

LEGAL NOTICE No. 152

REPUBLIC OF TRINIDAD AND TOBAGO

THE INCOME TAX ACT, CHAP. 75:01

ORDER

MADE BY THE PRESIDENT UNDER SECTION 96 OF THE INCOME TAX ACT  
THE TRINIDAD AND TOBAGO (B.W.I.A. INTERNATIONAL)  
AIRWAYS CORPORATION SALE AND LEASEBACK OF AIRCRAFT  
(REDUCTION OF WITHHOLDING TAX) ORDER, 1989

WHEREAS by an Aircraft Sales Agreement dated as of the 15th day of August, 1988 (hereinafter called "the Agreement") between the Trinidad and Tobago (B.W.I.A. International) Airways Corporation (hereinafter called "the Lessee"), Credit Lyonnais/Pk Airfinance (hereinafter called "the Lessor"), Kansallis Osake Pankki and Privatbanken (hereinafter called "the Participants"), the Lessor and the Participants agreed to purchase from the Lessee and the Lessor agreed to leaseback to the Lessee, one used Lockheed 1011-500 Aircraft (Airframe bearing Trinidad and Tobago registration mark 9Y-TGN and manufacturer's serial number 1191) equipped with three Rolls Royce Model RB211-524B4 Engines (bearing manufacturer's serial numbers 14791, 14814, 14796) and one spare Rolls Royce engine (bearing manufacturer's serial number 14789):

And whereas it was shown that the Lessee did not have capacity to sell the engine bearing serial number 14814 to the Lessor, and consequently no capacity to lease the said engine back under the lease agreement:

And whereas in order to rectify the discrepancy the Lessee and Lessor agreed to the release of the said engine and the transfer of a replacement engine bearing serial number 14831 to the Lessor by Bill of Sale dated as of the 20th day of April, 1989 and to its leaseback by Lease Supplement No. 2 to the original lease agreement:

And whereas it is a condition of the original lease agreement that the Government of Trinidad and Tobago shall make all lease payments directly to the Lessor on behalf of the Lessee:

And whereas in furtherance of the arrangements made under the original lease agreement it is necessary that withholding tax payable in connection therewith be reduced to a nominal amount:

Now, therefore, the President in exercise of the powers conferred by section 96 of the Income Tax Act, hereby orders as follows:

Citation

1. This Order may be cited as the Trinidad and Tobago (B.W.I.A. International) Airways Corporation Sale and Leaseback of Aircraft (Reduction of Withholding Tax) Order, 1989.

Withholding  
tax  
reduced

2. Withholding tax payable under the Bill of Sale dated as of 20th day of April, 1989 between the Lessee and the Lessor is reduced from 30 per cent to 0.0000001 per cent.

Dated this 13th day of September, 1989.

K. BOSWELL INNIS

Secretary to Cabinet