



ePayment of tax liabilities via commercial banks

September 2020

In brief

The Trinidad and Tobago Inland Revenue Division (“IRD”) has introduced an option for taxpayers to utilise in settling their tax liabilities in light of the COVID-19 pandemic.

The IRD will accept the payment of taxes e.g. PAYE, Business Levy, Green Fund Levy, Corporation Tax, Withholding Tax, Value Added Tax etc. via the Automated Clearing House (“ACH”) systems referred to as the Settlement Assured for Financial Exchange in Trinidad and Tobago (“Safe-tt”) and Transach. The Trinidad and Tobago (“T&T”) banking network has utilised the ACH, Safe-tt and the Transach systems since 2006, 2004, and 2007 respectively.

The IRD will accept the payment of taxes through the Central Bank of Trinidad and Tobago (“CBTT”), via Transach for transactions between TT\$100,000 and TT\$499,999 and Safe-tt for transactions TT\$500,000 and over.

In detail

Transach

Transach is an ACH system created through the collaboration of commercial banks and the CBTT. It is an automated electronic payment system which allows for the secure electronic transfer of funds between banks on behalf of their customers.

How does Transach work?

For transactions less than TT\$500,000 the taxpayer will be required to set up the Transach facility with their respective commercial bank. Once set up, the taxpayer will send the payment description (see below) and instructions to their bank on when to make the payment to the IRD. Taxpayers can send several tax payment requests in a single Transach transaction.

Transach payment requests to the bank should be made at minimum 3 to 5 business days before the due date of the tax liability.

Upon receiving the funds, the CBTT will notify the IRD of receipt of payments and the funds will be applied to the taxpayer's account for settlement of the respective tax liability. The IRD will issue a payment receipt and mail same to the taxpayer's mailing address on their records.

Making a tax payment via Transach - (for payments less than TT\$500,000)

Bank Name & Address: Central Bank of Trinidad and Tobago Eric Williams Plaza, Independence Square

Currency: TT\$ (Trinidad and Tobago Dollar)

Routing Number: 010100110

Account Number: 01-20201-040-00-00-00 (Treasury Suspense A/C)

Safe-tt

Safe-tt is the Real Time Gross Settlement (RTGS) system for large-value payments in Trinidad and Tobago. Safe-tt is a fully automated system through which large value payments, TT\$500,000 and over, and/or time-critical payments are cleared and settled.

How does Safe-tt work

The taxpayer will be required to set up the Safe-tt facility with their respective commercial bank. The taxpayer will send the payment description (see below) and instruction to their bank indicating the type of payment and when they would like the payment to be made. Depending on the bank, a Safe-tt transaction may be requested on the same day as the scheduled payment.

Taxpayers can send several tax payment requests in a single Safe-tt transaction but the transaction total must be at least TT\$500,000.

The commercial bank would then send instructions electronically through Safe-tt to the CBTT, using the Society for Worldwide Interbank Financial Telecommunications (SWIFT) message system. Upon receipt of the SWIFT message, the CBTT will notify the IRD, who will then apply the funds to the taxpayer's account for settlement of the relevant tax liability. Once the payment has been applied, the IRD will issue and mail the receipt to the taxpayer's mailing address they have on their record.

Making a tax payment via Safe-tt - (for payments TTD\$500,000 and over)

Bank Name & Address: Central Bank of Trinidad and Tobago Eric Williams Plaza, Independence Square

Currency: TTD (Trinidad and Tobago Dollar)

SWIFT BIC: CBTTTTPSXXX

Account Number: 01-20201-040-00-00-00 (Treasury Suspense A/C)

Payment Description for Transach and Safe-tt

For each tax payment being made the following information is required for both TransACH and Safe-tt instructions:

Taxpayer (Company/Individual) Name

BIR Number

Type of Tax being paid e.g. PAYE, Corporation Tax, Value Added Tax etc.

Account Number for the Tax being paid

Payment period end date in yyyy-mm-dd (format e.g. 2020-03-31)

Amount to be paid in TT\$

Missing or incomplete payment descriptions will result in a delay of applying the tax payment. The taxpayer is solely responsible for any fees, penalties or interest generated, or accrued, as a result of such a delay.

Payment Verification

The taxpayer may log into their e-Tax account to verify that the funds were applied to settle the correct tax liability at least one week following the date on which the Transach or Safe-tt request was made.

Taxpayers without an e-Tax username and password will have to call 800-TAXX (8299) extension 10032 to enquire if their payment was received.

As indicated above, once the payment has been applied to the taxpayer's account, the IRD will issue and mail the receipt to the taxpayer's mailing address on their record. In this regard, taxpayers should confirm that their mailing address on the IRD's records are correct.

Taxpayers may log into their e-Tax account to confirm their mailing address and update where required. Taxpayers without an e-Tax username and password will have to call 800-TAXX (8299) or send written correspondence to the IRD to update their mailing address.

Should you have any questions or require any assistance, please do not hesitate to contact any member of our Tax and Legal Services Team.

Let's talk

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