



TRINIDAD AND TOBAGO.

No. 36 – 1946.

[L.S.]

I ASSENT,

B. E. H. CLIFFORD,

*Governor.*

5th June, 1946.

AN ORDINANCE to encourage the extension of the hotel industry in the Colony by granting relief in respect of customs duties, excise duties and income tax to persons who expend monies upon the construction or equipment of hotels in the Colony and for purposes connected therewith or incidental thereto.

Commence-  
ment.

[13th June, 1946.]

Enactment.

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

Citation.

1. This Ordinance may be cited as the Hotels (Development Encouragement) Ordinance, 1946, and shall remain in force for a period of five years from the commencement thereof.

Duration.

2. In this Ordinance—

“appropriate authority” means the “Comptroller of Customs and Excise”;

Interpretation.

“fixtures” includes any articles designed for use as fixtures and includes refrigerating plant;

“construction” includes erection, repair, alteration, reconstruction and extension;

“hotel” means any building or group of buildings (occupied together) for the accommodation for reward of guests and includes the curtilage thereof and all structures within such curtilage, containing or intended to contain when complete not less than thirty bedrooms if situated within the city of Port-of-Spain or within a borough and not less than ten bedrooms if situated outside the city or a borough;

“licence” means a licence under section 3 of this Ordinance;

“licensee” means the holder of a licence under this Ordinance.

3. (1) The Governor in Council may grant to any person who desires to construct or to equip a hotel a licence to import into the Colony or to purchase in the Colony such building materials and fixtures for use in connection with the construction or equipment of such hotel as may be specified in the licence.

Grant of licences.

(2) Every licence under subsection (1) of this section shall be in such form and shall be subject to such terms as may be prescribed.

4. Every application for the grant of a licence shall be in such form and contain such information and be accompanied by such documents as may be prescribed.

Procedure on application for grant of licences.

5. Every licensee shall be entitled upon the production of his licence to the appropriate authority to import into this Colony in accordance with the terms thereof free of all customs duties, such building materials and fixtures as may be therein specified.

Free entry of building materials and fixtures.

6. (1) Every licensee who satisfies the appropriate authority—

Rates of customs and excise duties.

(a) that any building materials or fixtures have been purchased by him in the Colony in accordance with the terms of his licence and either—

(i) that customs duties were paid upon the importation into the Colony of such building materials or fixtures; or

(ii) that excise duty was paid upon the manufacture in the Colony of such building materials or fixtures ; and

(b) as to the amount of the customs duties or excise duty so paid,

shall be entitled to be paid an amount equivalent to the amount of drawback which would have been payable under any regulations for the time being in force in relation to the granting of drawback of customs duties, or excise duties, as the case may be, if such building materials or fixtures had been exported from the Colony : Provided that no provision of any regulation, relating to the grant of a drawback, restricting the payment of drawbacks to cases where the goods in respect of which the payment is made are exported within a specified period, shall apply to any payment under this section.

(2) Every licensee who satisfies the appropriate authority that any building materials or fixtures have been purchased by him in the Colony in accordance with the terms of his licence and that—

(a) customs duties were paid upon the importation into the Colony of such building materials or fixtures, or excise duty was paid upon the manufacture in the Colony of such building materials or fixtures ; and

(b) he is unable to ascertain the amount of the customs duties or excise duty so paid,

shall be entitled to be paid such sum as the appropriate authority may think fit, so, however, that no payment under this subsection shall, in the case of building materials or fixtures which are rated goods within the meaning of any Ordinance or regulations for the time being in force in relation to customs or excise duties, exceed the lowest preferential rate that has been in force for that description of goods at any time during the two years next preceding the date of purchase by the licensee, and, in the case of any building materials or fixtures liable under any Ordinance for the time being in force relating to customs or excise duties, to an *ad valorem* duty of nine per centum of the purchase price, where the lowest preferential *ad valorem* rate that has been in force for that description of goods for a period of two years prior to the date of supply was fifteen per centum and *pro rata* where other *ad valorem* rates have been in force during such periods

Building materials and fixtures not to be used for any purpose other than that for which licensed.

7. (1) Subject to the provisions of section 8 of this Ordinance and notwithstanding the provisions of any other law to the contrary, where any building materials or fixtures have been imported into the Colony under a licence, or any sum has been paid under section 6 of this Ordinance in respect of any building

materials or fixtures, such building materials or fixtures shall not be sold, exchanged, given away, exported from the Colony or applied for any purpose other than use in connection with the construction or equipment of the hotel to which the licence in which those building materials or fixtures were specified relates, within three years of the date of the importation of such building materials or fixtures or of the making of the payment under section 6 of this Ordinance.

