
2nd Session First Parliament Trinidad and Tobago
13 Elizabeth II



TRINIDAD AND TOBAGO

Act No. 5 of 1964

[L.S.]

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

[Assented to 24th April, 1964.]

BE IT ENACTED by The Queen's Most Excellent Majesty, by **Enactment** 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 :—

1. This Act may be cited as the Income Tax (Amend- **Short title** ment) Act, 1964.

Interpretation of
this Act
No. 16 of 1963

2. (1) In this Act,

“Act” means the Income Tax (Amendment) Act, 1963;

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“Ordinance” means the Income Tax Ordinance.

No. 16 of 1963

(2) This Act shall be deemed to have come into operation on the first day of January, 1963, immediately after the Income Tax (Amendment) Act, 1963.

Section 5 of
Ordinance
amended

3. Section 5 of the Ordinance is amended by inserting in paragraph (b) of subsection (1) thereof, immediately after the words “gains or profits from any employment or office including”, the words “emoluments within the meaning of section 53C and”.

Section 7 of
Ordinance
amended

4. Section 7 of the Ordinance is amended—

(a) in subsection (1) thereof, by substituting for the words beginning with the words “The chargeable income” to the words “or vocation shall be”, the words “The gains or profits of any person for a year of income so far as such gains or profits arise from the carrying on of any trade, business, profession or vocation shall be”;

(b) in subsection (2) thereof, by substituting for the words “chargeable income” the words “gains or profits”.

Construction of
section 12A of
Ordinance

5. Nothing in section 47 of the Act applies to section 12A of the Ordinance, but the said section 12A shall, in so far as it continues to have effect be read and construed in relation to any person to whom a licence was granted under the Hotels (Development Encouragement) Ordinance, so as to allow, in years of income, the exemptions and set-offs provided for therein, and the provisions thereof shall be read as if references to a year of assessment were references to a former year of assessment or, as the circumstances require, a year of income, and references to years of assessment shall be construed accordingly; and in ascertaining any period which commenced prior to the year of income 1963, former years of assessment shall be reckoned as years of income.

6. Section 15 of the Ordinance is amended—Section 15 of
Ordinance
amended

(a) by inserting immediately after paragraph (b) of subsection (3) thereof the following paragraph :

“(c) in respect of every such child who has attained the age of ten years and who in the course of that year received full-time instruction as a student outside Trinidad and Tobago at a university, university college, secondary school, trade or other technical school the sum actually paid for his board and lodging and education in such year, but not exceeding—

(i) in the case of a child who was so receiving full time instruction before the 1st January, 1963, the sum of twelve hundred dollars; and

(ii) in any other case, the sum of nine hundred and sixty dollars.”;

(b) by deleting the words “or under subsection (3a)” appearing in the second proviso to subsection (3) thereof;

(c) by deleting subsection (3a) thereof.

7. Section 16 of the Ordinance is amended by substituting for the words “ the deductions allowed by the said subsection shall, subject to the provisions of the said subsection, be limited to seven per centum of the capital sum payable on the insurance policy or contract” in subsection (4) thereof, the words “the deductions to be allowed under the provisions of paragraph (a) or (b) of subsection (1) of section 16D, or subsection (5) of the said section 16D shall be limited to an amount equal to seven per centum of the capital sum payable on the insurance policy or contract if that amount is less than the deductions allowed by those provisions,”.

Section 16 of
Ordinance
amended

Section 16A of
Ordinance
amended

8. Section 16A of the Ordinance is amended—

- (a) in paragraph (f) of subsection (1) thereof, by substituting for the words “, in subparagraph (ii) of paragraph (c) of section 16D” the words “and in subparagraph (ii) of paragraph (k),”;
- (b) in subparagraph (i) of paragraph (b) of subsection (4) thereof, by substituting for the words “death of the annuitant, or” the words “death of the annuitant, for”.

