 4 of
Principal
Ordinance
amended.

3. Section 4 of the Principal Ordinance is hereby amended—

(a) in subsection (1) thereof—

(i) by substituting a semicolon for the full stop appearing at the end of paragraph (c) thereof; and

(ii) by inserting immediately after the said paragraph (c) the following new paragraph as paragraph (d):—

“(d) interest on a loan secured by, and any service charge payable under, a guaranteed mortgage where—

(i) the rate of interest charged in respect of such loan does not exceed the prescribed tax free interest rate; and

(ii) the insurance fee payable under subsection (3) of section 5 of this Ordinance is not a charge on the Consolidated Fund.”;

(b) by substituting for subsection (2) thereof the following:—

“(2) The provisions of paragraphs (b) and (c) of subsection (1) of this section shall apply in respect of a dwelling house the cost of construction of which in the opinion of the Board, having regard to normal building costs prevailing at the time of its construction, would not exceed twenty thousand dollars.”.

4. The Principal Ordinance is hereby amended by inserting immediately after section 4 thereof the following new subsection to be numbered 4A:—

New section 4A
inserted in
Principal
Ordinance.

“Company
dividends
exempt from
income tax.
Ch. 31. No. 1.

4A. (1) Where income of a company limited by shares within the meaning of the Companies Ordinance is exempt from income tax under the provisions of paragraph (b), (c) or (d) of subsection (1) of section 4 of this Ordinance, the Company shall be entitled within the times specified in subsections (2) to (4) of this section to distribute a sum equal in the aggregate to such income to the members of such company, and such sum, when distributed as aforesaid, shall be exempt from income tax in the hands of such members.

(2) Where the income is exempt from income tax under the said paragraph (b), the specified time shall be twelve years after the date of completion of construction of the newly constructed dwelling house.

(3) Where the income is exempt from income tax under the said paragraph (c), the specified time shall be two years after the date of the sale of the newly constructed dwelling house.

(4) Where the income is exempt from income tax under the said paragraph (d), the specified time shall be two years after the date on which the repayment of the principal sum lent is completed.

(5) The provisions of this section shall only apply where the company keeps and submits annually separate accounts to the satisfaction of the Commissioner showing its income from the sources specified in paragraphs (b), (c) and (d) of subsection (1) of section 4 of this Ordinance, and all expenses and outgoings wholly and exclusively incurred in the production of such income from each such source.”.

Section 5 of
Principal
Ordinance
amended.

5. Section 5 of the Principal Ordinance is hereby amended—

(a) in subsection (1), by substituting the expression “the mortgagor shall, unless the Board otherwise permits,” for the expression “the mortgagor shall” appearing therein;

(b) in subsection (2), by substituting for paragraph (b) thereof the following—

“(b) ninety per centum of the value of the mortgagor’s interest in the dwelling house and the land on which such dwelling house stands as assessed by the Board at the time of the execution of the guarantee, in addition to interest owing at the prescribed rate on the loan secured by, and the service charge payable under, the mortgage, but not exceeding one year’s interest and one year’s service charge,”;

(c) by substituting for subsection (3) thereof the following :—

“(3) (a) It shall be a condition of any guarantee entered into under this section that the mortgagee shall, unless the Governor in Council acting under the provisions of paragraph (b) of this subsection otherwise directs, pay to the Board at such time or times as may be specified in the guarantee such insurance fee, not exceeding one per centum per annum of the balance of the principal sum for the time being owing under the mortgage, as may be prescribed by regulations in force at the time of the execution of the guarantee.

(b) For the purposes of encouraging the purchase by persons of low income of dwelling houses constructed after 31st December, 1957 on Crown lands, the Governor in Council may direct that the provisions of paragraph (a) of this subsection shall not apply to any mortgagee approved by him in relation to a guarantee entered into by the Board with such mortgagee in respect of a loan for the purchase of any of such dwelling houses, and thereupon such provisions shall cease to apply.

(c) Where the Governor in Council has exercised the powers conferred on him by paragraph (b) of this subsection, the insurance fee which would otherwise have been payable under paragraph (a) of this subsection shall be paid out of, and is hereby charged on, the Consolidated Fund."

6. Subsection (5) of section 6 of the Principal Ordinance is hereby amended by inserting immediately after the words "general revenue" appearing at the end thereof the following words :—

Section 6 of
Principal
Ordinance
amended.

"and to the extent that such deficiency is directed to be paid out of general revenue it shall be a charge on the Consolidated Fund".

7. The Principal Ordinance is hereby amended by inserting immediately after section 6 thereof the following new sections to be numbered sections 6A and 6B respectively :—

New sections
6A and 6B
inserted in
Principal
Ordinance.

"Board may
service
mortgages.

6A. The Board shall have power to service any mortgage in respect of which it has entered into a written guarantee under this Ordinance and to make a service charge therefor.

Charges and
fees received
by Board to
form part of
Public Hous-
ing Loans
Fund.

Ord. No. 30.
—1955.

6B. All charges and fees received by the Board, other than insurance fees collected under subsection (3) of section 5 of this Ordinance, shall form part of the Public Housing Loans Fund established under the Public Housing Loans Ordinance, 1955.

Passed in Council this eighth day of July, in the year of Our Lord one thousand nine hundred and sixty.

G. R. LATOUR

Clerk of the Council