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4th Session Second Parliament Trinidad and Tobago  
19 Elizabeth II

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TRINIDAD AND TOBAGO

**Act No. 16 of 1970**

[L.S.]

AN ACT to provide for the imposition of an unemployment  
levy upon the chargeable income or profits of persons.

*[Assented to 4th June, 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 Unemployment Levy <sup>Short title.</sup>  
Act, 1970.

*Preliminary*

Interpretation.

## 2. (1) In this Act—

“assessment” means an assessment to income tax or corporation tax, as the case may be;

“chargeable income” or “chargeable profits” or “chargeable income or profits” means subject to this section the chargeable income or profits ascertained under the provisions of the Ordinance or of the Corporation Tax Acts respectively;

“financial year” means the period of twelve months commencing on the 1st of January, in each year for which the levy is raised;

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“the Ordinance” means the Income Tax Ordinance;

“profits or gains” means the income of an individual or a company that is charged to income tax or corporation tax, respectively;

“unemployment levy” or “levy” means the levy imposed by this Act as from time to time amended, for the purpose of the relief of unemployment and the training of unemployed persons.

(2) Except as otherwise expressly provided expressions used in this Act have the same meanings as in the Ordinance or the Corporation Tax Acts, as the case may be.

(3) For the purposes of this Act the chargeable income or profits shall be increased by the amount of any loss that was allowed to be carried forward and set off under section 13 of the Ordinance in computing the chargeable income or profits for income tax or corporation tax purposes in the year of income.

(4) Subsection (1) of section 4 shall be read and construed so as to include within the charge to the levy the income of a person that is exempt from income tax by virtue of section 18B of the Ordinance as well as the profits of approved mortgage and other companies exempt from corporation tax under Schedule VII of the Finance Act, 1966.

No. 29 of 1966.

Administration  
of Act.

3. (1) The Board of Inland Revenue shall be responsible for the due administration of this Act and for the computation, collection and recovery of the levy.

(2) Any function conferred by this Act on the Board shall be exercised, as may be necessary, by any officer authorised by it according as the Board may direct and references in this Act to the Board shall be construed accordingly.

4. (1) Notwithstanding any rule of law to the contrary, the profits or gains of a person that would, but for the provisions of any enactment (other than the Ordinance or the Corporation Tax Acts) conferring exemptions from income tax or corporation tax, be charged to income tax or corporation tax, shall be within the charge to the levy imposed by this Act. Application of Act to certain exempt profits or gains.

(2) The Board of Inland Revenue shall, for the purposes of computing the levy, ascertain the chargeable income or profits of a person referred to in subsection (1) in accordance with the provisions of the Ordinance or the Corporation Tax Acts, as if the profits or gains of such person were charged to income tax or corporation tax, respectively.

(3) Notwithstanding any rule of law to the contrary, the profits or gains of a company that are brought within the charge to the levy by subsection (1) shall, for the purpose of the distribution thereof as income or profits that is exempt in the hands of the members of the company, be taken to be reduced by the amount of the levy borne by the company, and accordingly no exemption from income tax or corporation tax shall be allowed to such members of the company in respect of any part of a distribution representing the levy.

5. Subject to this Act for the financial year 1970 and for each subsequent financial year there shall be charged, levied and collected on the profits or gains of a person an unemployment levy at the rate or rates hereinafter specified. Charge of unemployment levy.

6. Subject to this Act, the levy shall be charged in accordance with section 7 on the chargeable income or profits of every person for the financial year coinciding with the year of income in respect of which the chargeable income or profits for income tax or corporation tax purposes are ascertained. Basis of charge of levy.

Rates of levy.

7. The levy shall be at such rate or rates as are prescribed, save that until any other rate is provided for the following rates shall have effect :

(a) in the case of a company, on the full amount of the chargeable profits.....5%;

(b) in the case of an individual:—

(i) on the first \$10,000 of chargeable income ... .. Nil;

(ii) on the remainder of chargeable income ... .. 5 per cent.

