

Budget insights 2023

Pivoting Post Pandemic

Trinidad and Tobago FY 2023
national budget commentary

26 September 2022



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National Budget FY 2023: Trinidad and Tobago

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Tax Leader's thoughts

As the world navigates post pandemic challenges and recalibrates to address the impact of declining demand for commodities, global recession, unstable oil and gas prices and widespread disruption in the global supply chain, Trinidad and Tobago (T&T) like most economies, is faced with the daunting task of maintaining economic stability in a volatile and uncertain environment. Facing these global challenges as well as its own economic issues, the country's economic trajectory causes some pause and concern. Notwithstanding, The Central Bank of Trinidad and Tobago (CBTT) in its economic outlook for 2022 forecasts that economic activity is expected to improve in 2022 largely due to certain significant upstream projects in the energy sector. Among some of the key macroeconomic indicators noted by the CBTT are:

- Aggressive monetary tightening in response to surging inflation has contributed to a denting of global economic prospects.
- Domestically, while production in the energy sector declined in the first quarter of 2022, signs of recovery were evident in the non-energy sector.
- Headline inflation gained momentum in the first half of 2022 as supply-side shocks persisted.

The Government continues to grapple with several systemic and other issues including foreign exchange shortage, food security and crime which continue to threaten economic stability, the rate of recovery and the standard of living enjoyed by most citizens.

The clarion call for diversification from energy reliance continues to be echoed from several quarters however, while there have been measures over the years proposed and in some cases implemented, the overall results have not repositioned T&T and to date the economy continues to rely heavily on the Petrochemical sector. The changes in the Supplemental Petroleum Tax is necessary and welcomed and we look forward to overall review of the fiscal review for sector as a whole.

In these uncertain times, every country is forced to examine inter alia its macroeconomic policies, in particular its fiscal regime, to utilise this effectively to harness the necessary revenue for sustainable growth and development. While there have been no new taxes introduced in T&T for more than 10 years, there is an urgent need to conduct a comprehensive review of all existing taxes, the rates applicable, the effectiveness of tax collection as well as the incentives available across sectors that ultimately encourage foreign direct investment. However, merely increasing taxes is strongly discouraged since it is well established that this alone cannot address the revenue issues.

It is against this background that the Honourable Finance Minister delivered his eighth national budget presentation under the theme "Tenacity and Stability in the face of Global Challenges". The budget is based on an estimated oil price of US \$92.50 per barrel and gas price of US\$6 per MMBtu. The total revenue estimated is TT\$56.175B while total estimated expenses is TT\$57.685B resulting in a deficit of TT\$1.51B.

The Minister was very optimistic that T&T is now poised for economic development owing to the increase in natural gas price which remains at an elevated level since 2021. This, he noted, concurrent with the efforts to boost gas production through several significant upstream projects, has presented a favourable outlook for T&T. Acknowledging that this augurs well to stimulate economic development, it cannot be viewed in isolation.

Further, the impact of increasing fuel price, which is likely to result in an increase in prices across the supply chain, ultimately affects citizens in general and can obliterate the overall benefits to be derived from these projects.

While the increase in the income tax threshold from \$84k to \$90k is intended to cushion the impact of the inflationary increases and the increased fuel price and the cascading effect, the collection of property tax in 2023 can also negate the intended benefit of more disposable income for more citizens.

The Government is to be commended on its investment in several projects to support its energy transition strategy including:

- a Feed-in Tariff (FIT) policy,
- a renewable energy policy in keeping with its carbon emissions commitment and the target of 30 percent renewable energy by 2030, and
- a low carbon hydrogen industry is being developed with green (or blue) hydrogen being a carbon neutral alternative, which can be used as feedstock for petrochemical production.

These projects are in keeping with international trends and are a step in the right direction. However, to maximise the impact and to encourage corporate citizens and individuals to participate in similar projects, the appropriate incentives and infrastructure must be developed and be made accessible.

