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Third Session First Parliament Republic of Trinidad  
and Tobago

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REPUBLIC OF TRINIDAD AND TOBAGO

**Act No. 1 of 1979**

[L.S.]

AN ACT to amend the laws relating to income tax, corporation tax, estate and succession duties, purchase tax and excise duty.

*[Assented to 14th February, 1979]*

ENACTED by the Parliament of Trinidad and Tobago as Enactment follows:—

1. This Act may be cited as the Finance Act, 1979.

Short title

## PART I

## INCOME TAX

Section 5(6) of  
Ordinance  
amended.  
Ch. 33. No. 1

2. Section 5(6) of the Income Tax Ordinance (in this Part referred to as "the Ordinance") is amended by substituting for paragraph (a) the following:—

"(a) an amount not exceeding ten thousand dollars; and".

Section 8(1)(j) of  
Ordinance  
amended

3. Section 8(1)(j) of the Ordinance is amended by substituting for the words "one hundred dollars" the words "one thousand dollars".

Section 10  
of Ordinance  
amended

4. Section 10 of the Ordinance is amended by adding immediately after subsection (2) the following new subsection:—

"(3) Where in the case of a house owned either by a person or his spouse or jointly by both of them and occupied by them as a residence, the outgoings and expenses in respect of such house and its annual value referred to in section 5(1)(h) shall be included in computing the income of the person or his spouse, at their option."

Section 161(2)  
of Ordinance  
amended.  
Act No. 46  
of 1977

5. Section 161(2) of the Ordinance is amended by substituting for the words "four hundred dollars" the words "six hundred dollars".

Section 18B(2)  
of Ordinance  
amended

6. Section 18B(2) of the Ordinance is amended—

(a) by substituting for paragraph (b) the following:—

"(b) subject to subsection (7), premiums and rents derived from the letting of any newly constructed houses whether constructed on, before or after 31st December, 1978, of the class specified in section 18c."

(b) by adding immediately after subsection (6), the following new subsections:—

"(7) The exemption as to rent referred to in paragraph (b) of subsection (2) shall not be granted where the monthly

rental income, whether payable to the owner or to any other person, in any month of the year of income—

- (a) in respect of an unfurnished letting, exceeds \$750;
- (b) in respect of an unfurnished letting, in connection with which services are provided, exceeds \$825;
- (c) in respect of a furnished letting, exceeds \$900; or
- (d) in respect of a furnished letting in connection with which services are provided, exceeds \$975.

(8) In subsection (7)—

“furnished letting” means a house rented with furniture consisting of a stove, a refrigerator, a bed and living and dining room furniture;

“services” includes any utility for which the landlord pays the supplier of that utility.”.

7. The Second Schedule to the Ordinance is amended by substituting for paragraph 2, the following:—

Second Schedule  
to the Ordinance  
amended

“ 2. Notwithstanding the rates of tax set out in paragraph 1, where the chargeable income of a person (other than a company) who is resident in Trinidad and Tobago—

- (a) does not exceed \$3,000, no tax shall be charged;
- (b) exceeds \$3,000 but does not exceed \$3,500 the tax payable shall be limited to 25 per cent of the amount by which the chargeable income exceeds \$3,000;
- (c) exceeds \$3,500 but does not exceed \$4,000, the tax payable shall be reduced by 50 per cent;

- (d) exceeds \$4,000 but does not exceed \$5,000 the tax payable shall be limited to \$150 plus 21 per cent of the amount by which the chargeable income exceeds \$4,000;
- (e) exceeds \$5,000 but does not exceed \$6,000 the tax payable shall be reduced by 20 per cent;
- (f) exceeds \$6,000 but does not exceed \$6,400 the tax payable shall be limited to \$480 plus 50 per cent of the amount by which the chargeable income exceeds \$6,000.”.

## PART II

### CORPORATION TAX

Act No. 29 of  
1966 amended

8. The Finance Act, 1966 is amended by inserting immediately after section 50 the following new section:—

“Invest-  
ment  
allowance

50A. (1) In computing for purposes of corporation tax a company's profits for any year of income commencing from the year of income 1979, there shall be allowed a deduction, in this section referred to as “investment allowance”, of 10 per cent of the cost of new plant and machinery acquired and installed after 31st December, 1978.

(2) Investment allowance shall be granted in the year of income in which the new plant and machinery is first brought into use for the purpose of the company's trade or business.

(3) Where plant and machinery in respect of which investment allowance was granted to a company is sold, transferred or exchanged by that company within four years from the end of the accounting period relevant to the year of income in which the allowance was granted, the allowance shall be deemed to have been wrongly granted and the assessment for the year of income in which the allowance was granted shall be revised accordingly by an additional assessment. Notwith-

Ch. 33.  
No. 1

standing the time-limit prescribed in section 45(1) of the Income Tax Ordinance, the additional assessment may be made within six years from the end of the year of income in which the plant and machinery was so sold, transferred or exchanged.