Due date, interest and administration.

8. (1) Subject to this Act, the levy shall be made upon the assessment of a person, and shall be payable by that person.

(2) Subject to sections 9 and 10, the levy shall be payable on or before the 30th April in the next year or, within thirty days next following the service of the assessment, whichever is the later.

(3) If all or any part of the levy, is not paid by the 30th April, in the next year whether an assessment is already made or not, it shall carry interest at the rate of fifteen per cent per annum from that date to the date of payment.

(4) Every person who has income or profits that is within the charge to the levy for the financial year shall deliver to the Board together with his return of income for the year of income required by section 36(1) of the Ordinance a statement of the full amount of the chargeable income or profits for the purposes of this Act in a form approved by the Board and shall, if absent from Trinidad and Tobago, give the name and address of an agent residing therein.

Payment in advance by instalments.

9. (1) Subject to this section and in the case of an individual to section 7(b), every person shall pay to the Board on or before the 31st March, the 30th June, the 30th September, and the 31st December respectively, in each financial year an amount equal to one-quarter of the levy upon the chargeable income or profits as disclosed in his statement if any, of income for the preceding year of income, and the remainder of the levy as disclosed in his statement for the year of income on or before 30th April, in the next year.

(2) The Board may estimate the amount of the levy payable by any person where—

- (a) that person fails to make the statement or the return for the immediately preceding year of income required by subsection (1) of section 36 of the Ordinance or both;
- (b) no income tax or corporation tax was payable in the immediately preceding year of income,

and upon making demand therefor in writing, of such person, subsection (1) shall apply accordingly, as if the Board's estimate was the estimate of such person.

(3) For the financial year, 1970, the instalments required by subsection (1) to be paid in advance shall be paid upon the chargeable income or profits determined for the purposes of the levy from the return of income for the year of income 1969 required by section 36(1) of the Ordinance and shall be made as follows :—

- (a) on or before 30th June ... one third;
- (b) on or before 30th September ... one third;
- (c) on or before 31st December ... one third,

and the remainder of the levy as disclosed in his statement for the year of income, on or before 30th April in the next year.

(4) Where an individual is in receipt of emoluments, within the meaning of section 53C of the Ordinance, in a year of income, the provisions of subsection (1) shall not apply to that individual in respect of that part of his income arising or accruing to him from emoluments received by him in the year of income, if but only if, section 10 applies in respect of the emoluments paid to such individual.

(5) In addition to the interest payable under section 8(3), where any person, being required by this Act to pay a part or instalment of the levy, has failed to pay all or any part thereof as required, he shall, on payment of the amount he failed to pay, pay interest at twelve per cent per annum from the day on or before which he was required to make the payment to the day of payment or the beginning of the period in respect of which he becomes liable to pay interest thereon under section 8(3), whichever is earlier, unless the Board, on being satisfied that

the failure to pay did not result from the taxpayer's own default, directs a reduction in the rate of interest payable.

(6) In this section "statement" means the statement referred to in section 8(4).

Deduction on  
payment of  
emoluments.

10. (1) On the making of any payment on or after the 31st day of May, 1970, to any employee or the holder of any office of, or on account of, any emoluments during the financial year 1970 or any other financial year thereafter, the levy shall, subject to section 7(b) and subject to and in accordance with any regulations made hereunder, be deducted or withheld by the person making the payment; and the provisions of sections 53A, 53B(2) to (12) inclusive and 53C and any regulations made under the Ordinance for the purpose shall, with such adaptations or modifications as are necessary or expedient, have effect for the purpose of this Act.

(2) For the financial year, 1970, the employer shall deduct or withhold under subsection (1) the annual amount of the levy in seven equal (as far as possible) monthly instalments commencing in the month of June.

