

LEGAL NOTICE No. 207

REPUBLIC OF TRINIDAD AND TOBAGO

THE FISCAL INCENTIVES ACT, CHAP. 85:01

ORDER

MADE BY THE PRESIDENT UNDER SECTION 10 OF THE FISCAL  
INCENTIVES ACT

THE FISCAL INCENTIVES (TRINIDAD AND TOBAGO METHANOL  
COMPANY LIMITED) (AMENDMENT) ORDER, 1994

1. This Order may be cited as the Fiscal Incentives (Trinidad and Tobago Methanol Company Limited) (Amendment) Order, 1994. Citation

2. The Fiscal Incentives (Trinidad and Tobago Methanol Company Limited) Order, 1994 is amended by deleting paragraph 4(a) and substituting the following: No. 135 of 1994 amended

“(a) relief from corporation tax in relation to the approved product in accordance with the following:

- (i) corporation tax shall be applied to the incremental profits of the Company for each year during the tax holiday period where such incremental profits are the amount by which the profits computed on the basis of the weighted average actual c.i.f. price of methanol realized by the Company in its accounting year exceed the profits computed on the basis of the reference price for that year;
- (ii) where profits are computed on the basis of the actual c.i.f. prices of methanol in a year of income but the company sustains a loss when the profit is computed on the basis of the reference price for that year, the loss shall be deemed to be a zero profit in the calculation of the incremental profit so that in this instance the excess profit tax shall apply to the total actual profit realized;
- (iii) the reference price means one hundred and forty two United States Dollars (U.S. \$142.00) per tonne c.i.f. for the base year 1993 with an increase at a rate of four and one half per cent (4½%) per annum for each succeeding year;

- (iv) where for the purpose of subparagraphs (i) and (ii) profits are computed on the basis of the reference price in a year of income the imputed costs of natural gas for the production of the approved product is the price which the Company would have paid for the natural gas if the Company had realized only the reference price as the weighted average actual c.i.f. price of methanol in that year of income;
- (v) the incremental profit in a year of income as calculated in subparagraph (i) shall be taxed at the rate of corporation tax applicable for that year of income;
- (vi) the Company's profit shall be determined by the normal taxation law and practice administered by the Board of Inland Revenue;".

Made this 27th day of October, 1994.

**C. SOOKRAM**  
*Secretary to Cabinet*