



TRINIDAD AND TOBAGO

No. 30—1954

[L.S.]

I ASSENT,

M. H. DORMAN,
Acting Governor.

28th May, 1954.

AN ORDINANCE to amend the Income Tax Ordinance,
Ch. 33. No. 1.

[10th June, 1954]

Commence-
ment

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

Enactment

1. This Ordinance may be cited as the Income Tax (Amend-
ment) (No. 2) Ordinance, 1954, and shall be read as one with the
Income Tax Ordinance, in this Ordinance referred to as the
Principal Ordinance.

Short title and
construction

Ch. 33. No. 1

Section 12 of
Principal
Ordinance
amended

(Laws 1951-
1953, Vol. 1,
p. 412)

2. Section 12 of the Principal Ordinance, as amended by the Income Tax (Amendment) Ordinance, 1951-1953, is hereby further amended—

(a) by deleting the provisos to subsection (1) thereof,
and

(b) by repealing subsection (2) thereof.

New section 12A
inserted in
Principal
Ordinance

3. The following new section to be numbered 12A is hereby inserted in the Principal Ordinance immediately after section 12 thereof:—

"Relief to
hotel
proprietors

12A. (1) Notwithstanding anything to the contrary contained in this Ordinance—

(a) in any case approved by the Governor in Council, in which the erection of a hotel or of any extension to a hotel is commenced after the 1st day of July, 1954, and in which a licence has been granted to any person in respect of such hotel under the Hotels (Development Encouragement) Ordinance, the proprietor of such hotel shall be exempt from income tax in respect of the income arising from such hotel in each of the five years of assessment next after the year of assessment in which the erection or extension of such hotel, as the case may be, is completed, and thereafter shall be allowed in each of any five of the eight years of assessment next following to set-off against the income arising from such hotel one-fifth of the capital expenditure upon such hotel or extension thereof, as the case may be, so, however, that no such set-off be allowed in any year of assessment later than the thirteenth year of assessment next after the year of assessment in which the erection or the extension of such hotel, as the case may be, is completed;

(b) in any case approved by the Governor in Council in which a licence has been granted to any person under the Hotels (Development Encouragement) Ordinance, but which is not within the contemplation of paragraph (a) of this subsection, 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) Where the capital expenditure is allowed to be set off against the income arising from a hotel, section 11 of this Ordinance shall not apply in respect of such expenditure.

(3) For the purposes of this section, the question whether the erection or extension of a hotel was commenced before the 1st day of July, 1954, shall be for determination by the Governor in Council. The Governor in Council shall also for the purposes of this section determine on what date the erection or extension of a hotel is completed. His determination in each case shall be final.

(4) Relief under paragraph (a) of subsection (1) of this section shall not be granted to any person unless such person—

(a) has applied in writing to the Governor in Council, through the Minister, for approval of the case before commencing the erection or extension, as the case may be, of the hotel; and

(b) has notified the Minister in writing of the date on which he intends to commence the erection or extension, as the case may be, of the hotel.

(5) Where any case has been approved by the Governor in Council for the purposes of paragraph (a) of subsection (1) of this section, the Minister shall—

(a) report to the Governor in Council the dates on which, in his opinion, the erection or extension, as the case may be, of the hotel is commenced and completed;

(b) issue to the Commissioner for Inland Revenue a certificate stating the fact of such approval and the dates fixed by the Governor in Council as the dates on which the erection or extension, as the case may be, of the hotel was commenced and completed.

(6) The Minister, or any person authorised by him in writing so to do, may at any reasonable time enter upon the premises on which a hotel or any extension of a hotel is to be, or is being, erected, for the purpose of obtaining such information as will enable the Minister to report to the Governor in Council in accordance with the requirements of paragraph (a) of subsection (5) of this section.

(7) The Governor in Council may by regulations make any provision which in his opinion is necessary or expedient for the better carrying into effect of the provisions of this section.

(8) In this section—

“capital expenditure” means such sum as the Commissioner is satisfied has been expended on—

- (a) advertising, publicising and promoting the business of the hotel prior to the commencement of such business;
- (b) the purchase of building materials for the construction of the hotel and on effecting such construction;
- (c) the purchase of any existing hotel where—
 - (i) an existing hotel has been purchased;
 - (ii) there has been a *bona fide* change of ownership; and
 - (iii) the purchaser qualifies for relief under the Hotels (Development Encouragement) Ordinance in respect of the buildings comprising the hotel: Provided that no account shall be taken of any sum paid in respect of the purchase price of the land on which such hotel stands or in respect of goodwill;

(d) the purchase of articles of hotel equipment and on the installation of such articles of hotel equipment;

and for the purposes of this definition "articles of hotel equipment" and "construction" have the same meanings as are respectively assigned to the said expressions in the Hotels (Development Encouragement) Ordinance;

"hotel" has the same meaning as is assigned to that expression in the Hotels (Development Encouragement) Ordinance;

Ch. 32. No. 15

"Minister" means the Member of the Executive Council for the time being charged with the administration of industry."

4. Section 3 of the Income Tax (Amendment) Ordinance, 1951-1953 is hereby repealed.

Section 3 of
Income Tax
(Amendment)
Ordinance,
1951-1953
repealed

Passed in Council this thirteenth day of May, in the year of Our Lord one thousand nine hundred and fifty-four.

T. F. FARRELL
Clerk of the Council