(3) An individual in receipt of income that includes emoluments (within the meaning of section 53B of the Ordinance) shall compute the amount of the levy payable for the financial year and submit notice of the proportionate part of the levy attributable to the emoluments to his employer and to the Board; and the provisions of subsection (1) shall apply to such part thereof accordingly, save that the Board may revise the computation of the levy and upon giving notice of such revision, and making demand therefor to, and upon, the individual and his employer, subsection (1) shall apply as if such revision was the computation of the employee. In this subsection "proportionate part of the levy" means that part of the levy that bears to the full amount thereof the same proportion as the income from emoluments bears to the full amount of the income of the individual before making any deductions and allowances under the Ordinance other than deductions authorised by section 10 thereof.

(4) Nothing in this section shall apply to an employee or the holder of an office who by notice signed by him and sent to the Board and the employer elects to pay the levy in accordance with section 9(1).

11. Where on the assessment of a person it appears that the levy computed upon his chargeable income or profits for the year of income falls short of or exceeds the amounts paid during the financial year in respect of the levy, and such shortfall or excess is less than three dollars, no adjustment thereof shall be made and the Board shall not demand payment or make refund in any such case. Small adjustments.

12. For the removal of doubt it is hereby declared that in ascertaining the chargeable income or profits of a person for the purposes of income tax or corporation tax no deduction or allowance shall be made of, or on account of, the levy imposed by this Act. Saving for income tax and corporation tax.

13. Subject to the provisions of this Act, the provisions of the Ordinance in the table below shall apply in relation to the levy as they apply in relation to income tax chargeable under the Ordinance but subject to any necessary modifications and adaptations: Application of certain provisions of the Ordinance.

TABLE

*Income Tax Provisions applied to Levy*

Sections 25 to 31 (Trustees, agents, &c).  
 Sections 43 to 43H (Appeals).  
 Sections 46 (1) and (2) (Repayments of Tax).  
 Sections 56, 57, 58, 59 and 62 (Collection).  
 Sections 63, 64, 64A and 64B (Recovery).  
 Sections 65 and 66 (Notices).  
 Section 67 (Imprisonment of defaulters).  
 Sections 68, 68A, 68B and 69 to 74 (General provisions).

14. (1) In this section "Minister" means the member of the Cabinet to whom responsibility for Finance is assigned. Unemployment Fund.

(2) There is hereby established for the purposes of this Act an unemployment fund which shall be administered by the Minister.

(3) Subject to this Act and to any regulations made thereunder the Minister is authorised to make advances from the fund for any of the purposes thereby provided.

15. All accounts relating to the fund shall be kept separately by the Comptroller of Accounts but shall be shown in the general accounts of Trinidad and Tobago and laid therewith before Parliament. Accounts.

Audit.

No. 20 of 1959.

Levy to be  
paid into  
fund.

General  
penalty.

Regulations.

**16.** The accounts shall be audited annually by the Director of Audit in accordance with Part V of the Exchequer and Audit Ordinance as if the fund was established under section 48 of that Ordinance.

**17.** All monies collected pursuant to this Act shall be paid into the unemployment fund.

**18.** A person who contravenes or fails to comply with any of the provisions of this Act or of any regulations made hereunder is guilty of an offence and liable on summary conviction therefor to a fine of two thousand, five hundred dollars and in the case of a continuing offence to a further fine of fifty dollars for every day on which any default continues after conviction therefor.

**19.** The Governor-General may make regulations generally for giving effect to this Act, and in particular—

- (a) for the management and control of the fund;
- (b) for prescribing the accounts, books and forms to be used;
- (c) as to the projects and other matters concerning which advances from the fund may be made;
- (d) for prescribing anything by this Act required to be prescribed.

Passed in the House of Representatives this 22nd day of May, 1970.

G. R. LATOUR

*Clerk of the House.*

Passed in the Senate this 2nd day of June, 1970.

J. E. CARTER

*Clerk of the Senate.*