Undoubtedly, the Government is faced with an unenviable task of the balancing economic development during perhaps the most challenging times globally against the protection/promotion of an acceptable standard of living for its citizens. Crime continues to threaten social and economic development. While the Ministry of National Security received the third highest allocation of 5.798B, there is an urgent need for crime to be addressed from both social and economic fronts. Economic stability demands that this issue be aggressively and comprehensively tackled.

We look forward to the implementation of these measures and further conversations with stakeholders.

Angelique Bart

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Budget economics 2023 overview

Budget economics 2023 overview



Interest rates*

26 September 2022

Discount rate	5.50
Prime lending rate	7.50
Prime lending rate (average)	7.57
Overnight interbank rate	0.50

*source Central Bank of Trinidad and Tobago



Inflation rates*

June 2022

Headline	4.9
Core	4.1
Food	7.8

*source Central Bank of Trinidad and Tobago

Budget economics 2023 overview

Oil price of **US\$92.50** per bl Gas price **US\$6.00** per MMBtu.



Total revenue for fiscal 2023 has been budgeted at **\$56.175 bn**

Total expenditure for fiscal 2023 has been budgeted at **\$57.685 bn**



Fiscal deficit for 2023 is **\$1.510 bn**



Budget economics 2023 overview

Oil revenue \$25.019 bn
Non-oil revenue \$30.150 bn
Capital revenue \$1.006 bn
Total revenue \$56.175 bn

Allocations:



Education and training \$7.453 bn



National security \$5.798 bn



Health \$6.892 bn



Public utilities \$2.823 bn



Works and transport \$3.748 bn



Rural development and local government \$1.887 bn



Housing \$0.974 bn



Agriculture \$1.330 bn



Social Grants \$5.453 bn



Proposed fiscal measures



Proposed fiscal measures

Proposed measure	Tax Amnesty: For all taxes due and payable as at 31 December 2021, penalties and interest charges will be waived if tax liabilities are settled between 14 November 2022 and 17 February 2023
Commentary	<p>There have been several amnesties (tax and corporate) granted over the last 15 years and while these have been extremely successful in increasing cash collections for the state, the levels of tax collections have declined over successive amnesties. Notwithstanding this, it is anticipated that this amnesty will improve tax collections for the country.</p> <p>One area of caution is that we hope that greater care will be taken to allow for utilisation of the amnesty. In the past, pressures faced by the Tax Authority during past amnesties have resulted in collection efforts being carried out more aggressively. Thus, assessments and demand notices appear to have been issued by the Board of Inland Revenue by rote. As such, many taxpayers have been faced with additional compliance costs and time being spent to rectify misstatement of tax accounts where no taxes are due or in dispute. In some cases, this misstatement impacts the ability of taxpayers to obtain Tax Clearance Certificates for taxpayers.</p>
Proposed measure	Personal income tax allowance: Effective 1 January 2023, it is proposed that the personal allowance threshold will increase from \$84,000 to \$90,000 per person per annum.
Commentary	<p>During the pandemic and as a mechanism to cushion the harsh financial impact on individuals, the annual personal allowance was increased from \$72,000 to \$84,000 per person effective 1 January 2021.</p> <p>This proposed additional increase in the personal allowance will bring some relief to the lower income earners, given rapidly increasing food inflation and other increased costs exacerbated by supply chain issues. However, given the rate of these overall increases and the anticipated prolonged shortages of goods caused by global events, the value to be derived from this measure may be quickly eroded, so that the net impact is likely to be minimal.</p>

