

TRINIDAD AND TOBAGO FREE ZONES ACT

CHAPTER 81:07

Act

19 of 1988

Amended by

6 of 1989

6 of 1991

33 of 1995

200/1996

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4 of 1997

15 of 2004

13 of 2010

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Note on Subsidiary Legislation

The following Orders, *viz*:

- (a) Trinidad and Tobago Free Zones (Designation) Orders made under section 3 of the Act; and
- (b) Trinidad and Tobago Free Zones (Approved Enterprises) Orders made under section 15 of the Act,

have been omitted.

For references to the above Orders—*See* the Current Edition of the Consolidated Index of Acts and Subsidiary Legislation.

CHAPTER 81:07

TRINIDAD AND TOBAGO FREE ZONES ACT

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CHAPTER 81:07

TRINIDAD AND TOBAGO FREE ZONES ACT

19 of 1988. **An Act to provide for the establishment of free zones in Trinidad and Tobago and for matters incidental thereto.**

Commencement. [28TH JULY 1988]

Short title. **1.** This Act may be cited as the Trinidad and Tobago Free Zones Act.

PART I

PRELIMINARY

Interpretation.
[33 of 1995].
First Schedule.

2. In this Act—

“approved activity” means any activity specified in the First Schedule which may be carried on in a free zone;

“approved enterprise” means any company, corporation, firm or individual approved by the Company to carry on an approved activity;

Ch. 81:01.

“the Company” means the Trinidad and Tobago Free Zones Company Limited, a limited liability company incorporated under the Companies Act the shares in which shall be vested directly or indirectly in Corporation Sole established by the Minister of Finance (Incorporation) Act;

Ch. 69:03.

“Comptroller” means the Comptroller of Customs and Excise as defined in the Customs Act or any Customs and Excise Officer authorised by him;

Ch. 78:01.

“Customs duty” includes any tax, duty, levy or surcharge relative to the importation of goods into, and the exportation of goods out of Trinidad and Tobago whether imposed under the Customs Act, or any other written law;

“Customs territory” means Trinidad and Tobago but does not include any free zone;

“free zone” means an area designated as a free zone by or pursuant to this Act;

“manufacture” means the operation or process of converting materials into a new product or article, but does not include an operation or process which consists only of one or more of the following:

- (a) packing, wherever the packing materials may have been manufactured or produced;
- (b) dividing into lots;
- (c) sorting or grading;
- (d) marking; or
- (e) packing into sets;

“Minister” means the Minister to whom responsibility for Industry is assigned;

“natural gas” means petroleum in the gaseous state;

“petrochemical” means such a chemical compound or a mixture of such compounds, substantially manufactured from petroleum or petroleum products, as is prescribed by Order made by the Minister under the Petroleum Act;

Ch. 62:01.

“petroleum” means any mixture of naturally occurring hydrocarbons and hydrocarbon compounds.

3. (1) The President may, by Order, prescribe areas in which a free zone may not be designated.

Designation of free zones. [33 of 1995 4 of 1997].

(2) The Minister may, by Order, on the recommendation of the Company designate an area a free zone, and the limits of the free zone shall be defined in the Order.

(3) The Minister may, on the recommendation of the Company, amend the Order made under subsection (2).

(4) No area shall be designated a free zone under this section except with the consent of the owners, and anyone having a registered interest in the property.

(5) The Company shall cause a copy of any Order made under this section to be delivered, as soon as possible after its publication in the *Gazette*, to the Registrar General, who shall maintain a register of such Orders.

(6) The Registrar General shall be notified of any amendment to an Order under this section and all amendments shall be recorded on the register.

(7) An Order made under subsection (2), may take effect at any time within a period of ninety days prior to the effective date of the Order.

Approved activities.
First Schedule.
[33 of 1995].

4. (1) The activities specified in Part I of the First Schedule, shall be approved activities for the purposes of this Act.

(2) An activity specified in Part II of the First Schedule shall not qualify as an approved activity but may be carried on in a free zone.

(3) The Minister may by Order amend the First Schedule.

PART II

FUNCTIONS AND RESPONSIBILITIES OF THE COMPANY

Board of
Directors.

5. The Company shall be managed by a Board of Directors (hereinafter referred to as “the Board”).

Functions of the
Company.
[33 of 1995].

6. (1) The Company shall—

(a) administer, control, operate and manage all free zones and any other property which may from time to time be vested in it under this Act;

(b) provide and maintain such services, facilities and structures as are in its opinion necessary or desirable for the efficient operation of any free zone;

(c) have authority over all goods deposited or manufactured in a free zone for the purpose of exercising its functions under this Act, subject to any restrictions which may be imposed by the Comptroller under the Customs Act;

(d) permit Customs offices to be established in any free zone and provide facilities for this purpose;

Ch. 78:01.