Section 16D of
Ordinance
amended

9. Section 16D of the Ordinance is amended—

- (a) in paragraph (b) of subsection (1) thereof, by substituting for the words “a deduction of an amount equal to 40 per cent. of the premium paid” the words “a deduction of 40 per cent. of the annual amount of the premium paid”;
- (b) in subsection (2) thereof, by substituting for the words “the aggregate of the contributions and premiums in respect of which relief is given to that individual” the words “the aggregate of the deductions”;
- (c) in subsection (3) thereof, by substituting for the words “the aggregate of the premiums in respect of which relief is given to that individual under the said paragraphs” the words “the aggregate of the deductions”;
- (d) by inserting the following subsection immediately after subsection (3) thereof:
 - “(3a) In subsection (3) a reference to the deductions allowed by paragraph (a) of subsection (1) includes a reference to the deductions allowed by subsection (5).”;
- (e) in paragraph (b) of subsection (5) thereof, by substituting for the words “or to an approved deferred annuity plan” the words “or does not pay a premium in respect of an approved deferred annuity plan”;
- (f) in subsection (7) thereof, by substituting for the words “there shall be allowed a deduction of an amount not exceeding one-sixth part of the chargeable income” the words “there shall be allowed a deduction of the amount of the contribution made or of the premium paid so however that the deduction does not exceed one-sixth part of the chargeable income”.

10. Section 17 of the Ordinance is amended by substituting for the words "sections 14, 15 and 16," the words "sections 14 to 16E". Section 17 of Ordinance amended

11. Section 19A of the Ordinance is amended by adding immediately after subsection (2) thereof the following subsection: Section 19A of Ordinance amended

"(3) Notwithstanding section 13, no loss incurred in connection with any business deemed to be a separate business under subsection (2) shall be set-off against the income from any other source for the same year, and may only be carried forward to be set-off, to the extent provided by section 13, against the income of that business in succeeding years."

12. Subsection (3) of section 19B of the Ordinance is repealed and replaced as follows: Section 19B(3) of Ordinance repealed and replaced

"(3) For the purpose of ascertaining the chargeable income of the life assurance business of an assurance company, there shall be allowed such proportion of the outgoings and expenses as the Commissioner may, in any case, determine, being outgoings and expenses specified in the Third Schedule as are wholly and exclusively incurred during the year of income by such assurance company in the production of the income." Third Schedule

13. Section 19D of the Ordinance is amended by substituting for the definition of "life assurance fund" therein the following: Section 19D of Ordinance amended

" 'life assurance funds' means the aggregate of—

- (a) the actuarial reserves computed or estimated on the basis of mortality, interest and other decremental rates;
- (b) all additional reserves which it might be thought necessary to establish; and
- (c) the authorised and paid-up share capital of the assurance company."

14. Section 32 of the Ordinance is amended by substituting for the word "Schedule" in subsection (1) thereof, the words "First Schedule". Section 32 of Ordinance amended

Section 34 of
Ordinance
amended

15. Section 34 of the Ordinance is amended by substituting in subsection (2) thereof, for all the words beginning with the words "shall be deemed to be" to the end of the subsection, the words "shall be deemed to be the income of the disponer and not the income of any other person during the minority of such minor and subsequent to such minority shall continue to be so deemed unless the Commissioner is satisfied that the disposition was not made for the purpose of avoiding tax."

Section 34D of
Ordinance
amended

16. Section 34D of the Ordinance is amended by substituting for the word "and" occurring at the end of subparagraph (i) of paragraph (a) thereof, the word "or".

Section 38A of
Ordinance
amended

17. Section 38A of the Ordinance is amended by the addition at the end thereof the following subsection—

"(7) Where the income of an individual for a year of income consists solely of income from emoluments, within the meaning of section 53C, that individual shall, on or before the 30th April in the next year, pay to the Commissioner the remainder of his tax, if any, as estimated by him under section 36A."

Section 38B of
Ordinance
amended

18. Section 38B of the Ordinance is amended by the addition at the end thereof of the following subsection—

"(6) Where the income of an individual for the year of income 1963 consists solely of income from emoluments, within the meaning of section 53C, that individual shall, on or before the 30th April, 1964, pay to the Commissioner the remainder of his tax, if any, as estimated by him under section 36A."