Proposed fiscal measures

Proposed measure	Value Added Tax (VAT) registration threshold: Effective 1 January, 2023, the VAT registration threshold will increase from \$500,000 to \$600,000.
Commentary	<p>An increase in the VAT threshold is generally intended to remove smaller businesses from the VAT net and to ease the administrative burden associated with VAT compliance for these businesses. The Minister announced that this measure will provide relief and support in the payment of VAT and will positively impact the growth and development of the small and medium-sized enterprise (SME) sector. SMEs will enjoy savings in compliance time and costs and their consumers should benefit from lower prices since non-registered entities will not be required to charge VAT. It is also worthwhile to note that the threshold was last increased in January 2016.</p> <p>While the Minister indicated that VAT refunds in the amount of \$4bn were issued to taxpayers during the course of 2022, which is a very commendable step. The country has been plagued for a number of years by delays in the settlement of these refunds until the VAT bonds were issued to address the backlog of refunds pending for years. This delay in paying refunds placed immense pressure on the cash flow of many businesses especially during the pandemic, where commercial activities were on hold for several months.</p> <p>As a result of the delays VAT has, in effect, amounted to a cost of doing business. With the increase in the VAT threshold, there is a reduction in the net of taxpayers able to recover VAT so that final burden for the tax will be borne by small businesses who are unable to recover input VAT. However, the small businesses will be entitled to take all VAT inclusive expenses as a tax deduction in computing their corporation tax liabilities. Ultimately this reduces the amounts payable by the tax authority and thereby reduces the burden of processing of refunds by the Government, given the revenue generation and collection issues faced by the state.</p> <p>Thus, it remains to be seen whether the pros outweigh the cons.</p>

Proposed fiscal measures

Proposed measure	Special Economic Zones
Commentary	<p>The Special Economic Zones (SEZ) regime which comes as a replacement of the Free Zone regime was devised to satisfy the EU, Global Forum and OECD requirements and counter the negative effects of the blacklisting imposed on the country. The new regime is expected to become operational in 2023 and should offer concessions with respect to various types of taxes. At this time the Trinidad and Tobago Special Economic Zones Authority (TTSEZA) is in the process of formulating standards and prescribing codes of practice to be observed by operators in these Zones. This is a welcomed initiative since there is significant interest from the business community in learning more.</p>
Proposed measure	Property Tax
Commentary	<p>The Government reiterated its intention to levy property tax in the short term with collection expected to commence in 2023 with residential properties after some minor amendments are made to the Valuation of Land Act, to tighten and clarify the procedures for the gathering and processing of information and valuation of properties. Commercial and industrial properties are to follow. The Minister supplied an update on the developments which took place since the last budget speech. They include the receipt of Property Tax Returns and the appointment of members of the Valuation Tribunal.</p> <p>However, we strongly urge that the 6% rate for Industrial property be revisited given that this is likely to have a significant impact on manufacturing and petrochemical companies.</p>

Proposed fiscal measures

Proposed measure	Manufacturing tax credit: Effective 1 January 2023, a one-time tax credit up to \$50,000 will be available to approved manufacturing companies where they invest in new machinery, production lines and equipment. The approved manufacturing company must be certified by the Minister of Trade and Industry. The Minister mentioned that the tax credit can be utilised against the corporation tax liability of the approved manufacturing company.
Commentary	Based on other tax credits available to taxpayers, the manufacturing tax credit may be based on a set percentage of the investment made and restricted to \$50,000. However, this will need to be clarified when the measure is introduced in the Corporation Tax Act. This measure could be an incentive to smaller qualifying manufacturers, but this is unlikely to significantly benefit larger manufacturers or those manufacturers with tax losses. The concept of the tax credit is a helpful and useful one but the quantum granted may impact its efficacy due to tax losses.
Proposed measure	Energy: Investment Tax Credit: Effective 1 January, 2023, the Honourable Minister proposes an increase in the current Investment Tax Credit rate from 25% to 30%.
Commentary	<p>Currently, a 25% Investment Tax Credit is given on qualifying capital expenditure for mature land and marine oil fields and recovery projects in respect of crude oil operations. The Honourable Minister proposes an increase in the credit to 30%. It should be noted that the increase in the Investment Tax Credit will result in a larger deduction being applied when computing current Supplemental Petroleum Tax (SPT) liabilities of companies – which will be most welcomed especially by smaller players impacted by this windfall tax.</p> <p>Smaller exploration and production operators have a key role to play in allowing for greater extraction of value from mature fields, as opposed to having these mature fields abandoned or undeveloped because the costs of operations (infrastructure and other related factors) are not commercially viable for large companies. It is also critical to incentivise such operators in a mature oil and gas economy since they also contribute to gas security issues, which impact the downstream sector - a key sector for revenue generation for the country.</p>

