
1st Session First Legislature Trinidad and Tobago
11 Elizabeth II



TRINIDAD AND TOBAGO

Act No. 3 of 1962

P.D. 7.8.1962
GN 76/1962
Page 117

AN ACT to create a National Housing Authority to replace existing statutory bodies dealing with housing, and to revise, consolidate and extend the laws relating to the encouragement of construction of dwelling-houses, and home ownership and for matters incidental thereto.

[Assented to 3rd August, 1962]

BE IT ENACTED by the Queen's Most Excellent Majesty, **Enactment**
by and with the advice and consent of the Senate and
House of Representatives of Trinidad and Tobago, and
by the authority of the same as follows :

PRELIMINARY

Short title
Ch. 33. No. 1

1. This Act may be cited as the Housing Act, 1962 and shall be read as one with the Income Tax Ordinance.

Interpretation

2. In this Act,

“approved
housing
company”

(a) “approved housing company” means a corporation approved as a housing company under Part V;

“Authority”

(b) “Authority” means the National Housing Authority established under this Act;

“family
housing
unit”

(c) “family housing unit” means a unit providing therein living, sleeping, eating, food preparation and sanitary facilities for one family, with or without other essential facilities shared with other family housing units;

“family
of low
income”

(d) “family of low income” means a family that receives a total family income that, in the opinion of the Authority, is insufficient to permit it to rent housing accommodation adequate for its needs at the current rental market in the area in which the family lives;

“flat”

(e) “flat” means a separate and self-contained set of premises constructed for use as a dwelling and forming part of a building from some other part of which it is divided;

“house”

(f) “house” means any premises used as a separate dwelling or premises of a type suitable for use as a separate dwelling and includes

(i) a part of a building occupied or intended to be occupied as a separate dwelling, and

(ii) a flat;

“housing
project”

(g) “housing project” means a project, together with the land upon which it is situated, consisting of one or more houses, together with any public space, recreational facilities, commercial space and other buildings appropriate to the project;

"low-rental
housing
project"

(h) "low-rental housing project" means a housing project undertaken to provide decent, safe and sanitary housing accommodation complying with standards approved by the Authority, to be leased to families of low income or to such other persons as the Authority, under agreement with the owner designates, having regard to the existence of a condition of shortage, overcrowding or congestion of housing;

"Minister"

(i) "Minister" means the member of the Cabinet responsible for the subject of housing;

"newly
constructed
house"

(j) "newly constructed house" means a house the construction of which was begun after the thirty-first day of December, 1957;

"owner"

(k) "owner" includes the lessee under a lease having a term extending beyond the maturity date of a mortgage thereon for a number of years sufficient in the opinion of the Authority to provide adequate security for a loan made under this Act;

"purchase"

(l) "purchase" in relation to a dwelling house means the purchase of the fee simple estate or of a term of years absolute in the dwelling house and the land on which that dwelling house stands and includes, where a dwelling house stands on Crown Lands, the purchase or lease of the dwelling house from the person who erected or caused the dwelling house to be erected thereon or from any other person having the beneficial interest in the dwelling house and "purchase price" has a corresponding meaning;

"rental
housing
project"

(m) "rental housing project" means a housing project built for rental purposes;

"sale"

(n) "sale" in relation to a dwelling house means the sale of the fee simple estate or the assignment for valuable consideration of a leasehold interest in the dwelling house and the land on which it stands and includes, where the dwelling house stands on Crown Lands, the sale of the dwelling house by the

person who erected or caused the dwelling house to be erected thereon or by any other person having the beneficial interest in the dwelling house, or the assignment for valuable consideration of a lease thereof.

PART I

ADMINISTRATION

Establishment of Authority

Establishment
and incorporation
of Authority

3. (1) There shall be established a body corporate to be known as the National Housing Authority.

(2) The Authority shall consist of not less than three and not more than five members, one of whom shall be chairman and one deputy chairman, appointed by the Minister.

(3) The chairman, or in his absence, the deputy chairman shall preside at all meetings of the Authority.

(4) A member of the Authority, subject to subsection (5), holds office for such period, not exceeding two years, as the Minister may direct.

(5) A member of the Authority may at any time resign his office by instrument in writing addressed to the chairman, who shall forthwith cause it to be forwarded to the Minister.

(6) The appointment of any member of the Authority and the termination of office of any person as a member whether by death, resignation, revocation, effluxion of time or otherwise, shall be notified in the *Royal Gazette*.

(7) The headquarters of the Authority shall be in the City of Port-of-Spain.

Custody and
use of seal

4. (1) The seal of the Authority shall be kept in the custody of the chairman or the deputy chairman or of the secretary of the Authority and may be affixed to instruments pursuant to a resolution of the Authority and in the presence of the chairman or deputy chairman, and of one other member, and the secretary.

(2) The seal of the Authority shall be authenticated by the signature of the chairman, or deputy chairman, and the secretary of the Authority.

(3) All documents, other than those required by law to be under seal, made by, and all decisions of, the Authority may be signified under the hand of the chairman, or deputy chairman, or the secretary of the Authority.

(4) Service upon the Authority of any notice, order, or other document shall be executed by delivering the same or by sending it by registered post addressed to the secretary of the Authority at the office of the Authority.

5. (1) Any committee appointed by the Authority shall consist of at least one member of the Authority together with such other persons, whether members of the Authority or not, whose assistance or advice the Authority may desire. Appointment of committees

(2) Where persons, not being members of the Authority, are members of a committee appointed under this section, the Authority may with the approval of the Minister by resolution declare the remuneration and allowances of such persons, and such sums shall properly be payable out of the funds and resources of the Authority.

(3) The Authority may by resolution reject the report of any such committee or adopt it either wholly or with such modifications, additions or adaptations as the Authority may think fit.

6. (1) All decisions, orders, rules and regulations relating to the financial operations of the Authority and authorised by this Act shall be made by resolution of the Authority at a meeting thereof and shall be recorded in the minutes of the Authority. Accounting of Authority

(2) The accounts of the Authority shall be audited in accordance with the Exchequer and Audit Ordinance, 1959, as if the Legislature had made a direction under subsection (1) of section 36 of that Ordinance.

Ord. No. 20
of 1959

(3) After the end of each financial year of the Authority, the Authority shall, as soon as its accounts have been audited, cause a copy of the statement of account to be transmitted to the Minister, together with a copy of the report made by the Director of Audit on that statement or on the accounts of the Authority.

(4) The Minister shall cause a copy of every statement and report to be laid on the table in the Senate and the House of Representatives.

Policy

7. The Authority shall be responsible for the execution and carrying out of the policy of the Government in relation to housing and in the exercise of its functions, powers and duties is subject to any directions given to it by the Minister.

*Research and Planning*Duties of
Authority

8. The Authority may cause investigations to be made into housing conditions and the adequacy of existing housing accommodation in the Territory or in any part thereof and may cause steps to be taken for the distribution of information leading to the construction or provision of more adequate and improved housing accommodation and the understanding and adoption of community plans in the Territory.