(2) Every person who contravenes subsection (1) of this section shall, on summary conviction, be liable to a fine not exceeding four hundred and eighty dollars or to be imprisoned for any term not exceeding twelve months or to both such fine and imprisonment and in addition to pay the relevant duties or sums refunded under section 6 of this Ordinance in respect of such building materials or fixtures improperly disposed of.

8. (1) Where the Governor in Council is satisfied that any building materials or fixtures which have been imported into the Colony or purchased in the Colony under a licence are no longer required for the purposes of the hotel in respect of which the licence was granted, he may grant a permit to the licensee to dispose of such building materials or fixtures in such manner as he may think fit.

Governor in Council may permit disposal of building materials and fixtures.

(2) No permit shall be granted under subsection (1) of this section until the licensee has paid to the appropriate authority or has given security to the satisfaction of the appropriate authority that he will so pay, all sums which would have been payable by way of customs duty upon the importation of such building materials or fixtures or a sum equivalent to the amount of drawback paid to the licensee in respect of such building materials or fixtures under section 6 of this Ordinance.

9. Every fixture imported or purchased in the Colony under a licence shall be marked with such mark and in such manner as may be prescribed.

Fixtures to be marked.

10. (1) Where any fixtures have been imported or purchased in the Colony under a licence, the proprietor for the time being of the hotel to which the licence relates shall cause an inventory to be kept of all such fixtures.

Inventory of fixtures to be kept.

(2) Every inventory under this section shall be kept in such form as may be prescribed.

(3) Every inventory kept under this section shall be open to inspection at all reasonable times by any person authorised in writing by the Comptroller of Customs and Excise

and the person performing such inspection shall be permitted to do all acts or things necessary to satisfy himself that the fixtures enumerated in the inventory are upon the premises of the hotel at the time of such inspection.

Power to  
revoke licence.

**11.** Where the Governor in Council is satisfied that any licensee has—

- (a) obtained the grant of any licence by any false statement ; or
- (b) abused or misused any licence ; or
- (c) broken or failed to comply with any condition of any licence ; or
- (d) failed to pay any sum payable by him under the provisions of this Ordinance,

he may either suspend the operation of such licence for such time and subject to such conditions as he may think fit or may revoke such licence and in addition order the licensee to pay any relevant duties or sums refunded under section 6 of this Ordinance in respect of any building materials or fixtures which the licensee may have obtained under the licence held by him. Any such sums ordered to be paid shall be recoverable in the manner provided by the Summary Courts Ordinance.

Ch. 3. No. 4.

Amendment  
of section 12,  
Ch. 33, No. 1.

**12.** (1) Section 12 of the Income Tax Ordinance is hereby amended by adding the following proviso to the said section :—

“ Relief to  
hotel  
proprietors  
from  
Income Tax.  
No. 36 of  
1946.

Provided that in any case approved by the Governor in Council where a licence has been granted to any person under the Hotels (Development Encouragement) Ordinance, 1946, the proprietor of the hotel to which such licence relates shall be allowed in each of any five of the eight years of assessment next after the year of assessment in which the licence is granted to set off against the income arising from the hotel one-fifth of the capital expenditure upon such hotel, so, however, that no such set off be allowed in any year of assessment later than the eighth year after the year of assessment in which the capital expenditure was incurred.”

(2) In this section “ capital expenditure ” means such sum as the Commissioner is satisfied has been expended on the purchase of building materials for construction or of fixtures or of equipment and upon effecting such construction and upon the installation of such fixtures or equipment, but does not include any sum paid in respect of the purchase price of any land or of any existing hotel or in respect of goodwill.

13. Section 13 of the Income Tax Ordinance is hereby amended by adding the following proviso to the said section :—

“ Provided further than no loss incurred in connection with any hotel, in any year in respect of which any allowance is granted under the foregoing section of this Ordinance shall be set off against the profits arising from any other trade, business, profession or vocation carried on by the person to whom the allowance is granted.”

14. (1) The Governor in Council may make regulations for <sup>Regulations.</sup> carrying this Ordinance into effect.

(2) Without prejudice to the generality of the power conferred by the foregoing subsection, regulations may be made under that subsection :—

- (a) prescribing the form of, and the information to be contained in, and the documents to accompany, any application for a licence under section 4 of this Ordinance ;
- (b) prescribing the form in which and the terms subject to which any licence may be granted under section 3 of this Ordinance ;
- (c) prescribing the type of mark to be affixed to any fixture and the manner in which such mark shall be affixed ;
- (d) prescribing the form of any inventory kept under this Ordinance.

Passed in Council this twenty-third day of May, in the year of Our Lord one thousand nine hundred and forty-six.

W. J. BOOS,  
*Clerk of the Council.*