

UNEMPLOYMENT LEVY ACT

CHAPTER 75:03

Act

16 of 1970

Amended by

22 of 1974

1 of 1979

*47 of 1980

2 of 1982

11 of 1988

6 of 1989

21 of 2005

2 of 2006

*See Note on page 2

Current Authorised Pages

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Note on Subsidiary Legislation

This Chapter contains no subsidiary legislation.

Note on Act No. 47 of 1980

Section 32(3) of the Petroleum Taxes Act 1974 (Act No. 22 of 1974) amending the Unemployment Levy Act was defective and the defects were corrected in the course of the original revision of this Chapter. Though within the powers of the Law Revision Commission, these corrections were, out of abundant caution, formally enacted by Act No. 47 of 1980, Schedule A (*see* the amendment to the Petroleum Taxes Act). Act No. 47 of 1980 was enacted late in 1980 and does not appear as a marginal reference to the amendments in question. The provisions of the Unemployment Levy Act (Ch. 75:03) affected by Act No. 47 of 1980 are sections 2(3), 6, 8(4), 9(1), 9(2)(a), 9(2)(b) and 11.

Note on Adaptation

Under paragraph 6 of the Second Schedule to the Law Revision Act (Ch. 3:03) the Commission amended certain references to public officers in this Chapter. The Minister's approval of the amendments was signified by LN 52/1980, but no marginal reference is made to this Notice where any such amendment is made in the text.

CHAPTER 75:03

UNEMPLOYMENT LEVY ACT

ARRANGEMENT OF SECTIONS

SECTION

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CHAPTER 75:03

UNEMPLOYMENT LEVY ACT

16 of 1970. **An Act to provide for the imposition of an unemployment levy upon the chargeable income or profits of persons.**

Commencement. [4TH JUNE 1970]

Short title. **1.** This Act may be cited as the Unemployment Levy Act.

Interpretation. **2.** (1) In this Act—

[22 of 1974
6 of 1989
21 of 2005].

Ch. 75:01.

“assessment” means an assessment to petroleum profits tax;

“Board of Inland Revenue” or “Board” means the Board of Inland Revenue established by section 3 of the Income Tax Act;

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

“profits or gains” means the income of a company that is charged to petroleum profits tax;

Ch. 75:04.

“taxable profits” means, subject to this section, the taxable profits ascertained under the provisions of the Petroleum Taxes Act;

“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.

Ch. 75:04.

(2) Except as otherwise expressly provided, expressions used in this Act have the same meanings as they would have if they were used in the Petroleum Taxes Act.

Ch. 75:01.

(3) For the purposes of this Act the taxable profits shall be increased by the amount of any loss that was allowed to be carried forward and set off under section 16 of the Income Tax Act in computing the taxable profits for petroleum profits tax purposes in the financial year (within the meaning of the Petroleum Taxes Act).

(4) *(Repealed by Act No. 6 of 1989).*

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 written law (other than the Petroleum Taxes Act) conferring exemptions from petroleum profits tax be charged to petroleum profits tax shall be within the charge to the levy imposed by this Act.

Application of Act to certain exempt profits or gains. [22 of 1974 6 of 1989]. Ch. 75:04.

(2) The Board of Inland Revenue shall, for the purposes of computing the levy, ascertain the taxable profits of a person referred to in subsection (1) in accordance with the provisions of the Petroleum Taxes Act as if the profits or gains of such person were charged to petroleum profits tax.

(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 petroleum profits 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.

5A. The provisions of this Act do not apply to individuals.

Exception. [11 of 1988].

6. Subject to this Act, the levy shall be charged in accordance with section 7 on the taxable profits of a person for a financial year, in respect of which taxable profits for petroleum profits tax purposes are ascertained.

Basis of charge of levy. [21 of 2005].

Rates of levy.
[22 of 1974
1 of 1979
2 of 1982.
6 of 1989].

7. The levy shall be at such rate or rates as are prescribed, except that until any other rate is prescribed the rate shall be five per cent on the full amount of the taxable profits.

Due date,
interest and
administration.
[22 of 1974
6 of 1989
21 of 2005
2 of 2006].