Proposed fiscal measures

Proposed measure	Petroleum Profits Tax: The Honourable Minister has proposed the reduction of Petroleum Profits Tax for deep water exploration from 35% to 30% effective 1 January 2023
Commentary	<p>This measure is intended to encourage companies to invest in deep water exploration which ultimately will see an increase in production levels. Incentives for deep water exploration can play a part in this process. Generally, deep water exploration appears less attractive due to its high risk and its capital-intensive nature, the reduction in the petroleum profits tax rate from 35% to 30% will act as an incentivise for foreign investors.</p> <p>It should be noted however that with respect to the new acreages to be developed, given that the investment to production stage can take several years, the Government will not benefit from this measure in the short term.</p>
Proposed measure	Supplemental Petroleum Tax (SPT): The Honourable Minister proposed a key amendment to the current SPT regime with specific reference to: <ul style="list-style-type: none">• enhancing SPT concessions for small onshore oil producers• introducing a tiered system for new oil wells in shallow waters.
Commentary	Enhancing SPT concessions for small onshore oil producers: Currently, small onshore producers only pay SPT where the price exceeds US\$75 per barrel as a result of the Government having increased the threshold for fiscal years 2021 and 2022. This measure took effect from 1 January 2021. However the Government is proposing that the tax on the US\$75 trigger be imposed where the production exceeds 4,000 barrels per day. This goes to the core of the current definition of “small onshore producers” which speaks to a cap of 2,000 barrels per day. The removal of the sunset clause also means that small onshore producers can access this incentive post 2022. Nonetheless, SPT is still likely to disincentivise smaller producers since they have smaller profit margins. We welcome the news that an energy tax sector review will be done and hopefully additional adjustments are made.

Proposed fiscal measures

Proposed measure

Supplemental Petroleum Tax (SPT): The Honourable Minister proposed a key amendment to the current SPT regime with specific reference to:

- enhancing SPT concessions for small onshore oil producers
- introducing a tiered system for new oil wells in shallow waters.

Commentary

Introducing a tiered system for new oil wells in shallow waters It is noted that for new well in shallow water marine areas, whether in existing or new, they will now be subject to the following SPT rates based to on tiered price triggers:

Prices (US\$/bbl)	Rate
\$0.00 to \$50.00	0%
\$50.01 to \$70.00	15%
\$70.01 to \$90.00	20%
\$90.01 to \$200.00	SPT rate = 20% +0.2% (P - 90.00)
\$201.00 and over 42	42%

Currently fixed rates of SPT of 18%, 25% and 33% apply when the price of oil crosses US\$50 per barrel.

However because SPT is linked to the increase in oil prices, investors may not be keen on the perceived instability and uncertainty presented by SPT, as it is triggered by the volatility of price. Moreover, energy prices are likely to increase in the face of global tensions in Europe as well as post pandemic stimulus.

We also wish to note that the changes in the SPT regime announced by the Minister were limited to the small onshore and shallow water marine operators (new wells only). No changes appear to be contemplated for the other players at this time and so, the move may not constitute an overhauling of the energy sector fiscal regime

