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Third Session Second Parliament Republic of Trinidad  
and Tobago

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REPUBLIC OF TRINIDAD AND TOBAGO

**Act No. 11 of 1984**

[L.S.]

AN ACT to amend the Finance Act, 1983

*[Assented to 7th May, 1984]*

ENACTED by the Parliament of Trinidad and Tobago as Enactment follows:—

1. This Act may be cited as the Finance Act, 1983 Short title  
(Amendment) Act, 1984.

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Act No. 13 of  
1983 amended

2. The Finance Act, 1983 is amended by the insertion immediately after Part III of the following new Parts—

“PART IV

CORPORATION TAX

Section 46  
of Act  
No. 29 of  
1966  
amended

7. Section 46 of the Finance Act, 1966 (in this Part referred to as “the Act”) is amended by inserting immediately after paragraph (1) of subsection (1) the following new paragraph—

“(n) market development grants within the meaning of the Export Development Corporation Act, 1984.”.

Act No. 29  
of 1966 as  
amended by  
No. 1 of  
1979 is  
further  
amended

8. The Act is amended by inserting immediately after section 46 the following new section—

“Market  
Develop-  
ment  
Grants

46A. The exemption referred to in section 46(1)(n) shall not apply to market development grants, unless they have been made in respect of expenses incurred by an exporter, prior to the export of the first commercial shipment of goods produced in Trinidad and Tobago, to the foreign market, and that market shall not be a market in a country specified in the Schedule hereto.”.

Parts 1 and  
3 of  
Schedule IV  
to Act  
No. 29 of  
1966 as  
amended by  
No. 14 of  
1976 is  
further  
amended

9. Schedule IV to the Act is amended—

(a) by repealing and replacing paragraph 1 of Part I as follows—

“1. For the purposes of subsection (1) of section 48 export allowance is calculated in accordance with the following formula—

$$\frac{\text{Export Sales}}{\text{Total Sales}} \times \frac{\text{Total Profits}}{\text{Sales}};$$

(b) by deleting paragraph 2(d) of Part

(c) by deleting from Part 3 the following items appearing therein—

“Bitters  
Refined Asphalt  
Rum  
Sugar.”.

Section 50A  
of Act  
No. 29 of  
1966 as  
amended by  
No. 1 of 1979  
is further  
amended

10. Section 50A of the Act is amended by substituting for subsection (1) the following—

“(1) In computing for purposes of corporation tax the profits of a company, other than a company referred to in subsection (1A), for any year of income commencing from the year of income 1979, there shall be allowed a deduction in this section referred to as “investment allowance” of—

- (a) ten per cent of the cost of new plant and machinery acquired and installed after 31st December, 1978 but not later than 31st December, 1979;
- (b) twenty per cent of the cost of new plant and machinery acquired and installed after 31st December, 1979 but not later than 31st December, 1982;
- (c) thirty per cent of the cost of new plant and machinery acquired and installed after 31st December, 1982.

(1A) In computing the profits of a company engaged in the production of iron, steel and sugar the rate of investment allowance shall be limited to twenty per cent of the cost of new plant and machinery acquired and installed after 31st December, 1979.”.

Act No. 29  
of 1966 as  
amended by  
No. 1 of  
1979 is  
further  
amended

11. The Act is amended by inserting immediately after section 50A the following new section—

“Pro-  
motional  
expenses

50B. (1) In computing for purposes of corporation tax, a company's profits for any year

of income commencing from the year of income 1983, there shall be allowed promotional expenses, wholly and exclusively incurred in order to promote the expansion of existing foreign markets for the export of goods produced in Trinidad and Tobago, and shipped in commercial quantities, equivalent to one hundred and fifty per cent of the amount actually expended.

Ch. 33. No.1

(2) A company granted an allowance under this section is not entitled to an allowance under section 10 of the Income Tax Ordinance in respect of expenses referred to in subsection (1).

(3) A company may only qualify for an allowance under this section in respect of promotional expenses incurred in order to promote the expansion of existing foreign markets for the export of goods, produced in Trinidad and Tobago, where goods have been exported as result of such expenditure.

(4) A company may not be allowed an allowance under this section in respect of emolument income within the meaning of section 53C of the Income Tax Ordinance, except in respect of expenses incurred under paragraph (g) of subsection (5).

(5) For the purposes of this section:

“company” means a company incorporated and resident in Trinidad and Tobago;

“promotional expenses” means expenses incurred in

respect of goods produced in Trinidad and Tobago in—

- (a) advertising in foreign markets;
- (b) providing promotional literature for overseas distribution;
- (c) the participation in trade fairs, trade missions and similar promotional activities;
- (d) overseas travel for the purposes of conducting promotional activities;
- (e) providing free samples and technical information on products;
- (f) inviting buyers to Trinidad and Tobago;
- (g) the recruitment of specialist sales personnel, operating in foreign markets, for a maximum of two years.

(6) The provisions of subsection (1) shall not apply to expenses incurred in petroleum operations, nor in respect of expenses incurred in the export or the expanding of the export of goods to countries specified in the Schedule hereto.

(7) In subsection (6) “petroleum operations” means operations related to the various phases of the petroleum industry and includes exploring for, producing, refining, transporting and marketing petroleum or petroleum products or both and manufacturing and marketing of petroleum based products and petro-chemicals.”

## PART V

## MACHINERY AND PLANT

Section 16 of  
Chap. 85:04  
amended

12. Section 16 of the Income Tax (In Aid of Industry) Act, is amended by substituting for subsection (1) the following—

“(1) Subject to subsection (1A) where on or after the appointed day, a person carrying on a trade incurs capital expenditure on the provision of machinery or plant for the purposes of that trade, there shall be made to him for the year of assessment in the basis period for which the expenditure is incurred an allowance (in this Part referred to as “an initial allowance”) equal to one-half of the expenditure.

Act No. 22  
of 1979

(1A) In the case of persons enjoying concessions under the Fiscal Incentives Act and persons engaged in the production of sugar, petroleum or petro-chemicals, the rate of the initial allowance shall be limited to one-fifth of the expenditure incurred.”.

Commencement

3. This Act shall take effect from the 1st day of January, 1983.

## SCHEDULE

[Sections 46A and 50B(6)]

COUNTRIES IN RESPECT OF WHICH TAX DEDUCTIBLE PROMOTIONAL EXPENSES AND MARKET DEVELOPMENT GRANTS MAY NOT BE CLAIMED

Antigua	Jamaica
Barbados	Montserrat
Belize	St. Kitts-Nevis
Dominica	St. Lucia
Grenada	St. Vincent
Guyana	

Passed in the House of Representatives this 9th day  
of March, 1984.

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

Passed in the Senate this 19th day of March, 1984.

**R. L. GRIFFITH**  
*Clerk of the Senate*