- (e) make provision for adequate fencing and enclosures to segregate a free zone from the Customs territory;
- (f) supervise, control and prescribe conditions for the movement of persons, conveyances, vessels and goods, into, in, and out of the free zones;
- (g) approve and regulate activities which may be carried on in a free zone; and
- (h) take all necessary steps to ensure that the terms of service and working conditions in any approved enterprise do not fall below minimum accepted standards in Trinidad and Tobago for such class of enterprise.

(2) In the exercise of its functions under this Act, the Company may—

- (a) construct, maintain and operate warehouses, factories, commercial buildings, offices, freight-sheds, docking facilities, loading and unloading berths, landings for loading and unloading operations, storage facilities or workshops, ports, piers, shipyards, or other structures for the use of itself or other persons and may grant contracts or concessions to other persons for the construction or provision of any of the said facilities;
- (b) sell, rent, grant leases, sub-leases or other interests or concessions in respect of land, buildings or any other facility or structure within a free zone owned by, or under the control of, the Company on such terms and conditions and subject to the payment of such price, rental or other consideration as the Company may think fit;
- (c) subject to section 16, approve any company, corporation, firm or individual as an

approved enterprise on such terms and conditions and subject to the payment of such fees, charges and other consideration as the Company may think fit;

- (d) import, store, exhibit, pack, unpack, re-pack, manufacture, assemble, refine, purify, mix, transform, operate, re-ship (whether by sea or air), and manipulate all kinds of merchandise, products, raw materials, containers and other commercial goods other than those goods which are prohibited for importation, storage, or manufacture in a free zone;
- (e) authorise with the approval of the Minister a company incorporated or registered in Trinidad and Tobago to carry out the operations, activities or negotiations specified in paragraphs (a) and (d);
- (f) provide water, light and power, telecommunications and any other public utilities or services and enter into contracts for the supplying of the said utilities and services;
- (g) develop industrial areas for the manufacture, processing, finishing, re-packing and trans-shipment of products;
- (h) subject to section 16, enter into joint ventures with any person for the purpose of any approved activity; and
- (i) carry on or permit to be carried on such other activities as appear to it necessary, advantageous or desirable for or in connection with the exercise and performance of its functions or the operation of a free zone.

Approved
enterprise may
manage a free
zone.
[33 of 1995
4 of 1997].

6A. In furtherance of the functions given to the Company under section 6(1), the Company may authorise an approved enterprise to develop, operate and manage a free zone and exercise any of the functions in relation thereto detailed under section 6(2)(a), (b), (f) and (g).

7. (1) The President may, by Order, transfer to the Company, any property belonging to the State which is necessary for, or useful to the Company in carrying out its functions under this Act and such property shall vest in the Company by virtue of the Order and without further assurance.

Transfer of property.

(2) An Order made pursuant to subsection (1) shall—

- (a) specify the amount of compensation, if any, payable to the State in relation to property so transferred and the manner in which such compensation shall be paid; and
- (b) contain such incidental, consequential or supplementary provisions as are necessary or expedient for the purposes of the Order.

(3) All property vested in the Company under this Act shall be exempt from land and buildings tax.

8. The funds and resources of the Company in relation to the operation of a free zone shall comprise—

Funds and resources of the Company. [33 of 1995].

- (a) moneys derived from rentals, leases, concessions or other activities carried on in the free zones;
- (b) sums derived from loans raised by the Company in accordance with the provisions of this Act;
- (c) moneys earned by or arising from investments made by the Company in connection with the operation of the free zones;
- (d) such moneys as may from time to time be placed by Parliament at the disposal of the Company for the purposes of this Act;
- (e) fees, charges or other monies received in consideration for the grant of approval of any approved enterprise; and
- (f) such other moneys as may lawfully be paid to the Company in respect of any matter incidental to its powers and duties under this Act.

Borrowing powers.

9. (1) The Company may with the approval of the Minister borrow money for the purpose of carrying out its functions under this Act.

(2) The approval of the Minister may be general or limited to a particular transaction and may be either unconditional or subject to such conditions as he thinks fit.

Power to invest funds.

10. Funds of the Company not immediately required to be expended in the meeting of any obligations or the performance of any functions of the Company under this Act, may be invested as the Company thinks fit.

Power to delegate.

11. The Company may appoint employees or officers and vest in them such functions as it may determine, but subject as aforesaid and subject to the provisions of section 6(2)(e), the Company may with the approval of the Minister delegate to any person any or all of its functions under this Act.

Accounts and audit.

12. (1) The Company shall—

- (a) keep proper accounts and records in respect of its operations; and
- (b) prepare a statement of accounts in a form which conforms with established commercial accounting principles in respect of each financial year.

(2) The accounts required to be kept pursuant to subsection (1) shall be audited by an auditor appointed annually by the Company.

(3) As soon as the said accounts have been audited, the Company shall send the statements of its accounts referred to in subsection (1) to the Minister, together with copies of any reports made by the auditors on those statements or on the audited accounts.

Annual reports.

13. (1) The Company shall, not later than five months after each financial year or within such further time as may in special circumstances be allowed by the Minister, cause to be made and

transmitted to the Minister, a report dealing generally with the operations of the Company during the preceding financial year.