Proposed fiscal measures

Proposed measure	Electronic payment providers and e-money issuers: Tax credit to electronic payment providers and e-money issuers.
Commentary	<p>Electronic payment providers and/or e-money issuers will be entitled to a one-time tax credit up to a maximum of \$50,000.</p> <p>The pandemic has forced businesses to accelerate the pace of their development of the digital economy so that many small businesses had to become more creative in how they deliver goods and services as well as receive payment for the same. Accordingly, online payments became more widely accepted during the pandemic.</p> <p>However, the Government's drive with respect to the development of the digital economy are welcomed since it allows businesses to keep up the pace in the digital world and encourage electronic payment providers and e-money issuers to develop the sector.</p> <p>Notwithstanding, clarity is needed to identify the parameters including who would be included as electronic payment providers and e-money issuers - would there be a need to be registered (the need already exists for e-money issuers), what would be the basis of the computation of the credit and therefore who ultimately will benefit from this measure.</p> <p>Nevertheless, this measure is timely given that the first non-financial institution e-money issuer was recently approved by the Central Bank. Paywise Ltd was provisionally registered as an e-money issuer effective 1 September 2023. This tax credit may encourage other companies to become e-money issuers, especially if they are licensed as payment service providers by the Central Bank.</p> <p>While this measure is geared toward the providers of the payment services, there may still have limitations to various citizens to transact online e.g. availability of hardware and connectivity.</p> <p>This is due to be effective 1 January 2023.</p>

Proposed fiscal measures

Proposed measure	Approved small company: exemption from corporation taxation: Effective 1 January 2023, the Minister proposes to extend the tax holiday of approved small companies from five to six years.
Commentary	<p>In an effort to further provide tax relief to small companies post COVID-19 pandemic, the Government intends to increase the tax holiday granted from five to six years. At present, approved small companies benefit from a tax rate of 0% on their chargeable profits for the first five years. This measure serves to extend the tax relief by an additional year.</p> <p>While this measure does not necessarily equip small companies to thrive in the long term given the challenges associated with inflationary pressures arising from the increased cost of production, it does prove beneficial to the companies' cash flow position for the exemption period and acts as a valuable incentive given that the first few years of operations of a company are generally not profitable.</p>
Proposed measure	School-to-work apprenticeship allowance: Effective 1 January 2023, the Minister proposes to introduce an apprenticeship allowance of 150 percent (150%) of the remuneration paid, capped at a maximum of five percent (5%) of the company's total wage and salaries expenses.
Commentary	<p>As an incentive to companies to upskill young persons aged between 16 to 25 with working experience, the Minister proposes an allowance of 150% on the remuneration paid capped at 5% of the total wage and salaries expenses. In order to benefit from this allowance taxpayers must be registered with the National Training Agency.</p> <p>With an unemployment rate of 5.1% for the first quarter of 2022, this measure will be welcomed, given that it will allow a reduction in the tax charge of companies whilst providing employment to school-leavers.</p> <p>This measure also falls within the Government's long term plan to increase the number of skilled workers within the country, provide additional employment and foster sustainable development within Trinidad and Tobago.</p>

Proposed fiscal measures

Proposed measure

Renewable energy: Approved agriculture holdings will enjoy rebates up to \$25,000 for implementation of renewable energy, such as wind and solar. This measure takes effect from 1 January 2023 and will be administered by the Minister of Agriculture, Land and Fisheries.

The Minister also indicated that the Government intends to waive VAT on new equipment for manufacturers utilising alternative energy technologies and sources such as gasifiers to use biomass and equipment harnessing renewable energy through wind, solar and water. This measure takes effect from 1 January 2023 and will last for one year until 31 December 2023, in the first instance. The Ministers responsible for energy and trade will be responsible for certifying the documents that will allow manufactures access to the VAT waiver.

Commentary

These measures are steps in the right direction given the global thrust towards net zero and the reduction of greenhouse gases emissions. From a national perspective, these measures fit with the Government's target of 30% renewable energy by 2030 and large scale developments such as the Piarco Airport Solar Project and the 112-Megawatt Solar Photovoltaic project, which involves Lightsource Renewable Global Development Limited (Lightsource BP), Shell Trinidad and Tobago Limited, and BP Alternative Energy Trinidad and Tobago Limited. Lastly, we note that a Feed-in Tariff (FIT) policy is being developed which should allow residential and commercial customers to receive payments for renewable energy supplied to the electricity grid. We look forward to the measures that will support the FIT policy and encourage consumers to convert to renewable energy sources.