(4) Investment allowance granted under subsection (2) shall not be taken into account in arriving at the written-down value of the plant and machinery nor shall it be considered in calculating the balancing charge or allowance under section 11(2) of the Income Tax Ordinance.

Ch. 33.  
No. 3  
Act No. 36  
of 1973

(5) Investment allowance shall not be granted in respect of plant and machinery used in industries enjoying tax concessions under the Aid to Pioneer Industries Ordinance or the Fiscal Incentives Act, 1973 or by companies engaged in petroleum operations or in the manufacture of petro-chemicals.

(6) Investment allowance shall be granted only for plant and machinery which is new and has not been used by any person in Trinidad and Tobago or elsewhere.

(7) In this section—

“plant and machinery” does not include motor cars, office machines, office equipment or furniture;

“petroleum operations” and “petro-chemicals” have the meanings assigned to them in the Petroleum Taxes Act, 1974.

Act No. 22  
of 1974

### PART III

#### UNEMPLOYMENT LEVY

9. Section 7 of the Unemployment Levy Act, 1970 is Section 7 of Act No. 16 of 1970 amended in paragraph (b) by substituting for the words “\$10,000” the words “\$20,000.”

## PART IV

## ESTATE AND SUCCESSION DUTIES

Section 6(2) of  
Ch. 33. No. 5,  
amended

10. Section 6(2) of the Estate and Succession Duties Ordinance (in this Part referred to as "the Ordinance") is amended—

- (a) in paragraph (e) by inserting immediately after the words "1st January, 1971" the words "and before 1st January, 1978";
- (b) by adding immediately after paragraph (e) the following new paragraphs:—

"(f) where the death occurs on or after 1st January, 1978 and before 1st January, 1979, in accordance with the rates set forth in Schedule BBBB;

(g) where the death occurs on or after 1st January, 1979, in accordance with the rates set forth in Schedule BBBB save that duty shall be payable only on the value of the estate in excess of \$80,000."

Section 7  
of the Ordinance  
amended

11. Section 7 of the Ordinance is amended by repealing and replacing paragraph (e) as follows:—

"(e) property which the deceased owned jointly with another so that the beneficial interest or some part thereof passes by survivorship on his death to that other person; in which case duty is payable only on the value of the beneficial interest which passes by survivorship;"

Ordinance  
amended

12. The Ordinance is amended by inserting immediately after section 42 the following new section:—

"Succession  
Duty  
abolished 42A. Succession duty is abolished in respect of the estate of any person dying on or after 1st January, 1979."

Ordinance  
amended.  
Act No. 18  
of 1971

13. The Ordinance is amended by adding immediately after Schedule BBBB, the following new Schedule:—

## SCHEDULE BBBB

Estate duty shall be payable at the following rates per centum where the Principal Value of the Estate:—

- (a) Exceeds \$80,000 and does not exceed \$100,000 8%
- (b) Exceeds \$100,000 and does not exceed \$125,000 9%
- (c) Exceeds \$125,000 and does not exceed \$200,000 10%

(d)	Exceeds \$200,000 and does not exceed	\$250,000	11%
(e)	Exceeds \$250,000 and does not exceed	\$275,000	12%
(f)	Exceeds \$275,000 and does not exceed	\$320,000	13%
(g)	Exceeds \$320,000 and does not exceed	\$360,000	14%
(h)	Exceeds \$360,000 and does not exceed	\$410,000	15%
(i)	Exceeds \$410,000 and does not exceed	\$500,000	16%
(j)	Exceeds \$500,000 and does not exceed	\$575,000	17%
(k)	Exceeds \$575,000 and does not exceed	\$720,000	19%
(l)	Exceeds \$720,000 and does not exceed	\$960,000	20%
(m)	Exceeds \$960,000 and does not exceed	\$1,200,000	22%
(n)	Exceeds \$1,200,000 and does not exceed	\$1,450,000	24%
(o)	Exceeds \$1,450,000 and does not exceed	\$1,950,000	26%
(p)	Exceeds \$1,950,000 and does not exceed	\$2,500,000	28%
(q)	Exceeds \$2,500,000 and does not exceed	\$3,000,000	30%
(r)	Exceeds \$3,000,000 and does not exceed	\$4,000,000	32%
(s)	Exceeds \$4,000,000 and does not exceed	\$5,000,000	34%
(t)	Exceeds \$5,000,000 and does not exceed	\$6,000,000	36%
(u)	Exceeds \$6,000,000 and does not exceed	\$7,500,000	38%
(v)	Exceeds \$7,500,000 ... ..	.. ..	40%

14. The Ordinance is amended in Schedule CC by adding <sup>Schedule CC to</sup> immediately after paragraph (d) the following new para- <sup>Ordinance</sup> graph:— <sup>amended</sup>

“(e) a dwelling house occupied by the deceased up to the date of his death, together with not more than one acre of the land on which such dwelling house stands.”