(2) The Minister shall cause a copy of each annual report together with the annual statement of accounts and the auditor's report thereon submitted to him pursuant to section 12(3), respectively, to be laid in Parliament.

14. The Company may, with the approval of the Minister, make Bye-laws for all or any of the following purposes:

- (a) specifying the returns and information to be submitted to the Company by approved enterprises;
- (b) prescribing and regulating the conditions for use of a free zone and its facilities and services, including the charges to be made for the use of that free zone and its facilities and services;
- (c) regulating, promoting or restricting the movement of persons, conveyances, vessels and goods in and out of a free zone;
- (d) regulating vehicular traffic anywhere within a free zone and in particular imposing speed limits on vehicles therein;
- (e) providing for security arrangements in respect of a free zone;
- (f) providing for the disposal of unclaimed property within a free zone;
- (g) prescribing any other matter or thing, whether similar to the above or not, in respect of which it may be expedient to make regulations for the purpose of carrying this Act into effect.

PART III

OPERATIONS WITHIN A FREE ZONE

15. (1) An enterprise which proposes to undertake an approved activity shall apply to the Company in writing for permission to do so and shall submit to the Company such documents and information as the Company may prescribe.

Approval of enterprise to undertake approved activity. [33 of 1995].

(2) Subject to this Act, the Company may by Order grant, subject to such terms and conditions as it thinks fit, approval to an enterprise to undertake the approved activity specified in its application made under subsection (1).

(3) Every Order made under subsection (2) shall specify a date on which the relevant approved enterprise is deemed to begin that approved activity for the purposes of this Act.

(4) On the application of an approved enterprise, the Company may, upon such conditions as it thinks fit, amend the date specified in an Order made under subsection (2) and thereupon, this Act shall have effect from the date as so amended.

(5) Any person who knowingly or recklessly provides statements or makes representations that are false or deceptive in an application to the Company made under this section, is guilty of an offence.

(6) In addition to any penalty that may be incurred for an offence under this section, the Company may revoke the Order made hereunder.

Companies to be incorporated or registered locally. [33 of 1995].

Ch. 81:01.

Ch: 82:85.

16. (1) The Company shall not grant approval for any activity in a free zone —

- (a) to any company other than a company incorporated or registered in Trinidad and Tobago in accordance with the Companies Act; or
- (b) to any firm other than a firm registered under the Registration of Business Names Act.

(2) An approved enterprise shall notify the Company of any purchase, or transfer of shares in or by that enterprise, within fourteen days of such purchase or transfer.

Insurance business. [33 of 1995 15 of 2004].

Ch. 84:01.

17. (1) The Company shall not grant approval to any person to carry on insurance business in a free zone unless that person—

- (a) is registered in Trinidad and Tobago in accordance with the Insurance Act; or

(b) if not so registered, has obtained the approval of the Central Bank in respect of the particular insurance business for which approval is sought.

(2) Any insurance company, broker, agent or sub-agent which is in compliance with the provisions of the Insurance Act may, with the approval of the Company establish a branch within a free zone for the conduct of insurance business therein. Ch. 84:01.

(3) An approval mentioned in subsection (2) shall be subject to such conditions as the Company may consider necessary.

(4) All insurance business carried on in a free zone shall be subject to any written law relating to insurance.

- (5) A person granted approval under this section shall—
- (a) keep such records in such forms containing such particulars; and
 - (b) make such reports at such times,

as may be required by the Central Bank and shall permit the Inspector of Financial Institutions or any person authorised by him at all reasonable times to inspect such records and any documentation relevant thereto.

(6) Where a person conducting insurance business establishes a branch in a free zone pursuant to subsection (2), the Company shall permit the Inspector of Financial Institutions or any person authorised by him to enter that free zone for the purpose of carrying out the inspection of records mentioned in subsection (5).

(7) In this section “Inspector of Financial Institutions” has the meaning assigned to it in the Financial Institutions Act. Ch. 79:09.

17A. (Repealed by Act No. 4 of 1997).

18. (1) Subject to any absolute or specific prohibition imposed by any written law, the Company and any approved enterprise shall be entitled to import into a free zone free of Customs duty—

- (a) any capital goods, spare parts for machinery, consumer goods, raw materials, components or

Dealing with or disposal of goods in free zones. [6 of 1991 33 of 1995].

Third Schedule.

articles intended to be used for the purposes of, or in connection with, an approved activity including articles described in Part I of the Third Schedule; and

- (b) any of the articles specified in Part II of the Third Schedule where the Company or the approved enterprise, as the case may be, satisfies the Comptroller that such articles are imported for the construction, alteration, reconstruction, extension or repair to the infrastructure or any premises situated within a free zone and including the equipping of such premises.

(2) For the purposes of subsection (1)(b), articles for equipping premises include equipment for offices and other ancillary facilities necessary for the proper administration of the premises and for the health, safety, hygiene and welfare of persons employed at such premises.