Powers of
Authority

9. (1) The Authority may, with the approval of the Minister,

- (a) cause to be prepared, and undertaken, directly or in co-operation with any Ministries or agencies of the Government or with any other Government or with any university, educational institution or person, programmes of technical research and investigation into the improvement and development of methods of construction, standards, materials, equipment, fabrication, planning, designing and other factors involved in the construction or provision of improved housing accommodation in the Territory and co-ordinate the said programmes or measures with other similar programmes or measures undertaken in the Territory with special reference to housing accommodation for families of low income,
- (b) conduct competitions to secure plans, designs and specifications that in its opinion are suitable for housing to be constructed at low cost, and purchase the said plans or otherwise compensate persons taking part in the said competitions,
- (c) make provision, in such manner as it deems advisable or in co-operation with any department or agency of the Government, or with any other Government or with any university, educational institution or person, for promoting

training in the construction or designing of houses, in land planning or community planning or in the management or operation of housing projects,

- (d) construct housing units for experimental purposes upon land owned by the Crown or to be acquired for such purpose,
- (e) acquire houses, land or housing projects by way of purchase, lease or otherwise,
- (f) sell, lease, exchange, or otherwise dispose of real or personal property acquired by it pursuant to this Act,
- (g) participate with local authorities in housing projects,
- (h) make direct loans and give guarantees for repayment of mortgages on houses,
- (i) enter into a contract with a manufacturer of plumbing or other component parts of houses for the experimental production of that equipment or component parts in accordance with standardised designs that in the opinion of the Authority, may be manufactured or produced at low cost,
- (j) enter into contracts to carry out and do other acts or things incidental to the purpose of the Authority,
- (k) directly or by contract,
 - (i) install services in and effect improvements to or in respect of land acquired by it and develop and lay out such land for housing purposes,
 - (ii) construct, convert or improve housing projects,
 - (iii) acquire building materials and equipment and other personal property for use in connection with housing projects,
 - (iv) hold, operate, manage, maintain, supervise, alter, renovate, add to, improve, repair, demolish and salvage properties acquired by it.

(2) The Authority may, with the approval of the Minister, enter into a contract with a manufacturer referred to in paragraph (i) of subsection (1), to underwrite or guarantee the sale, at such price as may be agreed upon and specified in the contract, of the equipment or component parts referred to in that subsection, manufactured or produced for installation or use in rural homes if the manufacturer manufactures or produces the equipment or component parts in such volume as may be agreed upon and specified in the contract; and the Authority may, with the approval of the Minister, enter into contracts with the manufacturer or any other person for the sale or distribution of the equipment or component parts in such manner as it may deem advisable.

PART II

Mortgage Guarantee

Definition

10. In this Part, and in the First Schedule,

“borrower
charges”

(a) “borrower charges” means charges, prescribed by the Authority, advanced by an approved mortgagee in accordance with normal mortgage practices to safeguard the interests of the mortgagee and the Authority;

“guaranteed
mortgage”

(b) “guaranteed mortgage” means a mortgage in respect of which there subsists a guarantee entered into under section 12;

“insurance”
fund”

(c) “insurance fund” means the Mortgage Insurance Fund established under this Part;

“service
charge”

(d) “service charge” means the service charge made or approved by the Authority for administering a guaranteed mortgage.

Application of Part

11. This Part applies to

(a) a newly constructed house, the cost of construction of which, in the opinion of the Authority, having regard to normal building costs prevailing at the time of its construction, would not exceed twenty thousand dollars, inclusive of the cost and value of land, and

- (b) any other house the purchase price of which is not more than twenty thousand dollars, inclusive of the cost and value of land.

12. Where the payment of a loan for the purchase or construction of a house to which this Part applies is secured by a mortgage on the house and the mortgage contains a condition that unless the Authority otherwise permits, the mortgagor shall reside in the house during the subsistence of that mortgage, the Authority may, subject to this Part and the regulations, enter into a written guarantee with the parties in accordance with section 13.

Guarantee of
Mortgage

13. (1) The guarantee referred to in section 12 shall provide that in the event the mortgagee exercises his power of sale of the house or forecloses on the mortgage and sells the house, the mortgagee shall if the net amount realised by the mortgagee upon a sale is less than that owing under the mortgage, receive from the insurance fund an amount equal to the difference between the net amount realised by the mortgagee on the sale of the house and the aggregate of the following :

- (a) the principal owing on the mortgage at the date of the exercise of the power of sale or at the date of the commencement of foreclosure proceedings;
- (b) borrower charges made before and after the date of the exercise of the power of sale or the commencement of foreclosure proceedings;
- (c) interest at the mortgage interest rate on each amount specified in paragraphs (a) and (b)
 - (i) for the period for which interest thereon was due or accrued and unpaid at the date of sale, or
 - (ii) for a period of one year, whichever is the shorter period; and
- (d) such fee in respect of administration expenses during the default period as may be prescribed.

(2) In calculating the amount payable by the Authority under this section, amounts received for the credit of the mortgage account during the default period shall be credited at the date of the receipt thereof in such manner as may be prescribed by regulations.

(3) No payment shall be made by the Authority under subsection (1) unless the Authority is satisfied that the mortgagee has taken such steps in respect of the mortgage account as were in accordance with normal mortgage practice satisfactory to the Authority.

(4) Notwithstanding anything to the contrary in this Part, the proceeds of the sale of a house in respect of which a guarantee has been given under this Part shall be applied in accordance with section 43 of the Conveyancing and Law of Property Ordinance.

Ch. 27. No. 12

Insurance Fee

Mortgagee's
Insurance fee

14. (1) Except as may otherwise be directed under section 15, the mortgagee under a guaranteed mortgage shall pay to the Authority in respect of the mortgage such insurance fee not exceeding one per cent. a year of the balance of the principal sum for the time being owing under the mortgage as may be prescribed by regulations at the date the guarantee is executed.

(2) The insurance fee is payable at such time or times as may be specified in the guarantee.

Insurance fee
from consolidated
fund

15. (1) For the purposes of encouraging the purchase by persons of low income of newly constructed houses on Crown lands, the Minister may direct that section 14 will not apply to mortgages approved by him, either generally or particularly, in relation to a guarantee entered into or to be entered into by the Authority with mortgagees in respect of loans for the purchase of newly constructed houses on Crown lands.

(2) Where a direction has been issued under this section the insurance fee that would otherwise have been payable under the guarantee shall be paid out of, and is hereby charged on, the Consolidated Fund.

Purchase by
Authority

16. Where a house that is the subject of a guaranteed mortgage is put up for sale by the mortgagee in exercise of his power of sale under the mortgage, or as a result of foreclosure proceedings the Authority may acquire the house by purchase and thereafter deal with it as owner.

Insurance Fund

17. (1) The Treasury shall establish a fund to be known as the "Mortgage Insurance Fund" into which shall be paid all insurance fees received by the Authority under sections 14 and 15.

(2) Houses acquired by the Authority under section 16 and investments made out of the insurance funds under subsection (3) of this section shall be assets of the insurance fund.

(3) Any part of the insurance fund may be invested in obligations of or guaranteed by the Government.

(4) Moneys standing to the credit of the insurance fund may be held on deposit with any bank in which public moneys of the Territory may lawfully be held on deposit.

(5) All payments required to be made by the Authority by virtue of a guaranteed mortgage or in acquiring a house under section 16 shall be made out of the insurance fund.

(6) At the request of the Authority the Treasury shall, out of the Consolidated Fund, advance to the Authority upon terms and conditions approved by the Minister such amounts as the Minister of Finance considers necessary to enable the Authority to discharge its obligations under this Part.