Section 53B of
Ordinance
amended

19. (1) Section 53B of the Ordinance is amended by substituting in subsection (4) for all the words beginning with the words "and the provisions of subsection (3)" to the end of the subsection, the words "and he shall pay interest at the rate of 12 per centum per annum on such amount and on such additional sum from the day on or before which he was required to make the payment to the day of payment if made within twelve months and thereafter at the rate of 15 per centum per annum, as if the same was tax payable by such person on the date when such amount was required to be deducted, withheld,

remitted or paid, as the case may be, and the provisions of this Ordinance relating to the collection and recovery of tax shall apply to the collection and the recovery of any such sum or amount."

(2) Notwithstanding subsection (2) of section 2, the amendments made by subsection (1) in so far as they provide for interest to be charged and prescribe the rates of interest have effect from the date of the passing of this Act.

20. Section 55A of the Ordinance is amended—

Section 55A of
Ordinance
amended

(a) in subsection (1) thereof, by substituting for the words ", to whom subsection (1) of section 38A or subsection (1) of section 38B apply, for a year of income" appearing therein, the words "for a year of income on or";

(b) in subsection (2) thereof, by substituting for the words "subsection (1) of section 38A or subsection (1) of section 38B, section 38C and section 38D" appearing therein, the words "this Ordinance".

21. Until section 43B of the Ordinance comes into operation in accordance with section 49 of the Act, the reference to that section in subsection (3) of section 63 of the Ordinance shall be construed as a reference to section 43.

Section 63 of
Ordinance
amended

22. (1) Section 72 of the Ordinance is amended by substituting for the words "varied, whether by the Commissioner on appeal", in subsection (3) thereof, the words "varied or revised, whether by the Commissioner or by the Appeal Board".

Section 72 of
Ordinance
amended

(2) Until section 43B of the Ordinance comes into operation in accordance with section 49 of the Act, subsection (3) of section 72 of the Ordinance as amended by this section has effect as if the words "or by the Appeal Board" were omitted.

23. Section 76A of the Ordinance is amended by inserting immediately after subsection (5) thereof, the following subsection—

Section 76A of
Ordinance
amended

"(6) Where the amount of tax to be discharged as determined by subsection (2) is less than the tax that would have been payable for what would

have been the year of assessment 1963, had the Income Tax (Amendment) Act, 1963, not been passed, the remainder of the tax that would have been so payable shall be deemed to be tax payable in respect of the year of income 1963”.

Section 76B of
Ordinance
amended

24. Section 76B of the Ordinance is amended by substituting in subsection (2) thereof, for all the words beginning with the words “shall be deemed” to the end of the subsection, the words “shall be deemed to have been chargeable and deductible on account of tax for the former year of assessment 1962 at the then prevailing rates and the remainder of such tax, on such emoluments if any, shall be deemed to be chargeable and payable in respect of tax for the said former year of assessment 1962 at the then prevailing rates.”

Section 79 of
Ordinance
amended

25. Section 79 of the Ordinance is amended by inserting in subsection (1) thereof, immediately after the words “of such director or employee”, the words “and chargeable to income tax accordingly”.

Section 80(1)
of Ordinance
repealed and
replaced

26. Subsection (1) of section 80 of the Ordinance is repealed and replaced as follows:

“Benefits in
kind to be
taken into
account

80. (1) Subject to sections 81 to 87, where a company incurs expense in or in connection with the provisions, for any of its directors or for any person employed by it in an employment to which sections 79 to 87 apply, of living or other accommodation, of entertainment, of domestic or other services or of other benefits or facilities of whatsoever nature, and, apart from this section the expense would not be chargeable to tax as income of the director or employee, so much of the said expenses as is not made good to the company by the director or employee shall be chargeable to tax under the provisions of this Ordinance as if the expense had been incurred by the director or employee and the amount thereof had been refunded to him by the company by means of a payment in respect of expenses, and section 36 and subsection (1a) of this section shall have effect in relation thereto.