(3) The Minister may by Order amend the Third Schedule.

(4) All goods brought into a free zone shall be consigned—

- (a) to the Company or to an approved enterprise and such goods may, with the approval of the Company, be transferred from one approved enterprise to another or from the Company to an approved enterprise, or from an approved enterprise to the Company save that the goods shall be used for, or in accordance with the approved activity of the recipient approved enterprise or by the Company;

- (b) without prejudice to section 29, to a bank acting on behalf of any party to a transaction involving the Company or an approved enterprise.

(5) The Company may take such steps as it deems necessary to preserve goods within a free zone, whether by moving such goods from one place to another or by storing such goods, and where any expenses are incurred by the Company in so doing, the owner or consignee of such goods shall reimburse the Company for any expenses so incurred.

(6) Subject to this Act, goods brought into a free zone pursuant to this section may –

- (a) unless otherwise directed by the Company, be stored, sold, exhibited, broken up, packed, unpacked, assembled, distributed, sorted, graded, cleaned, marked, re-marked, loaded, unloaded, reloaded, divided, mixed, separated, or otherwise manipulated;
- (b) be worked, processed or re-processed or otherwise manipulated or manufactured;
- (c) subject to any written law pertaining thereto, be destroyed; or
- (d) subject to subsections (7) and (8), be removed from a free zone or sent into the Customs territory, whether as originally packaged or otherwise.

(7) Where any goods which are dutiable on entry into the Customs territory, whether in their original condition or after manufacture or as part of or an ingredient of any goods manufactured in a free zone, are sent from a free zone into the Customs territory, such goods shall be subject to the Customs Act and, if such goods are intended to be disposed of in the Customs territory, they shall not be removed from a free zone until the Comptroller is satisfied that all import restrictions relevant thereto have been complied with and all duties and taxes payable in connection with the importation thereof into the Customs territory have been paid or security given therefor to his satisfaction. Ch. 78:01.

(8) Samples of goods may be displayed in a free zone but shall not be taken into the Customs territory without payment of or without an undertaking satisfactory to the Comptroller for the payment of the relevant duty.

(9) Subsection (8) does not apply to goods which to the satisfaction of the Comptroller are of no commercial value.

19. (1) No person shall enter, remain in or reside in any free zone without the prior permission of the Company.

Persons not to enter free zones without permission.

(2) Any person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine of one thousand dollars or to imprisonment for six months.

Retail trade.
[33 of 1995].

20. (1) Subject to section 18(4)(a), no retail trade shall be conducted within any free zone without the prior approval in writing of the Comptroller and of the Company and any approval so granted shall be subject to such terms and conditions as the Comptroller or the Company, as the case may be, may impose.

(2) Any person who contravenes the provisions of subsection (1) or of any term or condition imposed pursuant to that subsection commits an offence.

21. (*Repealed by Act No. 33 of 1995*).

Recording,
marking and
inspection of
articles
imported with
Customs duty
concessions.
[33 of 1995].

22. (1) The Company and every approved enterprise which imports any materials, articles or manufactured goods into a free zone with any benefit in respect of Customs duty under this Act shall—

- (a) cause such materials, articles or goods to be marked or otherwise identified in such manner as may be required by the Comptroller;
- (b) maintain such records in such form and containing such particulars of the various materials, articles or goods imported into or exported from a free zone, or used in any process of manufacture or manipulation which takes place within a free zone, as may be required by the Comptroller, in Regulations made under the Customs Act;
- (c) submit to the Comptroller at such times and in such form and containing such particulars as he may require, a report of receipts, deliveries and disposal of such materials, articles or goods and the quantity and descriptions of the manufactured goods;
- (d) permit the Comptroller at all reasonable times, to inspect the records relating to those materials, articles, or manufactured goods;
- (e) permit the Comptroller at all reasonable times to have access to any factory, warehouse, assembly plant or other premises under the control of the

Ch. 78:01.

approved enterprise, in order to examine any such materials, articles or goods manufactured therein, and to satisfy himself of the accuracy of the particulars in relation to any such materials, articles or goods.

(2) Where the Comptroller inspects records, materials, articles or manufactured goods pursuant to this section and discovers that there is a deficiency in any such materials, articles or goods, the Comptroller shall charge the approved enterprise the Customs duty payable on such deficiency, at the rates prevailing at the date of discovery.

(3) Notwithstanding subsection (2), where the Comptroller is satisfied that the deficiency was caused by reasonable wastage or unavoidable breakage, leakage or other accident, he shall not charge any Customs duty on the deficiency of these goods or articles.

(4) Where the Comptroller is satisfied that duty is payable under this section he shall request the approved enterprise by notice in writing to pay such duty within thirty days of the issue of the notice, and the approved enterprise shall comply with the request.

(5) The duties of the approved enterprise under this section and the rights of the Comptroller apply to goods manufactured in the free zone as they apply to materials, articles or goods imported into the free zone.