15. The Ordinance is amended by adding immediately <sup>Ordinance</sup> after Schedule EEE, the following new schedule:— <sup>amended</sup>

**SCHEDULE EEEE**

**SCALE OF RATES OF SUCCESSION DUTY**

Where the value of any Succession ... ..	Where the Successor is			
	(i)	(ii)	(iii)	(iv)
	A wife of the predecessor	A husband of the predecessor or a lineal descendant or lineal ancestor, etc.	A brother or sister of the predecessor, or a lineal descendant of a brother or sister of the predecessor	A person in any other degree of relationship to the predecessor or a stranger in blood to the predecessor
Exceeds \$80,000 ... ..	1 per cent	2 per cent	11 per cent	20 per cent”.

16. The Provisional Collection of Taxes (General Estate Duty) Order, 1978 is revoked. G.N. No. 2 of 1978  
revoked

## PART V

## PURCHASE TAX

Part I of First  
Schedule to Act  
No. 13 of 1963  
amended

17. Part I of the First Schedule to the Finance Act, 1963 (in this Part referred to as "the Act") is amended by:—

(a) substituting for the chargeable goods and rates of purchase tax, set out against items:—

1-73 } 85 } 10	1-699-01
1-84-01	1-899-02
1-84-02	1-899-03
1-84-03	1-899-04
1-84-04	1-899-05

respectively, the following:—

	FIRST COLUMN	SECOND COLUMN
<i>Item</i>	<i>Chargeable Goods</i>	<i>Rate of Purchase Tax Per Cent</i>
1-73 } 85 } 01	Stoves, ranges, designed for operation by electricity or gas, whether from the mains or not, of a kind used for domestic purposes, including domestic ranges operated by the conversion of liquid to gas, of a wholesale value of \$400.00 but under \$600.00 ... ..	10
1-84-01	Freezers, electrically operated, domestic and other under 1 H.P. with a refrigerator capacity of 12 cu. ft. and under ...	5
1-84-02	Freezers, electrically operated, domestic and other, under 1 H.P. with a refrigerator capacity of over 12 cu. ft. ... ..	25
1-84-03	Refrigerators, electrically operated domestic and other under 1 H.P. with a cubic capacity of over 12 cu. ft. but less than 16. cu. ft. ... ..	5
1-84-04	Refrigerators, electrically operated domestic and other, under 1 H.P. with a cubic capacity of over 16 cu. ft. ... ..	25;";

(b) inserting immediately after Item 1-73 }  
85 } 10

the following new item:—

FIRST COLUMN		SECOND COLUMN
<i>"Item"</i>	<i>Chargeable Goods</i>	<i>Rate of Purchase Tax Per Cent</i>
1-73 } 85 }	Stoves, ranges, designed for operation by electricity or gas, whether for the mains or not, of a kind used for domestic purposes including domestic ranges operated by the conversion of liquid to gas of a wholesale value of \$600.00 and over ... ..	20."

18. Part II of the First Schedule to the Act is amended by substituting for the chargeable goods and rates of purchase tax set out against items:—

11-84-01	11-899-04
11-84-01	11-899-05

respectively, the following:—

FIRST COLUMN		SECOND COLUMN
<i>"Item"</i>	<i>Chargeable Goods</i>	<i>Rate of Purchase Tax Per Cent</i>
11-84-2	... Freezers, electrically operated domestic and other, under 1 H.P. Exemptions: Ice Cream Conservators and refrigerated display units for use in commercial enterprises ... ..	25
11-84-01	Refrigerators, electrically operated, domestic and other, under 1 H.P. ... ..	25."

Part II of  
First Schedule to  
Act No. 13 of 1963  
amended

## PART VI

### EXCISE DUTY

19. The Schedule to the Excise Duty (Alcoholic Beverages) Order, 1968 is amended in the First Column by adding immediately after the word "Rum" in item (b) the words "and Rum Punch".

G.N. No. 5 of 1968  
amended

## PART VII

### GENERAL

20. (1) This Act, save for section 10(b) in so far as it enacts section 6(2)(f) of the Estate and Succession Duties Ordinance, sections 13, 14, 15 and 16, is deemed to have come into operation on 1st January, 1979.

Commencement

(2) Section 10(b) in so far as it enacts section 6(2)(f) of the Estate and Succession Duties Ordinance, sections 13, 14, 15 and 16, are deemed to have come into operation on 1st January, 1978.

Passed in the House of Representatives this 26th day of January, 1979.

J. E. CARTER

*Clerk of the House*

Passed in the Senate this 6th day of February, 1979.

R. GRIFFITH

*Clerk of the Senate*