(1a) If the director or employee is wholly, exclusively and necessarily obliged to incur and defray out of the emoluments of his employment

or office (within the meaning of section 53C), the expenses of travelling in the performance of the duties of the employment or office, or of keeping or maintaining means of transport to enable him to perform the same, or otherwise to expend money wholly, exclusively and necessarily in the performance of the said duties, there may be deducted in computing the chargeable income of the director or employee, the expenses so wholly, exclusively and necessarily incurred and defrayed."

27. Section 81 of the Ordinance is amended by deleting from subsection (3) the words "as reduced for the purposes of collection". Section 81
of the Ordinance
amended

28. Section 46 of the Act is amended by inserting in paragraph (b) thereof, immediately after the word "shall", the words, "except in subsection (2) of section 62,". Section 46
of the Act
amended

29. Section 48 of the Act is amended by substituting— Section 48 of
Act amended
(a) for the reference therein to section 19 a reference to section 19B, and
(b) for the words "is given" the words "are given".

30. The First Schedule to the Ordinance is amended by substituting— First Schedule
to the Ordinance
amended

(a) for the words "In the case of a person other than a company" in paragraph (1), the words "Subject to paragraphs (2) and (3), in the case of a person";

(b) for paragraphs (2) and (3) thereof the following :

"(2) Subject to paragraph (3), in the case of a company, including a company incorporated or registered outside Trinidad and Tobago which does not carry on business in Trinidad and Tobago or has no place of business or office in Trinidad and Tobago, but excluding a partnership—42½ per centum.

(3) In the case of an assurance company in respect of its life assurance business—15 per centum."

31. The enactments specified in the first column of the Schedule hereto are amended to the extent specified in the second column thereof. Consequential
amendments

SCHEDULE

Enactments

Amendments

The Income
Tax (In Aid
of Industry)
Ordinance,
Ch. 33. No. 2.

1. The insertion immediately after section 1 thereof of the following section :

“Interpre-
tation

1A. In this Ordinance, references to a year of assessment shall be construed as references to a former year of assessment or, as the circumstances require, a year of income, and references to years of assessment shall be construed accordingly; and in ascertaining any period which commenced prior to the year of income 1963, former years of assessment shall be reckoned as years of income.”

2. In section 5, the substitution of the words “basis period” for the words “basis year”.

3. In section 15—

(a) the deletion of all the words beginning with the words “Provided however” and ending with the words “the expenditure” in subsection (1) thereof, and

(b) the insertion immediately after subsection (1) thereof of the following subsection :

“(1a). Notwithstanding subsection (1), where the initial allowance is made in respect of capital expenditure incurred by a person who on or before the 4th January, 1963, has been declared to be a pioneer manufacturer under the Aid to Pioneer Industries Ordinance, such allowance shall be equal to two-fifths of the expenditure.”

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No. 3

4. In section 37, the substitution of the words “basis period” for the words “basis year”.

5. In section 51, the deletion of the words “the Income Tax Regulations made under”.

6. The addition after section 59 of the following section :

“No carry forward of deductions allowable on 1962 income of that person for any year of income.”

60. No deduction that may have been allowed by this Ordinance in computing the chargeable income of any person for what would have been the year of assessment 1963 had the Income Tax (Amendment) Act, 1963, not been passed shall be allowed in computing the chargeable income of that person for any year of income.”

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1963

The Aid to
Pioneer
Industries
Ordinance,
Ch. 33. No. 3.

In section 8, the addition at the end thereof of the following subsection :

“(4) In this section, a reference to a year of assessment shall be construed as a reference to a former year of assessment or as the circumstances require, a year of income, and “former year of assessment” and “year of income” have the meanings respectively assigned to them by the Income Tax Ordinance.”

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Passed in the House of Representatives this 3rd day of
April, 1964.

G. R. LATOUR
Clerk of the House of Representatives

Passed in the Senate this 14th day of April, 1964.

A. A. DARLINGTON
Acting Clerk of the Senate