

---

---

4th Session Second Parliament Trinidad and Tobago  
19 Elizabeth II

---

---



TRINIDAD AND TOBAGO

**Act No. 42 of 1970**

[L.S.]

AN ACT to amend the Income Tax (In Aid of Industry)  
Ordinance, Ch. 33. No. 2.

*[Assented to 4th November, 1970]*

BE IT ENACTED by the Queen's Most Excellent Majesty, <sup>Enactment</sup>  
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:—

**1.** This Act may be cited as the Income Tax (In Aid of <sup>Short title</sup>  
Industry) (Amendment) Act, 1970.

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

2. The Income Tax (In Aid of Industry) Ordinance, is amended as follows:—

- (a) by adding at the end of section 3(1) thereof the words “save that, in the case of a person carrying on petroleum operations under a licence issued after the 1st January, 1970, the annual allowance shall equal one-twentieth of the capital expenditure.

In this subsection—

- (a) “petroleum operations” means exploring for, producing, refining and transporting by pipeline, petroleum or petroleum products or both, as those expressions are defined in the Petroleum Act, 1969;

- (b) “licence” does not include a licence issued pursuant to section 37 of the Petroleum Act, 1969;

- (b) in section 26A thereof by inserting in its appropriate alphabetical order the following new definition:—

““licensed area” has the same meaning as in the Petroleum Act, 1969”;

- (c) in section 26B thereof—

- (i) by repealing and replacing subsections (1C) and (1D) thereof as follows:—

“ (1C) Subject to subsections (1D) and (1E), the submarine production allowance shall be allowed from the profits of the accounting period of such a company as is referred to in subsection (1B), that ends in the year of income in respect of which the production of oil in a licensed area first commences and, subject as aforesaid, shall continue to be made for the six years of income next following, but no longer, as follows:—

- (a) for the first year of income, an amount equal to the royalty paid on production up to 2,000 barrels per day from each well producing

- during the accounting period for that year;
- (b) for the second year of income, an amount equal to the royalty paid on production up to 2,000 barrels per day from each well producing during the accounting period for that year;
  - (c) for the third year of income, an amount equal to the royalty paid on production up to 1,500 barrels per day from each well producing during the accounting period for that year;
  - (d) for the fourth year of income, an amount equal to the royalty paid on production up to 1,500 barrels per day from each well producing during the accounting period for that year;
  - (e) for the fifth year of income, an amount equal to the royalty paid on production up to 1,000 barrels per day from each well producing during the accounting period for that year;
  - (f) for the sixth year of income, an amount equal to the royalty paid on production up to 500 barrels per day from each well producing during the accounting period for that year;
  - (g) for the seventh year of income, an amount (if any), equal to the royalty, paid on production up to 500 barrels per day from each well producing during the accounting period for that year.
- (1D) For the purposes of subsection (1C)—
- (a) where commercial production of oil in a licensed area first commences on a date other than the beginning

of the accounting period, the submarine production allowance shall be computed—

- (i) in the third year of income, on the portion of the total production of oil won from a submarine well specified in subsection (1C) (a), to the extent to which the period during which the allowance was allowed in the first year of income fell short of twelve months; and
  - (ii) in the fifth and sixth years of income, on the portion of the total production of oil won from a submarine well specified in subsection (1C) (c) and (e), respectively, to the extent to which the allowance was not so computed in the third and fifth years of income, respectively;
- (b) the production on which the amount equal to the royalty thereon is to be allowed in the seventh year of income in accordance with subsection (1C) (g) shall be production for such part only of the accounting period for that year as would not, when aggregated with the periods during which the allowance was allowed under subsections (1C) (a) to (f) inclusive, exceed seventy-two months;
- (c) the seventy-two month period during which the allowance is to be allowed in respect of each licensed area shall be reckoned from the date of the commencement of commercial production in such area, as determined in accordance with the terms of the licence.”;

- (ii) by adding at the end of subsection (1F) thereof the words "and in the case of subsection (1B) includes a licence or licences issued under the Petroleum Act, 1969, in respect of any part of the area comprised in any such licence as was granted under the Submarine (Oil Mining) Regulations or any licence issued pursuant to section 37 of the Petroleum Act, 1969, in substitution therefor".

No. 46 of 1969

Passed in the House of Representatives this 16th day of October, 1970.

J. E. CARTER  
*Acting Clerk of the House*

Passed in the Senate this 20th day of October, 1970.

A. A. DARLINGTON  
*Acting Clerk of the Senate*