(7) The unexpended balance of the Mortgage Insurance Reserve Fund established by section 6 of the Dwelling Houses (Encouragement of Construction) Ordinance, 1958, shall, as soon as practicable after the commencement of this Act, be transferred to the insurance fund. Ord. No. 17—1958

PART III

DIRECT LOANS FOR HOUSING

Direct Loans

18. The Authority may, in accordance with this Part and the regulations made thereunder, make a loan, hereinafter in this Part called a "direct loan", to a person for any or all of the following purposes : Direct loans

- (a) the acquisition of a house and land for use by him as a residence for himself and his family;
- (b) the acquisition of land and the erection thereon of a house for the use by him as a residence for himself and his family;
- (c) the erection on land held by him of a house for use by him as a residence for himself and his family;

- (d) the improvement or repair of a house for use by him as a residence for himself and his family.

Disqualification
for direct loans

- 19.** (1) No direct loan shall be made to any person
- (a) who has received under any enactment of the Territory other than this Part a loan for any purposes similar to those specified in section 18 and who has not fully repaid the same, or
- (b) who is the owner of a house.

(2) No direct loan shall be made to any person unless he signs a written declaration in the prescribed form to the effect that he is not disqualified under subsection (1) for obtaining a direct loan.

Conditions of
direct loans

20. The Authority may attach to any direct loan such conditions as it may consider expedient but no such condition shall be inconsistent with any condition prescribed by the regulations made under this Part.

Applications for
direct loans

21. An application for a direct loan shall be made in a form acceptable to the Authority and appropriate to the circumstances and shall be addressed to the Authority.

Regulations *vs*
direct loans

22. (1) The Authority may make regulations for all or any of the following purposes :

- (a) prescribing all the matters that, for the purposes of this Part, are required or permitted to be prescribed;
- (b) prescribing the terms and conditions on which direct loans may be made;
- (c) prescribing the nature of the estate or interest that is to be held in the land to which the direct loan relates;
- (d) prescribing and regulating the payment of fees to the Registrar General for things done under this Part;
- (e) regulating the insurance of the lives of persons to whom direct loans are to be made;
- (f) for carrying out generally the purposes of this Part.

(2) A regulation under paragraph (d) of subsection (1) has effect notwithstanding anything to the contrary in the Registrar General Ordinance, but nothing in any such regulations prejudices the operation of that Ordinance except as regards matters expressly provided for in that regulation. Ch. 28. No. 1

Charges and Registration

23. A direct loan, the interest thereon, and all expenses recoverable from the borrower in respect of the direct loan or with any security for the direct loan, shall be secured to the satisfaction of the Authority by a first charge on the land and house in respect of which the direct loan is made, but the Authority may in any case require such additional security as it may think fit. Security for direct loans

24. (1) Every charge contemplated by section 23 shall be by memorandum of charge substantially in the prescribed form. Registration of security

(2) The memorandum of charge shall be forwarded on completion to the Registrar General and a copy of the memorandum certified by an officer of the Authority shall be supplied by the Authority to the borrower without payment of any fee.

(3) Upon receipt of a memorandum of charge pursuant to this section, the Registrar General shall file it in a register kept for the purpose, and that register shall be open to inspection by the public on payment of the prescribed fee.

(4) Where an estate or interest to which a memorandum of charge relates is held under the Real Property Ordinance, the Registrar General shall also endorse a reference to the memorandum of charge on the appropriate Crown grant or certificate of title. Ch. 27. No. 11

(5) Where an estate or interest to which a memorandum of charge relates is not held under the Real Property Ordinance, the memorandum of charge upon being duly filed by the Registrar General pursuant to subsection (3) Ch. 27. No. 11

(a) has, in every way from the time of the filing, effect as though it were a deed of mortgage duly executed and attested and as such duly registered under the Registration of Deeds Ordinance, and Ch. 28. No. 2

- (b) is good and effectual both at law and in equity according to the priority of time of its filing against every other assurance or disposition of the same estate or interest or any part thereof and against all judgment creditors of the chargee;
- (6) Where an estate or interest to which a memorandum of charge relates is held under the Real Property Ordinance, the memorandum of charge duly filed by the Registrar General
- (a) has, in every way from the date of the endorsement under subsection (4) of the Crown grant or certificate of title, effect as though it were a memorandum of mortgage duly registered under the Real Property Ordinance, and
- (b) is entitled to priority in the manner provided by section 45 of the Real Property Ordinance.
- 25.** (1) On the repayment of all sums due under a memorandum of charge the Authority shall issue a receipt duly sealed with the seal of the Authority and substantially in the prescribed form and thereupon the estate or interest charged if it is not held under the Real Property Ordinance vests without reconveyance or other formality, in the person entitled to the equity of redemption.
- (2) Where the estate or interest is held under the Real Property Ordinance the Registrar General shall, upon the production to him of a receipt under subsection (1), endorse upon the memorandum of charge filed by him and against the endorsement, if any, previously made by him on the Crown grant or certificate of title, a memorandum to the effect that the mortgage has been discharged; and the Registrar General shall sign that endorsement and thereupon the land or portion of land described in the memorandum ceases to be subject to or liable for any moneys secured by the memorandum.
- 26.** Except as may otherwise be prescribed, no fee is payable to the Registrar General for things done in his office under section 23, 24 or 25.

Exemption from Stamp Duties

Stamp duty
exemption
Ch. 33. No. 4

27. Notwithstanding anything to the contrary in the Stamp Duty Ordinance, every memorandum of charge or receipt contemplated by section 23, 24 and 25 respectively, is exempted from stamp duty.

Offences and Penalties

28. (1) A person is guilty of an offence and liable on Summary offences summary conviction to a fine of five hundred dollars or to imprisonment for six months or to both that fine and that imprisonment who

- (a) in any application or declaration under this Part makes a statement that is false in any material respect, or
- (b) uses the proceeds of a direct loan or any part thereof for a purpose other than that stated in his application for the loan, or
- (c) except with the consent in writing of the Authority, uses or permits or suffers to be used, for any purpose other than solely as a residence for himself and his family, any land or building on the security of which a direct loan has been made.

(2) Where a person is convicted of an offence under subsection (1), the amount then unpaid by him on the direct loan made to him and in respect of which the offence was committed immediately becomes due and payable, and may be recovered together with the interest thereon to the date of payment, as a civil debt either summarily without limit of amount under the Summary Courts Ordinance or by any other proceedings by which moneys owing to the Crown may be recovered.

Ch. 3. No. 4

29. A borrower who wilfully and maliciously does any- Indictable offences thing calculated to diminish the value of the security held by the Authority under this Part is guilty of an offence and liable on conviction on indictment to a fine of two thousand five hundred dollars or to imprisonment for two years or to both that fine and that imprisonment.

30. In any prosecution under section 28 the onus of Onus of proof proving the manner in which the proceeds of a direct loan or part thereof has been used is on the defendant.

31. Proceedings for an offence under this Part shall be Limitation of time commenced within three years from the date on which the offence was committed.

Enforcement of Security

32. A sale of land or buildings on which there is a charge Sale by public auction under this Part may be by public auction conducted by the Crown Solicitor.

Saving of
security

33. A failure to comply with any provision of this Part or of the regulations made under this Part does not prevent the recovery by the Authority of any sum or the enforcement of any security by the Authority.

PART IV

HOUSES FOR RENTAL PURPOSES

Application of
Part

34. This Part applies in respect of housing projects constructed under Part II and is not in substitution for the provisions of that Part.

Rental
guarantee

35. (1) Subject to this Part, the Minister may enter into contracts with builders to guarantee, in consideration of the payments specified in section 37, an annual return of rentals from rental housing projects after completion thereof of an amount to be determined by the Minister, for a total period not exceeding thirty years.