The measure is intended to have a secondary effect as well since it should support the drive to address food security on the local market. In the context of the food shortages predicted on a global scale (including in connection with the Russia/ Ukraine war), the measure is welcomed.

Proposed fiscal measures

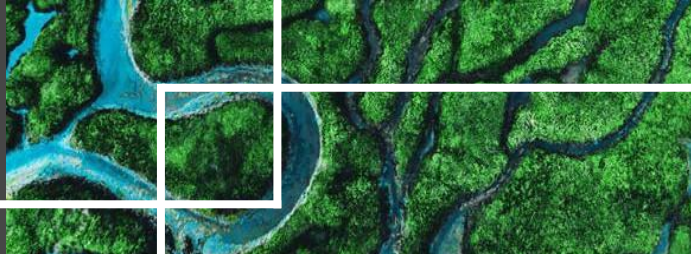
Proposed measure	Trinidad & Tobago Revenue Authority (TTRA)
Commentary	<p>The TTRA has been presented as the solution to close the tax gap created by tax collection issues. The Minister advised that measures are being put in place to operationalize the TTRA by 2023. To that effect, recently appointed Board of Management is in the process of drafting a Strategic Plan and an Operational Plan to kick start the operations of the TTRA. The implementation of Information Technology systems and the appointment of a Director General are the two(2) other short term action items of the Government in connection with the TTRA. We eagerly await its operationalisation.</p>

Proposed fiscal measures




Other proposed measures


- Subsidy for housing and village improvement programme - increased from \$145,000 to \$165,000 for construction on flat lands, \$170,000 for construction on undulating lands and \$175,000 for construction on hilly lands.
- Increased penalties for illegal state timbering from \$20,000 to \$100,000.
- Increased penalties for illegal quarrying.
- Increased scrap iron penalties from \$15,000 to \$100,000.
- Increased various fees chargeable for Commissioners of Affidavits.
- Annual firearm users licence (FUL) fees increased by 100% for all types except for assault weapons, which will now have significantly higher fees as follows: \$1,000 for use on a firing range and \$5,000 for private use.
- Increased penalties for oil pollution from \$10,000 to \$100,000.
- Additional \$3m allocated to address the threat of the Giant African Snail and other agricultural pests.
- Increased travel fares for inter-island air bridge for one-way tickets from \$150 to \$200 for all persons.
- Increased travel fares in inter-island sea bridge for one-way tickets as follows: Over-60 from \$0 to \$25; Standard Class from \$50 to \$75; Premium Class from \$100 to \$150.
- Government Assistance for Tuition Expenses (GATE) increased.
- Reduction of the fuel subsidy such that there will be an immediate increase in fuel prices. The prices per litre will be as follows: Premium gasoline: \$7.75; Super gasoline \$6.97; Diesel \$4.41; Kerosene \$4.50. However, the price of a 20lb cooking cylinder of liquified petroleum gas (LPG) remains fixed at \$21 for domestic customers.

Proposed fiscal measures



A snapshot of ESG budget measures

 Environmental	 Social	 Governance
Develop a sustainable economy	Develop an inclusive economy	Develop trust in the economy
<ul style="list-style-type: none">• Renewable energy/business rebate for agriculture - rebates for the implementation of renewable energy, such as solar and wind energy.• Increased penalty for illegal state timbering• Increased penalty for illegal quarrying• Renewable energy - waiver of VAT on new equipment for manufacturing companies utilising alternate energy technologies; renewable energy options• Increased penalty for oil pollution	<ul style="list-style-type: none">• Increase personal income tax allowance• Subsidy for housing and village improvement programme• Tax amnesty• Government assistance for tuition expenses (GATE)	
E	S	G



Investing in Guyana

Have you considered the Local Content Act?