22A. (1) A Director whose interest is likely to be affected whether directly or indirectly by a decision of the Board on any matter whatsoever, shall disclose the nature of his interest at the first meeting of the Board at which he is present after the relevant facts have come to his knowledge.

Directors to
declare interest.
[33 of 1995].

(2) A disclosure under subsection (1), shall be recorded in the minutes of the Board and after the disclosure the member making it shall not vote on the matter and unless the Board otherwise directs, shall not be present or take part in the deliberations of any meeting when the matter is being discussed or decided by the Board.

(3) For the purpose of this Act, a director holds an indirect interest in a company or undertaking where his spouse, parent, child, brother or sister or the parent, child, brother or sister of his spouse, holds a direct interest in that company or undertaking.

Restriction on disposal of articles imported with Customs duty concessions. [33 of 1995 4 of 1997].

23. (1) In this section “sell” includes give away or otherwise dispose of.

(2) Neither the Company nor an approved enterprise may use any article imported into a free zone with any benefit in respect of Customs duty under this Act for purposes other than those of an approved activity.

(3) Subject to subsections (4) and (5) and section 18(4)(a), neither the Company nor an approved enterprise shall sell any article referred to in subsection (2) for purposes other than those of the approved activity.

(4) Notwithstanding subsection (3), in the case of an assignment of an approved enterprise, the approved enterprise may sell any article referred to in subsection (2) to the assignee of the enterprise to be used in a free zone for the purposes for which any such article was imported into that free zone.

(5) Notwithstanding subsection (3), the Company or an approved enterprise may sell an article referred to in subsection (2) in such circumstances, other than those referred to in subsection (4), as the Minister may approve.

Manufacture or manipulation in a free zone. [33 of 1995 4 of 1997 2 of 2013].

24. (1) Before any goods manufactured, assembled, mixed or otherwise manipulated in a free zone are permitted entry into the Customs territory, and such goods or materials used in the manufacture or manipulation are subject to Customs duty, the approved enterprise engaged in the manufacture or manipulation of such goods shall obtain the written approval of the Company.

(2) Any approval under this section shall be subject to such terms and conditions as the Company may impose, and to such Bye-laws as may be made pursuant to this Act.

(3) Notwithstanding section 23(3), an approved enterprise engaged in activities involving international trading in products may, with the written approval of the Company, sell the products

which are the subject of such trading activities, into the Customs territory, save that the approval shall be subject to such terms and conditions as the Company may impose and to such Bye-laws as may be made pursuant to this Act.

(4) Notwithstanding section 33(2)—

- (a) before any services are permitted to be exported or provided for any person in the Customs territory from a free zone, the approved enterprise engaged in the export or provision of such services shall obtain the written approval of the Company;
- (b) the proportionate part of the sales and profits of the approved enterprise, in respect of any services exported or provided for any person in the Customs territory from a free zone shall be subject to income tax, business levy, or any other tax in respect of sales, receipts, profits or gains.

(5) Where part of the sales or profits of the approved enterprise in respect of services are exported or provided to any person in the Customs territory from a free zone, there shall be allowed in computing the profits of the enterprise that are subject to corporation tax—

- (a) all of the outgoings and expenses wholly and exclusively incurred in the provision of the services that are provided to any person in the Customs territory;
- (b) none of the outgoings and expenses wholly and exclusively incurred in the provision of the services that are exported outside of the Customs territory; and
- (c) such proportion of the outgoings and expenses that are not in respect of the services referred to in paragraph (a) or (b) as the value of the services provided to the Customs territory represents as a proportion of the value of the total services provided.

(6) For the avoidance of doubt, capital allowances shall also be allowable in the manner prescribed in subsection (5).

Ch. 75:01. (7) In computing the balancing allowance or balancing charge under section 11(2) of the Income Tax Act on the disposal of any plant and machinery and buildings, the amount of such allowance or charge shall not exceed the amount allowed as a deduction under subsection (6).

Allowances for Trinidad and Tobago citizens or materials. [33 of 1995].

25. The President may make Regulations for the purposes of this Act and such Regulations may prescribe allowances or deductions which may, having regard to the extent to which Trinidad and Tobago citizens or materials contribute to the ultimate value of any goods, be made in assessing the Customs duty on goods which have entered the Customs territory from a free zone.

Disposal of goods abandoned in a free zone.

26. (1) Where it appears to the Company that any goods or property have been abandoned in a free zone for a period exceeding six months, the Company may dispose of such goods or property whether by destruction, sale or otherwise and in the case of disposal by sale, shall apply the proceeds of such sale against any fees or other expenses incurred in connection with those goods or property or such disposal.

(2) Where any balance remains after the settling of the fees and expenses pursuant to subsection (1), that balance may, if claimed within three months of the date of the disposal, and if the Company is satisfied that the claimant was the owner of the goods disposed of or is entitled thereto, be paid to the claimant, but where there is no claimant for the proceeds of any such disposal by sale, such proceeds shall be paid into and become part of the funds of the Company.