(2) The Minister may give to a builder an undertaking that the Minister will enter into a contract with the builder under subsection (1) if the builder builds a rental housing project in accordance with this Part.

Requirements
for rental
housing projects

36. No contract shall be entered into under this Part unless

- (a) the project is completed and is built in an area or areas satisfactory to the Minister and in accordance with standards of construction approved by the Minister, and
- (b) the project consists of sixteen or more family housing units and is designed to provide housing accommodation of a size and type prescribed by the regulations.

Terms of rental
guarantee
contract

37. (1) The terms of a contract entered into under section 35 shall provide

- (a) that the builder shall pay to the Minister each year during the period of the guarantee
 - (i) one and three-quarters percent. of the return of rentals guaranteed for the first year after the completion of the project when the term of the guarantee is ten years,

- (ii) two percent. of the return of rentals guaranteed for the first year after the completion of the project when the term of the guarantee is twenty years, and
 - (iii) two and one-quarter percent. of the return of rentals guaranteed for the first year after the completion of the project when the term of the guarantee is thirty years;
- (b) that the builder or subsequent owner will provide efficient management of the rental housing project;
 - (c) that the rent to be charged in respect of each unit of the project shall not exceed, during the first three years after the completion of the unit, an amount to be determined by the Minister;
 - (d) that when an amount has been paid by the Minister under the contract referred to in section 35 equal to the amount of rentals guaranteed for the first year of the contract the Minister may purchase the project from the owner thereof at a price that shall not exceed the estimated cost of construction as determined by the Minister less two and one-half percent. per annum thereof from the time of completion of the project to the date of purchase;
 - (e) that the contract with the approval of the Minister may be assigned to subsequent purchasers; and
 - (f) for such other matters as the Minister may deem necessary or desirable to give effect to the purposes or provisions of this Part.
- (2) The annual return of rental guaranteed by the Minister under section 35 shall not exceed eighty-five percent. of the aggregate of annual rental of the units of the project determined by the Minister under paragraph (c) of subsection (1).

38. The Minister and the builder or subsequent owner of a rental housing project under this Part may by agreement alter any term of a contract made under section 35 but in no case shall the total guarantee period exceed thirty years in the case of any one project.

Alteration
of contract
guaranteeing
rentals

Regulations

39. The Minister may by regulation prescribed the maximum guarantee in respect of a room or unit and may make provision for any matters for which he deems regulations are necessary or desirable to carry out the purposes or provisions of this Part.

PART V

LOW-RENTAL HOUSING PROJECTS

Approved
housing
company

40. For the purposes of this Part the Minister may approve as an approved housing company any company incorporated to construct, hold and manage a low-rental housing project if the dividends payable by the company are limited by the terms of an agreement with the Minister to an annual percentage not in excess of an annual percentage prescribed by the Minister.

Loans for
low-rental
housing projects

41. (1) The Minister may make a loan to an approved housing company for the purpose of assisting in the construction of a low-rental housing project or in the purchase of existing buildings and the land upon which they are situate and their conversion into a low-rental housing project.

(2) A loan made under the authority of this section shall bear interest at a rate prescribed by the Minister, shall not exceed ninety per cent. of the lending value of the project, shall be for a term not exceeding the useful life of the project to be fixed by the Minister and in any case not exceeding fifty years from the date of completion of the project and shall be secured by a first charge upon the project in favour of the Minister.

(3) A loan may be made under this section only to an approved housing company that has entered into a contract with the Minister on the terms set out in subsection (4), to construct a low-rental housing project or to convert existing buildings into a low-rental housing project if

(a) evidence satisfactory to the Minister has been furnished of the need for the project by reason of shortage, over-crowding, congestion or the sub-standard character of existing housing accommodation in the municipality or area in which the project is to be situated;

- (b) the area in which the project is to be situated has in the opinion of the Minister been adequately planned;
- (c) zoning regulations are in the opinion of the Minister sufficient to assure the suitability of the area for the project throughout the term of the loan and to provide reasonable safeguards for the security of the loan;
- (d) adequate utility services are available or are to be supplied forthwith to residents of the area;
- (e) the project for which a loan is requested will provide a sufficient number of family housing units to assure, in the opinion of the Minister reasonable economies in the construction or conversion thereof;
- (f) the organization and management of the company are in the opinion of the Minister such as to assure competent and independent administration in the planning, construction or conversion and operation of the project;
- (g) adequate care has, in the opinion of the Minister, been exercised to assure economical and suitable design and sound construction of a type of project that will assure the minimum practicable expenditures for repairs and maintenance during the term of the loan, and in the case of the conversion of existing buildings, if the cost of conversion is, in the opinion of the Minister, reasonable;
- (h) the terms of acquisition by the company of the land upon which the project is to be constructed or of the buildings that are to be converted are satisfactory to the Minister;
- (i) the terms of the contract made by the company with a contractor for the construction of the project or the conversion of the buildings are satisfactory to the Minister;
- (j) the company, in the opinion of the Minister, has or is able to provide funds sufficient, when added to the proceeds of the loan made by the Minister, to pay the entire cost of the construction or conversion and ensure the completion of the project; and

- (k) the powers given to the company and activities or transactions that are permitted by its memorandum of association or other instrument of incorporation are satisfactory to the Minister.
- (4) A contract with an approved housing company entered into under this section shall provide that
 - (a) the maximum ratio between the rentals to be charged and the probable family income of the lessees of each family housing unit shall be such ratio as the Minister may deem fair and reasonable or shall make such other provision for maintaining the low-rental character of the project as the Minister may agree to;
 - (b) the company may receive contributions to a rent reduction fund from any social agency, trust, or person and shall use such fund solely for the purpose of reducing the rentals that otherwise would be charged;
 - (c) the company shall maintain books, records and accounts in a form satisfactory to the Minister, shall permit the inspection of such books, records and accounts by a representative of the Minister at any time and shall make such annual or other reports to the Minister in such form and containing such particulars as the Minister may require;
 - (d) the company shall furnish efficient management of the low-rental housing project, maintain the project in a satisfactory state of repair, and permit representatives of the Minister to inspect the project at any time;
 - (e) the company shall make to the Minister promptly on the due dates the payments required to be made in order to pay the interest on and amortize the loan during the term thereof;
 - (f) the amount of surplus earnings to be used or set aside for reserves, maintenance, repairs, possible decline in rentals or other contingencies shall be limited in such manner as may be agreed upon; and at the end of the term of the loan the amount of such surplus earnings so set

aside and at that time unexpended shall be paid to such person or expended in such manner as is provided in the contract or as the Minister may direct;

- (g) except with the consent of the Minister and on such terms and conditions as the Minister may approve the project or any part thereof shall not be sold or otherwise disposed of during the term of the loan; and
 - (h) the Minister shall have the right in the event of the company failing to maintain the low-rental character of the project or otherwise committing a breach of the contract, to declare the unpaid principal of the loan due and payable forthwith or to increase the interest payable thereafter on the unpaid balance of the said loan to such rate as the Minister may determine.
- (5) A contract with an approved housing company entered into under this section may also provide
- (a) that the Minister shall have the right to prescribe the extent and manner in which depreciation and maintenance reserves shall be estimated and used, and
 - (b) for such other measures to be taken by the Minister and the company as the Minister may deem necessary or desirable to give effect to the purposes or provisions of this Part.