Investing in Guyana

Have you considered the Local Content Act?

According to the International Monetary Fund (IMF), Guyana's economy is poised to grow by 47% in 2022 given that the country is producing approximately 300,000 bopd. By 2025, the emerging oil producer is expected to yield approximately 800,000 bopd from four FPSOs, aptly named: Destiny, Unity, Prosperity and One Guyana.

'One Guyana' is the President's initiative for achieving unity and prosperity via a number of ways, including putting 'Guyana first'. With this goal in mind, in December 2021 the government passed the Local Content Act (LCA) which imposes local content obligations on certain companies engaged in petroleum operations or related activities in the petroleum sector ("covered companies").

With seven discoveries for the year already, Guyana will continue to enjoy unprecedented levels of foreign direct investments in areas such as agriculture, mining, infrastructure, energy and real estate. This article is recommended for persons seeking to invest in Guyana in the energy sector including service companies.

According to the LCA, the legislation aims to:

- prioritise Guyanese nationals and Guyanese companies in the procurement of goods and services for the enhancement of the value chain of petroleum sector;
- enable local capacity development;
- provide for the investigation, supervision, co-ordination, monitoring and evaluation of, and participation in, local content in Guyana; and
- promote competitiveness and encourage the creation of related industries that will sustain the social and economic development of Guyana.

Who is a Guyanese?

In order to be deemed a Guyanese entity under the LCA, the entity must meet the following requirements:

1. The entity must be a Guyana incorporated company or Guyana registered partnership.
2. Guyanese nationals must beneficially own 51% of voting shares.
3. Guyanese nationals must hold at least 75% of executive and senior management positions, including 75% of directors.
4. Guyanese nationals must hold at least 90% of non-managerial and non-executive positions.

A Guyanese national is a citizen of Guyana, whether by birth or otherwise.

Administration of the LCA

The LCA will be administered via the following structures:

a. Local Content Secretariat

The Local Content Secretariat (Secretariat) was established as a unit within the Ministry of Natural Resources to oversee the implementation and administration of the LCA. The Secretariat is headed by a Director and other members appointed by the Minister of Natural Resources (Minister).

Investing in Guyana

Have you considered the Local Content Act?

b. Local Content Obligations

Companies involved in petroleum operations, including sub-contractors providing certain services are required to comply with obligations imposed by the LCA. The table below contains a summary of selected obligations.

Type	Obligation
Procurement	Comply with the minimum local content targets set out in the LCA, unless a waiver is obtained from the Minister.
Procurement	Notify the Secretariat of any contract or PO to be sourced through competitive bidding or to be sole sourced. Note sole sourcing must only be used with the approval of the Minister after consultation with the Secretariat.
Procurement	Submit Master Services Agreements (MSAs) to the Minister for review
Planning	Submit Local Content Master Plan to the Minister for approval. The Master Plan must be updated every 5 years. The 5-year plan must now include a payment period of between 30-45 days for Guyanese businesses upon the correct receipt of an invoice.
Planning	Submit Local Content Annual Plan to the Minister for approval.
Reporting	Submit Local Content Report twice a year outlining compliance with minimum local content targets. Local Content Report comprises Employment Report, Procurement Report and Local Capacity Development Report
Reporting	Submit Performance Report on local content activities undertaken during the previous calendar year. After reviewing the Report, the Secretariat shall issue a certificate of compliance or non-compliance.
Other	Conduct half yearly workshops to educate Guyanese nationals and companies about procurement processes, qualification criteria, bid evaluation criteria, performance standards and lessons learnt from previous bidding processes.
Other	Support and facilitate local capacity development in accordance with the strategies identified by the Secretariat.
Other	Allow the Secretariat, at any time, access to facilities, records, reports, documents, data and information for the purposes of monitoring, assessing, evaluating, investigating, auditing and verifying compliance with the LCA.