(3) Nothing in subsection (1) shall be construed as authorising the sale or the disposal of any goods for use in the Customs territory other than in such circumstances and on such terms as the Minister and the Comptroller may approve.

Goods not to be taken into or stored in a free zone. [33 of 1995].

27. (1) Notwithstanding any other provision contained in this Act, the following goods shall not be taken into or stored in any free zone:

- (a) firearms and ammunition, other than by members of the Trinidad and Tobago Police Service or the Customs and Excise Division or

the Trinidad and Tobago Defence Force or by security guards employed in the course of their duties, or by such other persons as may be authorised by the Company;

- (b) petroleum, dangerous explosives, inflammable materials, hazardous cargoes and oil fuels other than in such quantities and on such terms and conditions as may be prescribed or permitted by the Company.

(2) Any person who knowingly or recklessly contravenes this section is guilty of an offence.

27A. (1) Notwithstanding any written law to the contrary, where goods are brought from a free zone into the Customs territory—

Goods brought from free zone into Customs territory. [33 of 1995].

- (a) the goods shall be deemed to be imported for purposes of the Customs Act and the Value Added Tax Act, at the time at which the entry of goods under the Customs Act is effected;
- (b) the goods shall be deemed to be imported for all other purposes, at the time at which they are brought across the boundary of a free zone into the Customs territory; and
- (c) the importation of the goods shall be deemed to have occurred at that point on the boundary of a free zone from which the goods are brought into the Customs territory.

Ch. 78:01.
Ch. 75:06.

(2) Notwithstanding any law to the contrary, where goods are brought from the Customs territory into a free zone, the goods shall be deemed to have been exported for the purposes of the Customs Act and the Value Added Tax Act and for the purposes of duty drawback under the Customs Act—

- (a) the time at which the export shall be deemed to have occurred, shall be the time at which the goods came within the boundary of a free zone; and
- (b) the place of export shall be that point on the boundary of a free zone at which the goods are brought into a free zone.

(3) Irrespective of the manner in which they are packaged goods shall qualify for the duty drawback referred to in subsection (2)(a).

PART IV

LICENCES

Import and
export licensing.

28. (1) Approved enterprises shall not be subject to import licensing or, where goods are being shipped other than to the Customs territory, to export licensing.

(2) Export of goods from a free zone to the Customs territory shall, save as otherwise prescribed by or pursuant to this Act, be subject to the same Customs and licensing requirements as apply to goods imported from other countries.

PART V

BANKING AND FOREIGN CURRENCY ACTIVITIES

Banking
activities.
[33 of 1995].

29. (1) Subject to this section, all banking activities carried on in a free zone shall be subject to the written laws relating to banking and exchange control.

Ch. 79:09.

(2) Any bank registered under the Financial Institutions Act may, with the approval of the Company and subject to subsection (1), establish a branch within a free zone, and may at such branch conduct normal banking business permitted under the Financial Institutions Act.

30.
to } (*Repealed by Act No. 33 of 1995*).
32.

PART VA

TAX RELIEF

Exemption from
lands and
buildings taxes.
[33 of 1995].
Ch. 76:04.

32A. Land and buildings in a free zone, any improvements thereto and all machinery and plant thereon, shall be exempt from all land and buildings taxes under the Lands and Buildings Taxes

Act, and from taxes under the Municipal Corporations Act or such other laws imposing rates or taxes on land, buildings, improvements, plant and machinery. Ch. 25:04.

33. (1) The Company and an approved enterprise engaged in manufacturing in a free zone, or engaged in activities involving international trading in products, including products originating in countries which are members of the Caribbean Common Market, shall be exempt from income tax, corporation tax, business levy, or any other tax or levy in respect of sales, receipts, profits or gains of the approved enterprise in the free zone. Exemption from tax. [33 of 1995 4 of 1997 61/2011].

(2) The Company and an approved enterprise engaged in exporting services from a free zone to a territory, other than the Customs territory shall be exempt from income tax, corporation tax, business levy, or any other tax or levy, on sales, receipts, profits or gains in respect of those services.

(3) The Company and an approved enterprise engaged in the construction, sale, lease, rental and management of a free zone, as an approved activity, shall be exempt from income tax, corporation tax, business levy, or any other tax or levy in respect of sales, receipts, profits or gains arising from the approved activities in the free zones.

(4) An approved enterprise shall keep proper accounts in respect of its operations in a free zone.

(5) Where the Company or an approved enterprise undertakes an approved activity in a free zone, it shall keep separate accounts in respect of that activity.

(6) } *(Deleted by 61/2011).*
(7) }

34. (1) Profits of a branch, dividends and other distributions arising from activities in the free zone, remitted or deemed to be remitted by the Company or an approved enterprise to a non-resident shall not be subject to withholding tax. Profits and distributions not chargeable to tax. [33 of 1995].

(2) A distribution made out of profits or gains of the Company, or an approved enterprise during a ten-year period

commencing on the effective date of an Order made under section 15, and remitted or deemed to be remitted to the Customs territory by the Company or an approved enterprise, shall not be subject to income tax.