PART VI

HOME IMPROVEMENT LOANS

42. In this part

- (a) "approved credit agency" means a corporation, other than a bank, with power to lend money to a purchaser of goods, or to purchase obligations representing loans or advances to a purchaser of goods, and approved by the Minister for the purpose of making loans under this Part;
- (b) "guaranteed home improvement loan" means a home improvement loan made in accordance with this Part;

Home improve-
ment loan
guarantee

- (c) "home improvement loan" means a loan or a purchase of obligations representing loans or advances of money made by a bank or approved credit agency for the purpose of financing repairs, alterations and additions to, and modernisation of a home.

43. The Minister shall, subject to this section and sections 46 and 47 pay to a bank or to an approved credit agency the amount of loss sustained by it as a result of a home improvement loan, if

- (a) the loan was made pursuant to an application in the form prescribed, signed by the borrower, stating the purpose for which the proceeds of the loan were to be expended;
- (b) the application stated that the borrower was the owner of the home in respect of which the loan was to be expended;
- (c) a responsible officer of the bank or the approved credit agency certified that he had scrutinised and checked the application for the loan with the care required of him by the bank or the agency in the conduct of its ordinary business;
- (d) the principal amount of the loan did not at the time of the making of the loan, together with the amount owing in respect of other guaranteed home improvement loans previously made to the borrower and disclosed in his application or of which the bank or approved credit agency had knowledge, exceed the sum of three thousand dollars in the case of a one family dwelling or the sum of three thousand dollars for the first family housing unit and an additional fifteen hundred dollars, for every other family housing unit in the case of a home consisting of more than one family housing unit, but no loan shall exceed six thousand dollars unless the prior approval of the Minister is obtained thereto in writing;
- (e) the loan was repayable by the terms thereof in monthly instalments and in full in not more than five years;
- (f) the rate of interest on the loan did not exceed the rate prescribed as long as the borrower was not in default;

- (g) the bank or approved credit agency received from the borrower and remitted to the Minister at the time of the making of the loan such insurance fee as may be prescribed;
- (h) except as provided in paragraph (g), no fee, service charge or charge of any kind other than interest, was by the terms of the loan payable so long as the borrower was not in default, and
- (i) the loan was made on such terms and in accordance with such conditions in addition to those specified in the preceding paragraphs as may be prescribed.

44. (1) The Minister may, by notice to a bank or approved credit agency, terminate the operation of section 43 in relation to such bank or approved credit agency. Termination of operation of section 43

(2) The termination shall be effective after a time set out in the notice but not earlier than at least twenty-four hours after receipt of the notice at the registered office of the bank or approved credit agency in this Territory.

(3) The Minister is not liable under this Part to make any payment to the bank or approved credit agency in respect of any home improvement loans made by him after the time limited by subsection (2), but termination under this section does not relieve the Minister of any liability imposed on him under this Part, in respect of a home improvement loan made by the bank or approved credit agency before the time of termination.

45. (1) The Minister may terminate his liability in respect of guaranteed home improvement loans made in any locality for any of the purposes specified by or under this Part after a day fixed by him, being a day not less than fourteen days after publication of a notice to that effect in the *Royal Gazette*; but the termination of liability does not relieve the Minister of any liability imposed on him under this Part in respect of guaranteed home improvement loans made before the termination of liability. Termination of liability for loans

(2) Where a notice has been issued under subsection (1) terminating the liability of the Minister in respect of any guaranteed home improvement loans, the Minister may by further notice revoke the termination in respect of any such loans.

Amount of
liability

46. The Minister is not liable under this Part to pay to a bank or an approved credit agency an amount in excess of fifteen percent. of the aggregate principal amount of the guaranteed home improvement loans made by the bank or approved credit agency.

Limit on
liability

47. (1) The Minister is not liable under this Part to make any payment to a bank or approved credit agency in respect of loss sustained by it as a result of a home improvement loan made after the aggregate principal amount of guaranteed home improvement loans equal five million dollars.

(2) The Minister may enter into agreements with banks and approved credit agencies under which such banks and agencies would be assigned a percentage or gross amount as agreed upon of the aggregate principal amount of the home improvement loans authorised under this Part.

Regulations

48. The Minister may make regulations

- (a) to define for the purposes of this Part the following expression :
 - (i) "owner" with power to include as owners life-tenants, persons holding property under agreements for sale, or under leases, and any other person having rights approximating ownership;
 - (ii) "repairs, alterations and additions";
 - (iii) "home";
 - (iv) "responsible officer;"
- (b) to prescribe a form of application for guaranteed home improvement loans and forms of notes, agreements, certificates and other documents to be used in connection with guaranteed home improvement loans or as are considered necessary or advisable for the effective operation of this Part;
- (c) to prescribe the security, if any, that shall or may be taken by a bank or an approved credit agency for the repayment of a guaranteed home improvement loan and terms of repayment and other terms, not inconsistent with this Part, on which the loans are to be made;

- (d) to prescribe the conditions to the liability of the Minister in respect of guaranteed home improvement loans in addition to but not inconsistent with the conditions set out in paragraphs (a) to (h) inclusive of section 43;
- (e) to provide that in the event of an actual or impending default in the repayment of a guaranteed home improvement loan, the bank or the approved credit agency that made the loan may, notwithstanding anything contained in this Part, alter or revise with the approval of the borrower by way of extension of time or otherwise any of the terms of the loan or any agreement in connection therewith, and that the alteration or provision shall not discharge the liability of the Minister under this Part;
- (f) to prescribe, in the event of default in the repayment of a guaranteed home improvement loan, the legal or other measures to be taken by the bank or the approved credit agency and the procedure to be followed for the collection of the amount of the loan outstanding, the disposal or realisation of any security for the repayment thereof held by the bank or agency, and the rate of interest to be charged on overdue payments;
- (g) to prescribe the method of determination of the amount of the loss sustained by a bank or approved credit agency as the result of a guaranteed home improvement loan;
- (h) to prescribe the steps to be taken by a bank or an approved credit agency to effect collection on behalf of the Minister of any guaranteed home improvement loan in respect of which payment has been made by the Minister to the bank or approved credit agency under this Part, and to provide that in the event of neglect by the bank or agency to take the prescribed steps, the amount of any such payment may be recovered by the Minister from the bank or agency.
- (i) to require reports to be made periodically to the Minister by a bank or approved credit agency in respect of guaranteed home improvement loans made by it; and

- (j) to make provision for any other matter to be prescribed under this Part or that the Minister deems necessary or advisable to carry out the purposes or provisions of this Part.

Offences and
penalties

49. (1) A person is guilty of an offence and liable on summary conviction to a fine of not less than fifty dollars and not more than five hundred dollars, who

- (a) in an application for a home improvement loan makes a statement that is false in any material respect, or
(b) uses the proceeds of a home improvement loan, or any part thereof, for a purpose other than that stated in his application for the loan,

(2) Where a person is convicted of an offence under subsection (1), the amount then unpaid by him on the home improvement loan made to him and in respect of which the offence was committed immediately becomes due and payable, and may be recovered, together with the interest thereon to the date of repayment, as a civil debt either summarily without limit of an amount under the Summary Courts Ordinance or by any other proceedings by which moneys owing to the Crown may be recovered.

(3) Proceedings in respect of an offence under subsection (1) may be instituted at any time within three years from the time when the subject matter of the proceedings arose, but not thereafter.

Onus of proof

50. In any prosecution under section 49 the onus of proving the manner in which the proceeds of a home improvement loan or part thereof has been used is on the defendant.