8. (1) Subject to this Act, the levy shall be computed and assessed on the taxable profits of a person for a current financial year and there shall be due and paid by that person to the Board on or before 31st March, 30th June, 30th September and 31st December respectively in each year, an amount equal to one-quarter of the levy estimated for that current year.

(2) If all or any part of the levy is not paid by the end of a quarter, the outstanding levy shall carry interest at the rate of twenty per cent a year from the date on which the quarterly installment was due to the date of payment.

(2A) Notwithstanding subsection (2)—

(a) every person shall pay to the Board on or before 30th April 2006, any outstanding levy due for any of the quarters for the year ending 31st December 2005, as a result of the coming into operation of the Finance Act 2005, and no interest shall accrue on such outstanding levy up to 30 April, 2006; and

(b) if all or any part of the outstanding levy referred to in paragraph (a), is not paid by 30th April 2006, the outstanding levy shall bear interest at the rate of twenty per cent a year from 1st May 2006, up to the date of payment.

(3) 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 financial year (within the meaning of the Petroleum Taxes Act) required by section 76(1) of the Income Tax Act a statement of the full amount of the taxable 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.

Ch. 75:04.

Ch. 75:01.

9. (1) The Board may estimate the amount of the levy payable by a person in each quarter of a current financial year where that person fails to pay over the levy by the end of the quarter referred to in section 8(1).

Payment in advance by instalments. [22 of 1974 11 of 1988 6 of 1989 21 of 2005 2 of 2006].

(2) In addition to the interest payable under subsection (5), 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 twenty per cent a year 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 subsection (5), 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.

(3) In this section "statement" means the statement referred to in section 8(3).

(4) Subject to this section, every person shall pay to the Board the remainder of the levy, if any, as disclosed in its statement for the financial year, on or before 30th April, in the next year.

(5) If all or any part of the remainder of the levy is not paid by 30th April in the next year, whether an assessment is already made or not, it shall carry interest at the rate of twenty per cent a year from the next day up to the date of payment.

10. (Repealed by Act No. 6 of 1989).

11. Where on the assessment of a person it appears that the levy computed upon his taxable profits for the financial year (within the meaning of the Petroleum Taxes Act) falls short of or exceeds the amounts paid during the financial year in respect of the levy, and the 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. [22 of 1974 6 of 1989]. Ch. 75:04.

Saving for income tax and corporation tax or petroleum profits tax. [22 of 1974 6 of 1989].

12. For the removal of doubts it is hereby declared that in ascertaining the taxable profits of a person for the purposes of petroleum profits tax no deduction or allowance shall be made of, or on account of, the levy imposed by this Act.

Application of certain provisions of the Income Tax Act. [6 of 1989]. Ch. 75:01.

13. Subject to the provisions of this Act, the provisions of the Income Tax Act in the Table below shall apply in relation to the levy as they apply in relation to income tax chargeable under the Income Tax Act, but subject to any necessary modifications and adaptations.

TABLE

INCOME TAX PROVISIONS APPLIED TO LEVY

Sections 59 to 65 (Trustees, agents, etc.).

Section 86 (Notices of Assessment).

Section 87 (Appeals).

Section 90 (Repayment of Tax).

Sections 104 to 108 (Collection).

Sections 109 to 112 (Recovery).

Sections 113 and 114 (Notices).

Section 115 (Imprisonment of defaulters).

Sections 116 to 124 (General provisions).

Unemployment fund.

14. (1) In this section “Minister” means the Minister of Finance.

(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.

Accounts.

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.

16. The Accounts shall be audited annually by the Auditor General in accordance with Part V of the Exchequer and Audit Act as if the fund was established under section 43 of that Act.

Audit.
Ch. 69:01.

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

Levy to be paid
into fund.

18. A person who contravenes any of the provisions of this Act or of any Regulations made hereunder is liable on summary conviction to a fine of five thousand dollars and in the case of a continuing offence to a further fine of one hundred dollars for every day on which any default continues after conviction thereunder.

General penalty.

19. The Minister may make Regulations generally for giving effect to this Act, and in particular—

Regulations.

- (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.