(3) No limitation shall apply to the time within which the dividends or distributions referred to in subsection (2) are payable, save that separate accounts shall be maintained by the approved enterprise to the satisfaction of the Board of Inland Revenue, showing the dividends or other distributions made by the approved enterprise, during the said ten-year period ending with the payment of the last dividend payable out of the profits or gains accruing during that period.

(4) Nothing in this Act shall exempt any person from liability to value added tax on the supply of services from the Customs territory to the free zone.

34A. (Repealed by Act No. 33 of 1995).

PART VI

MISCELLANEOUS

Service charges and dividends subject to exchange control and withholding tax. [2 of 2013]. Ch. 79:50. Ch. 75:01.

35. (1) Service charges and dividends payable to an approved enterprise by organisations operating in the Customs territory shall be subject to the Exchange Control Act and when paid to withholding tax under the Income Tax Act as though remitted abroad.

Ch. 75:06.

(2) Subsection (1) shall not apply to service charges in respect of the services referred to in Item 12A of Schedule 2 of the Value Added Tax Act.

Approved enterprises to submit returns.

36. Every approved enterprise shall submit to the Company at such intervals as may be prescribed, such statistical data and such information and returns in relation to their sales and purchases and other operations as the Company may require or as may be prescribed.

Board of Inland Revenue may issue certificates regarding benefits.

37. The Board of Inland Revenue may certify in such form as may be prescribed the fiscal benefits enjoyed by an approved enterprise under this Act in order that such certificate may be

produced by the approved enterprise to the fiscal authorities of any other country in which the approved enterprise may be liable to suffer taxation.

38. (1) A person who is a foreign national or Commonwealth citizen employed by the Company or by an approved enterprise established in any free zone shall not, by virtue only of such employment, be exempt from the Immigration Act, but the Minister responsible for the administration of that Act shall, in considering applications by or on behalf of such a person, have regard to the need to facilitate the operations of the free zone.

Work permits.
[6 of 1991
33 of 1995
4 of 1997].

Ch. 18:01.

(2) Where a person referred to in subsection (1) is employed by an approved enterprise, he and that enterprise shall be exempt from such provisions of the Immigration Act as authorise or require the payment or imposition of fees in relation to the grant of a work permit to him.

(3) The Foreign Investment Act, shall not apply to— Ch. 70:07.

(a) a person seeking to register a company to be established in a free zone as an approved enterprise; or

(b) an investment in an approved enterprise established in a free zone or the holding of an interest in land in a free zone.

(4) The Customs Act shall have effect in a free zone, unless varied or excluded by this Act, and in the event of conflict between the provisions of the Customs Act and this Act, the provisions of this Act shall prevail. Ch. 78:01.

38A. (1) The amendments made to this Act by the Trinidad and Tobago Free Zones (Amendment) Act, 1995 (hereinafter referred to as “the Amending Act”) shall not prejudice the existing approved enterprises approved prior to the coming into force of the Amending Act, and all existing rights of those approved enterprises shall remain in force.

Saving and
exemptions.
[33 of 1995].

(2) Any Orders, Bye-laws or Regulations made under this Act subsequent to the coming into force of the Amending Act, may exempt an approved enterprise from the application of such Orders, Bye-laws or Regulations.

Penalty for offences not otherwise provided for. [33 of 1995].

39. A person guilty of an offence under this Act is, unless some other penalty is specifically provided for any such offence, liable on summary conviction to a fine of twenty-five thousand dollars and to imprisonment for twelve months.

Penalty for false information. [33 of 1995].

40. (1) A person who—
(a) makes a false statement or representation;
(b) declares any false returns; and
(c) keeps or prepares false accounts,

in respect of any fiscal benefits created under this Act, is guilty of an offence, and is liable on summary conviction to a fine of eight thousand dollars and to imprisonment for three years.

(2) The Minister may revoke an Order made under section 3, or section 15 where a person is found guilty of an offence under subsection (1).

(3) Every approved enterprise which contravenes section 22 and every director, manager, agent or officer of that approved enterprise who is knowingly a party to that contravention commits an offence and is liable on summary conviction to a fine of ten thousand dollars and to imprisonment for twelve months.

(4) Every approved enterprise which contravenes sections 18(7) and 23 and every director, manager, agent and officer of that approved enterprise who is knowingly a party to that contravention commits an offence and is liable on summary conviction to a penalty three times the value of the article in respect of which the contravention occurred and, to imprisonment for twelve months in addition to any penalties that may be imposed under the Customs Act.

Ch. 78:01.

(5) Any approved enterprise which fails to comply with the terms and conditions of an Order made by the Company, is guilty of an offence, and is liable on summary conviction to a fine of ten thousand dollars.

(6) Any approved enterprise which contravenes any Bye-law made under this Act in relation to section 24, is guilty of an offence and is liable on summary conviction to a penalty equal to three times the value of the article in respect of which the contravention occurred.