Subrogation.

51. (1) Where payment is made by the Minister to a bank or an approved credit agency under this Part in respect of any loss sustained by the bank or agency as a result of a home improvement loan, the bank or agency shall execute a receipt in favour of the Minister in a form prescribed, and the Minister is thereupon subrogated in and to all the rights of the bank or agency in respect of the loan and, without limiting the generality of the foregoing, all rights and powers of the bank or agency in respect of the loan, and in respect of any judgment in respect thereof obtained by the bank or agency and in respect of any security taken by the bank or agency for the repayment thereof, thereupon are vested in the Minister.

(2) Where under subsection (1) the Minister becomes subrogated in and to the rights of a bank or approved credit agency, the Minister is entitled to exercise all the rights and privileges that the bank or agency had or might exercise in respect of the loan, judgment or security, and to commence or continue any action or proceeding in respect thereof, and to execute any document necessary by way of release, transfer, sale or assignment thereof or in any way to realise thereon.

52. A document purporting to be a receipt executed under subsection (1) of section 51 in the form prescribed and purporting to be signed on behalf of a bank or an approved credit agency is evidence of the payment by the Minister to the bank or agency under this Part in respect of the loan therein mentioned and of the execution of that document on behalf of the bank or agency. Evidence of receipt

53. (1) The Treasury shall establish a fund to be known as the "Home Improvement Insurance Fund", in this section called the "fund", into which shall be paid all insurance fees received by the Minister under paragraph (g) of section 43. Home improvement insurance fund

(2) Property acquired by the Minister in respect of a home improvement loan and investments made out of the fund under subsection (3) shall be assets of the fund.

(3) Any part of the fund may be invested in obligations of or guaranteed by the Government.

(4) Moneys standing to the credit of the fund may be held on deposit with any bank in which public moneys of the Territory may lawfully be held on deposit.

(5) All payments required to be made by the Minister in respect of guaranteed home improvement loans shall be made out of the fund.

(6) At the request of the Minister, the Treasury may, out of the Consolidated Fund, advance to the Minister upon terms and conditions approved by the Minister such amounts as the Minister of Finance considers necessary to enable the Minister to discharge his obligations under this Part.

54. The Minister may by general or special order approve for the purposes of making loans under this Part any corporation not being a bank that, by its memorandum Approval of credit agencies

of association or other instrument of incorporation, has power to lend money to a purchaser of goods or to purchase obligations representing loans or advances to a purchaser of goods.

PART VII

TRANSITIONAL AND GENERAL PROVISIONS

Financial

55. (1) The sums required for the purpose of any loans, guarantee or obligations of the Minister under Parts IV, V and VI shall be made out of such amounts as may be appropriated therefor by the Legislature.

(2) The sums required for the purpose of any loans or guarantee of the Authority under this Act shall, subject to subsection (6) of section 17, be made out of the funds and resources of the Authority.

(3) The Authority may, with the approval of the Minister, borrow sums required by it for meeting any of its obligations or discharging its functions.

Funds and resources of Authority

56. The funds and resources of the Authority shall consist of

- (a) such amounts as may be appropriated therefor by the Legislature;
- (b) all sums from time to time received by or falling due to the Authority in respect of the repayment of any loan made by the Authority, and the interest payable in respect of any such loan;
- (c) the insurance fund established under section 17;
- (d) sums borrowed by the Authority for the purpose of meeting any of its obligations or discharging its functions;
- (e) all other sums or property that may in any manner become payable to or vested in the Authority in respect of any matter incidental to its powers and duties.

Guarantee of borrowings of Authority

57. (1) The Governor may guarantee in such manner and on such conditions as he thinks fit the payment of the principal and interest in respect of any borrowing of the Authority under subsection (3) of section 55.

(2) Where the Governor is satisfied that there has been default in the repayment of any principal monies or interest guaranteed under the provisions of this section, he shall direct the repayment out of the general assets and revenue of the Territory of the amount in respect of which there has been such default.

(3) The Authority shall make to the Treasury, at such times and in such manner as the Governor may direct, payments of such amounts as may be so directed in or towards repayment of any sums issued in fulfilment of any guarantee given under this section, and payments of interest on what is outstanding for the time being in respect of any sums so issued at such rate as the Governor may direct, and different rates of interest may be directed as regards different sums and as regards interest for different periods.

58. (1) Upon the commencement of this Act

- (a) all land and other property of every kind, including things in action, vested immediately before the commencement of this Part in
- (i) the Planning and Housing Commission of Trinidad and Tobago,
 - (ii) the Government Housing Loans Board, or
 - (iii) the Public Housing Loans Board,
- is hereby vested in the Authority;
- (b) all the rights, privileges and advantages, and, subject to section 59, all the liabilities and obligations that, immediately before the commencement of this Part, any of the bodies mentioned in paragraph (a) were entitled or subject to, as the case may be, are hereby transferred and conferred or imposed upon the Authority for the purposes of this Act; and
- (c) all permanent employees of the bodies mentioned in paragraph (a) are hereby transferred to the Authority and they shall hold similar employment under the Authority or such other employment in the public service as the Public Service Commission may determine at wages or salaries no less favourable than those that applied in respect of their service under any such body on the commencement of this paragraph.

Assets and
liabilities of
statutory housing
bodies

(2) A reference in any deed, contract, bond or security or other document to

(a) the Planning and Housing Commission of Trinidad and Tobago,

(b) the Government Housing Loans Board, or

(c) the Public Housing Loans Board, shall, upon the commencement of this Act, be construed as a reference to the Authority.

(3) Legal proceedings pending immediately before the commencement of this Part by or against any of the bodies mentioned in subsection (2) may be continued on and after that day by or against the Authority as the party to the proceedings instead of the former Commission or Boards, as the case may be.

(4) In this section "former Commission" and "former Boards" mean respectively the Commission established under the Slum Clearance and Housing Ordinance and the Boards established under the Public Housing Loans Ordinance, 1955 and the Government Housing Loans Ordinance.

Ch. 37, No. 2

No. 30—1955

Ch. 9, No. 11

Transferability
of officers

59. (1) The Governor may approve the transfer of an officer from the service of the Authority to the public service or from the public service to the service of the Authority.

(2) Where a transfer has been approved under subsection (1)

(a) any pension, gratuity or other allowance that is ultimately granted shall be paid from the funds of the Territory;

(b) the Authority shall pay from its funds to the Government such contribution as may be provided for in rules made by the Governor, and any such rules may make provision in different classes of cases.

(3) Notwithstanding anything contained in this Act or any other law, the persons referred to in paragraph (c) of subsection (1) of section 58, are liable to be suspended or dismissed by the Authority, but nothing in this section abridges the right of any such person to

- (a) a trial in accordance with the procedure followed in disciplinary cases against public officers of government departments if such procedure would have been followed in any similar case against such person investigated immediately before the date of the commencement of this Act, or
- (b) to have representations on his behalf by any competent association or body if such representation would have been entertained in connection with any similar case against such person investigated immediately before the date of the commencement of this Act.

60. (1) Any valuer or inspector employed by the Authority may at all reasonable times, on giving forty-eight hours notice to the owner or occupier, enter upon any land or building in respect of which a loan had been made or guaranteed under this Act, and may evaluate or inspect the land and building so entered upon.