(7) Any person who contravenes any Bye-law made under this Act and published in the *Gazette* shall be guilty of an offence and liable on summary conviction to a fine of ten thousand dollars and to imprisonment for twelve months.

41. (1) The Minister may, by Order published in the *Gazette*, on the recommendation of the Company, revoke an Order made under section 3(2)—

Revocation of
an Order by the
Company.
[33 of 1995].

- (a) upon a request made to the Company by an approved enterprise for revocation of the Order;
- (b) where it appears to the Company that an approved enterprise has abandoned its premises in a free zone for a period exceeding six months and the Company has dealt with any goods or property therein in accordance with section 26, and the Company makes recommendations in that behalf; or
- (c) as a consequence of section 40(2).

(2) The Company may, by Order published in the *Gazette*, revoke an Order made under section 15(2)—

- (a) upon revocation of an Order made by the Minister under subsection (1);
- (b) upon a request made to the Company by an approved enterprise for revocation of an Order made under section 15(2); or
- (c) where it appears to the Company that an approved enterprise has abandoned its premises in a free zone for a period exceeding six months, and the Company has dealt with any goods or property therein in accordance with section 26; or
- (d) as a consequence of section 15(6).

(3) Where the Minister is satisfied that an approved enterprise has persistently contravened the provisions of this Act or any Bye-laws made under it, or any terms and conditions included in an Order made under section 15(2), he shall, by notice in writing, require the approved enterprise, within thirty days of service of the notice, to show cause why the Order should not be revoked.

(4) Where the approved enterprise fails to provide a reasonable explanation to the Minister for contravention of the Act or its Bye-laws, the Minister may by Order published in the *Gazette* revoke the Order.

(5) Subject to subsection (6), where an Order has been revoked under subsection (1), (2) or (4), or under section 15(6) the approved enterprise is liable to pay Customs duty and value added tax on goods imported into or manufactured in the free zone—

(a) on the value of these goods; and

(b) at the rates prevailing, at the date of the revocation of the said Order.

(6) Where an Order has been in force for more than five years and is revoked under subsection (1), (2) or (4) no Customs duty or value added tax shall be payable in respect of items imported under section 18, after the expiration of more than five years from the date on which such items were imported.

(7) The Company shall cause a copy of any Order made under subsection (1), to be delivered as soon as possible after its publication in the *Gazette*, to the Registrar General who shall enter it in the register maintained in accordance with section 3.

FIRST SCHEDULE

PART I

Section 4.
[33 of 1995
200/1996
13 of 2010
55/2013].

**PRESCRIBED ACTIVITIES WHICH MAY BE CARRIED
ON IN A FREE ZONE**

- (1) Warehousing and storing.
- (2) Manufacturing operations.
- (3) Trans-shipment operations.
- (4) Loading and unloading operations.
- (5) Exporting.
- (6) Importing.
- (7) Service operations, including banking, insurance and professional services.
- (8) Packaging and shipping.
- (9) Assembling.
- (10) Processing, refining, purifying and mixing.
- (11) Merchandising, including international trading in products.
- (12) Constructing, altering, reconstructing, extending or repairing infrastructure or premises situated within a free zone and including the equipping of such premises.
- (13) Sale, lease, rental or management of free zone land, infrastructure, premises, plant, equipment facilities and services.
- (14) Shared support services which include the processing of payments through wire transfers, loan adjudication and fulfilment, operational advice, database management, human resource management support, reconciliations, collections from delinquent customers, the rolling out of operational projects, internal legal advice, and credit card processing.

PART II

**ACTIVITIES WHICH MAY BE CARRIED ON IN A
FREE ZONE BUT DO NOT QUALIFY AS
APPROVED ACTIVITIES**

1. Exploration for and production, extraction, refining, processing, purifying, liquefying, mixing, blending, storing, loading and unloading or trans-shipment of petroleum or natural gas.
2. Any production activity in which petroleum, natural gas or petrochemicals are a major input, even if used as a fuel.

SECOND SCHEDULE

(Repealed by Act No. 33 of 1995)

THIRD SCHEDULE

PART I

**ARTICLES WHICH, SUBJECT TO SECTION 18, MAY BE
IMPORTED INTO A FREE ZONE FREE OF
CUSTOMS DUTY**

Packaging material, intermediate goods, and sub-assembly goods to be used in manufacturing, processing, refining, assembly, purifying, mixing, or otherwise transformed by enterprises in the free zone.

Goods entered for trans-shipment or repackaging, labelling or warehousing.

PART II

**ARTICLES WHICH, SUBJECT TO SECTION 18(1)(b),
MAY BE IMPORTED INTO A FREE ZONE FREE
OF CUSTOMS DUTY**

Building materials including tools, pipes, pumps, conveyor belts, electronic and electrical machinery, and goods and machinery incidental to the setting up of an enterprise in the free zone.

Other apparatus and materials necessary for construction, alteration, extension or repairs to premises.

FOURTH SCHEDULE

(Repealed by Act No. 33 of 1995)

Section 18.
[33 of 1995
201/1996].