(2) A person who, whether by force or threats or otherwise, obstructs or causes to be obstructed any valuer or inspector in the exercise of the powers conferred by subsection (1) is guilty of an offence and liable on summary conviction to a fine of two hundred and fifty dollars or to imprisonment for three months or to both that fine and that imprisonment.

61. Where as a result of a liability or obligation imposed upon the Authority by section 58, the Authority becomes liable to an action in tort, the proceedings therein shall be brought within six months after the commencement of this Act.

62. (1) Subject to this section, the following Ordinances are hereby repealed:

- (a) The Dwelling Houses (Encouragement of Construction) Ordinance, 1958;
- (b) The Public Housing Loans Ordinance, 1955;
- (c) The Government Housing Loans Ordinance;

and the Planning and Housing Commission of Trinidad and Tobago, the Government Housing Loans Board and the Public Housing Loans Board are hereby dissolved.

(2) Subsection (1) does not affect any loan agreements or undertakings or other contractual obligations made, approved or entered into at the commencement of this Act, and the same shall be dealt with or carried out as though they were made or approved or entered into by the Authority under this Act upon the terms and conditions prescribed by the repealed Ordinance.

(3) Any application for a loan or guarantee pending under any of the Ordinances repealed by subsection (1) may be approved by the Authority or dealt with so far as it may be practicable to do so as an application for a loan or guarantee under the relevant provisions of this Act.

Consequential
amendments

63. (1) The Income Tax Ordinance is amended to the extent set out in the First Schedule.

Ch. 37. No. 2

(2) Upon the commencement of this Act,

(a) the Slum Clearance and Housing Ordinance is amended in the manner and to the extent specified in the Second Schedule

Ch. 37. No. 3
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(b) the Slum Clearance and Housing (Temporary Provisions) Ordinance is amended in the manner and to the extent specified in the Third Schedule,

being amendments consequential upon the enactment of this Act.

Regulations
generally

64. (1) The Authority may with the approval of the Minister make regulations

(a) prescribing subject to subsection (2) anything which may be or is required to be prescribed under this Act.

(b) prescribing sound standards of construction of houses;

(c) prescribing fees or charges that may be made by the Authority or any other person in connection with this Act;

(d) requiring separate accounts to be kept for the purposes of this Act;

(e) generally subject to subsection (2) for giving effect to the purposes of this Act.

(2) The Minister may make regulations prescribing anything which may be or is required to be prescribed under Parts IV, V and VI or under sections 18B to 18J of the Income Tax Ordinance.

Ch. 33. No. 1

(3) Regulations made under this Act may prescribe in respect of any contravention thereof or failure to comply therewith a penalty of two hundred and fifty dollars on summary conviction.

65. (1) Subject to the approval of the Minister, the Authority may make bye-laws respecting the calling of meetings of the Authority, the conduct of business thereat, the duties and conduct of officers, employees and agents of the Authority and generally as to the conduct of the affairs of the Authority. Bye-laws

(2) The Authority may by bye-law delegate to the chairman, deputy chairman, or to any member, officer or employee of the Authority power to act for the Authority in the conduct of the functions of the Authority in all matters that are not by bye-laws specifically reserved to be done by the Authority.

66. (1) Notwithstanding the provisions of any other Act, the Authority may approve the construction of a house in respect of which a loan is made or guaranteed under this Act, and any such approval supersedes and replaces any approval pursuant to any other Act. Approval of construction

(2) Approval of construction of a house in respect of which a loan is made or guaranteed under this Act shall be obtained under subsection (1) and not under or pursuant to any other Act except in respect of any matter specifically relating to public health or sanitation.

67. The administrative control of any lands or interests therein vested in the Crown may by order of the Governor be transferred to the Authority and thereupon those lands or interests shall be held and dealt with by the Authority in accordance with this Act. Crown Lands

68. This Act shall come into force upon a day to be fixed by proclamation of the Governor published in the *Royal Gazette*. Commencement

69. This Act binds the Crown.

Act binds Crown

FIRST SCHEDULE

(Section 63(1))

Ch. 33. No. 1

AMENDMENT TO THE INCOME TAX ORDINANCE, CH. 33. No. 1.

THE INCOME TAX ORDINANCE is amended by inserting immediately after section 18A the following new sections :

Income Tax
exemptions

"18B. (1) In sections 18B to 18J "Minister" means the member of Cabinet responsible for the subject of Housing; "prescribed" means prescribed by regulations made under the Housing Act, 1962.

(2) Notwithstanding any of the provisions of this Ordinance, there shall be exempted from income tax

- (a) the annual value, as contemplated by paragraph (c) of section 5, of a newly constructed house, during such time as the house is occupied as a residence by the owner thereof;
- (b) premium and rents derived from the letting of any newly constructed houses of the class specified in section 18C by any person registered in the prescribed manner as a trader in houses of that class;
- (c) gains or profits derived from the initial sale of newly constructed houses of the class specified in section 18C by any person registered in the prescribed manner as a trader in such houses;
- (d) interest on a loan secured by, and any service charge payable under, a guaranteed mortgage, if the rate of interest charged in respect of the loan does not exceed the prescribed tax free interest rate.

(3) The income tax exemption given under paragraph (a) of subsection (2) shall not be granted to, and does not apply in respect of, any one person for more than one house at the same time.

(4) Subsection (2) does not apply in respect of a newly constructed house that was constructed by way of rental mortgage or aided self-help projects to which public funds of the Territory have been contributed by way of subsidising any such project and not merely by way of a loan from public funds.

Limitation on
tax exemption

18C. (1) The exemptions provided under paragraphs (b) and (c) of subsection (2) of section 18B apply in respect of a house the cost of construction of which, in the opinion of the Minister, having regard to normal building costs prevailing at the time of its construction, would not exceed twenty thousand dollars, exclusive of the cost and value of the land.

(2) The exemptions provided under paragraphs (a) and (b) of subsection (2) of section 18B and under section 18E, where the receipts, fees and commissions are in respect of income exempt from income tax under paragraph (b) of subsection (2) of section 18B, are operative for a period of ten years beginning with the date of the completion of the newly constructed house.

(3) The exemption provided under paragraph (b) of subsection (2) of section 18B ceases to apply in respect of a house where, in the opinion of the Minister, the cost of repairs, alterations or improvements made to the house when added to the cost of construction as determined under subsection (1) of this section exceeds twenty thousand dollars exclusive of the cost and value of the land, except where the Minister has, before the repairs, alterations, or improvements are made, authorised the making thereof.

18D. (1) Nothing in section 18B creates any exemption from liability to income tax in respect of income derived from the exercise of the trade or profession of a builder; and if a question arises under that section as to whether any amount ought properly to be regarded as profit derived from a transaction of sale or as being wholly or in part attributable to the exercise of the trade or profession of a builder, the question shall be determined by the Commissioner. Builder excluded from tax exemptions

(2) A person aggrieved by a determination under subsection (1) may appeal, in the manner herein provided.

(3) In this section "builder" means a person who builds houses for sale or for rent.

18E. (1) Notwithstanding the provisions of this Ordinance but subject to section 18F, there shall be exempt from any taxes that are based in whole or in part on profits or on income all receipts, fees and commissions received by a company in the course of its business as an approved company. Approved mortgage companies exempt from income tax

(2) For the purposes of subsection (1), the Minister may by instrument in writing declare a company to be an approved company, where that company has entered into an agreement with the Government whereby the company agrees to finance by way of mortgage the purchase of newly constructed houses in accordance with the provisions of this Ordinance and the Housing Act, 1962 and under the terms of the agreement.

(3) Notwithstanding the provisions of subsection (1), section 18F and subsection (2) of section 18I that relate to the taxes with respect to which the income of an approved company or the shareholders or the debenture holders of an approved company is exempt, the terms of the agreement mentioned in subsection (2) may limit the taxes from which an approved company or the shareholders or the debenture holders in the approved company, are exempt.

18F. An approved company that is exempt from any taxes that are based in whole or in part on profits or on income under subsection (1) of section 18E may— Period of exemption of dividends

- (a) within the period specified in paragraph (c) of subsection (2) of section 18H, where the receipts, fees and commissions are in respect of income exempt from income tax under paragraph (d) of subsection (2) of section 18B, or
- (b) within a period of 12 years commencing on the date of the mortgage, where the receipts, fees and commissions are derived from any other source,

distribute sums not exceeding in the aggregate the exempt receipts, fees and commissions to the members of the company; and that sum when so distributed is exempt from any taxes that are based in whole or part on profits or on income in the hands of the members of the company.

Application of
section 10 of
Income Tax
Ordinance
Ch. 33. No. 1

18G. Section 10 has effect in relation to newly constructed houses, referred to in section 18B, as if sections 18B and 18E had not been enacted.

Exemptions of
shareholders
of a company
Ch. 31. No. 1

18H. (1) In this section "company" means a company limited by shares within the meaning of the Companies Ordinance.

(2) A company that is in receipt of income exempt from income tax under paragraph (b), (c) or (d) of subsection (2) of section 18B may

- (a) within twelve years after the date of completion of construction of the newly constructed house, if the income is exempt from income tax under paragraph (b) of subsection (2) of section 18B,
- (b) within two years after the date of sale of the newly constructed house, if the income is exempt from income tax under paragraph (c) of subsection (2) of section 18B, or
- (c) within a period commencing on the date of the mortgage and ending two years after the date on which the repayment of the principal sum borrowed is completed, if the income is exempt from income tax under paragraph (d) of subsection (2) of section 18B,

distribute sums not exceeding in the aggregate the exempt income to the members of the company; and those sums when so distributed are exempt from income tax in the hands of the members of the company.

(3) This section and section 18F apply only where the company or approved company keeps and submits annually separate accounts to the satisfaction of the Commissioner, showing

- (a) the income of the company from the sources specified in paragraphs (b), (c) and (d) of subsection (2) of section 18B;
- (b) all expenses and outgoings wholly and exclusively incurred in the production of that income from each such source;
- (c) the debenture holders account mentioned in subsection (3) of section 18I, and
- (d) such other information as the Commissioner may require.

Period of
exemption of
interest on
debentures

18I. (1) Where the income of an approved company is exempt from any taxes that are based in whole or in part on profits or on income under the provisions of subsection (1) of section 18E, any interest payable by the approved company on debenture borrowings by the approved company for the purpose of financing the purchase of newly constructed houses, is, subject to subsections (2) and (3), exempt from any taxes that are based in whole or in part on profits or on income in the hands of the debenture holders of the approved company, if the interest so paid is derived from income of the approved company exempt under the provisions of subsection (1) of section 18E.

(2) The period during which the interest paid to debenture holders is exempt from tax under subsection (1) is a period commencing on the date when the principal sums are paid for the debentures and ending two years after the date on which the principal sums secured by the debentures are deemed repaid under subsection (3).

(3) For the purposes of subsections (1) and (2) any sum repaid to an approved company by the mortgagors who entered into mortgages after the issue of those debentures shall, after deduction of any interest paid on those debentures, be debited against the debenture holders account until the sums so repaid to the approved company equals the principal sums secured by the debentures and thereafter the debentures shall be deemed to have been repaid.

(4) Notwithstanding the provisions of this section that relate to the period during which the interest paid to debenture holders is exempt from tax, the Minister may, if he thinks fit, in the instrument mentioned in subsection (2) of section 18E, make other provisions with respect to that period and those provisions when so made apply to the approved company.

18j. In assessing the chargeable income of a person under this Ordinance, the Commissioner may, as a condition precedent to applying any of the provisions of sections 18B to 18I to the assessment of income, require that person to produce a certificate in the prescribed form from the Minister to the effect that in the opinion of the Minister the provisions of section 18R to 18I inclusive, may properly be so applied."

(Section 63(2))

SECOND SCHEDULE

AMENDMENTS TO SLUM CLEARANCE AND HOUSING ORDINANCE—CH. 37, No. 2

Section or part amended	Extent of Amendment
The whole Ordinance. ...	The word "Commission" is deleted wherever it occurs in the Ordinance and the word "Authority" substituted therefor.
Section 3 ...	The words "Planning and Housing Commission of Trinidad and Tobago" are deleted and replaced by the word "Authority".
Part II ...	Repealed.
Section 13A ...	Paragraphs (a) and (b) are repealed and the following paragraphs substituted therefor : "(a) the Authority shall, in deciding to issue a notice under subsection (1) or in deciding whether any such notice has been satisfactorily complied with, take into consideration any report on the building submitted by the chief health or engineering adviser of the local authority, (b) the Authority shall notify the local authority of the dates and place at which any such decisions as mentioned in paragraph (a) will be considered and thereupon the local authority shall have the right to delegate three of their members to attend upon the Authority for the purpose of discussing the decisions or any of them."
Sections 43 to 48 (inclusive)	Sections 43 to 48 inclusive are repealed and the following substituted therefor: "43. All matters of a financial nature relating to the administration of this Ordinance shall be carried out so far as practicable in accordance with the powers of the Authority under the Housing Act, 1962, or any regulations that may be made in that regard under that Act. 44. All payments required to be made by the Authority for the purposes of this Ordinance shall be made out of the amounts appropriated for that purpose by the Legislature".
Section 54 (1) ...	The words "for regulating the administration of the Commission and" in paragraph (g) are deleted.
First Schedule ...	The words "Chairman, Planning and Housing Commission" are replaced by the words "Chairman, National Housing Authority".
Second Schedule ...	All references to the "Commission" shall be read as references to the "Authority".
Third Schedule ...	The Third Schedule is repealed.

(Section 63(2))

THIRD SCHEDULE

AMENDMENTS TO THE SLUM CLEARANCE AND HOUSING (TEMPORARY PROVISIONS) ORDINANCE, No. 2 OF 1959

Amendments

1. All references to the Planning and Housing Commission shall be read as references to the Authority within the meaning of the Housing Act, 1962.

2. All references to the members of the Planning and Housing Commission shall be read as references to Members of the Authority under the Housing Act, 1962.

3. All references to the Chairman of the Planning and Housing Commission shall be read as references to the Authority within the meaning of the Housing Act, 1962.

4. Section 10 of the Slum Clearance and Housing (Temporary Provisions) Ordinance, 1959, is amended by renumbering that section as subsection (1) and by adding the following subsection immediately after the renumbered subsection (1):

“(2) The provisions of sections 6 and 46 of the Principal Ordinance have effect as provided in paragraphs (a) and (d) of subsection (1) of this section notwithstanding the repeal of those sections by the Housing Act, 1962.”

Passed by the House of Representatives this twentieth day of July in the year of Our Lord one thousand nine hundred and sixty-two.

J. P. OTTLEY

Acting Clerk of the House of Representatives

Passed by the Senate this twenty-third day of July in the year of Our Lord one thousand nine hundred and sixty-two.

J. E. CARTER

Acting Clerk to the Senate