The Secretariat appears to be actively monitoring the level of compliance by companies with their obligations under the legislation. In fact, it was recently reported that the first two prime contractors of ExxonMobil Guyana received their Letters of Approval for Local Content Master Plans.

c. Local Content Register

The Local Content Register (Register) will contain a list of Guyanese nationals and companies who are eligible for employment and procurement opportunities in the petroleum sector. Guyanese nationals and companies seeking to provide goods and services in the 40 prescribed sectors, including facilities management services and transportation services, in the petroleum sector must apply to the Secretariat to be added to the Register. Once approved, a Local Content Certificate should be issued by the Secretariat and this will only cover a one year period at a time.

Importantly, if a company uses a Guyanese national or company that is not on the Register, it is not taken into account in assessing its own compliance with the legislation. Non-compliance with the LCA attracts severe fines ranging from GY\$1 million to GY\$50 million (approx. US\$5,000 to US\$250,000) for individuals and body corporates.

Investing in Guyana

Have you considered the Local Content Act?

These breaches include submitting false and misleading information, carrying out petroleum operations without the minimum local content levels and failure to submit by the prescribed time any required report, plan or other document pursuant to the provisions of the LCA.

d. Local Content Targets

The government has 'carved out' 40 sectors with various local content procurement targets that must be met by covered companies by the end of 2022. We estimate that those sectors with a minimum 75% target (more than half) would be exclusively reserved for Guyanese within the short to medium term. These sectors include commercial and residential rental, security, janitorial and laundry services, food supply and local accounting and legal services. In particular, covered companies must procure by the end of 2022, 100% of the following services from Guyanese nationals and companies:

- Immigration
- Work permit, Visa applications, Visa on arrival and In-water Activity Permit
- Custom Brokerage
- Ground transportation -movement of personnel
- Local Insurance

The Minister may waive the requirement to comply with the minimum local content targets in certain instances, for example, if a company is unable to comply due to lack of Guyanese capacity. Under the LCA, the Minister must present a report to Parliament with respect to the advancement of local content implementation. We expect that the Minister may revise the targets for 2023 having regard to the level of compliance for 2022 and the Secretariat's assessment of local capacity.

As time progresses, upstream operators and their prime contractors would only be able to procure certain services from companies that are in possession of a Local Content Certificate.

Therefore, companies looking to invest in the reserved or 'carved out' sectors, especially those with high local content targets should consider how they can satisfy their commercial objectives as well as the ownership and employee thresholds set out in the LCA to be able to provide goods and prescribed services. Moreover, these considerations are not static and in fact, there are active discussions around improving requirements to ensure that maximum benefit redounds to the benefit of Guyanese nationals and companies. This includes potentially enacting legislation or providing guidelines which prevent the bundling of services to improve the chances for nationals being awarded contracts and prescribing payment timeframes to avoid lengthy delays in payment for goods and services.

In order for companies with vast international experience that can easily access the requisite financing to capitalise on the opportunities in one of the world's most attractive investment destinations, they will need to assess a few things. The companies will need to carefully consider structure, risks for operating as is and possibly entering joint ventures or partnerships with Guyanese nationals and indigenous Guyanese companies. Joint ventures have attracted additional scrutiny recently in light of concerns of 'fronting' so full and proper commercial considerations and discussions will be key. In that regard, the Secretariat is expected to issue guidelines with respect to how joint venture arrangements will be assessed for legitimacy.

Investing in Guyana

Have you considered the Local Content Act?

The application to obtain local content certification must be robust and include sufficient documentary evidence to satisfy the Secretariat that the company has met the requirements of the spirit and letter of the LCA. PwC is pleased to assist you with navigating the local content legislation in Guyana to ensure compliance with the various obligations and the myriad documentation that are required to be submitted to the Secretariat.





Tax alerts

Proposed Tax Amnesty

The Government is proposing to introduce a tax amnesty on penalties and interest on taxes owed up to and including the year ending 31 December 2021, from 14 November 2022, to 17 February 2023.

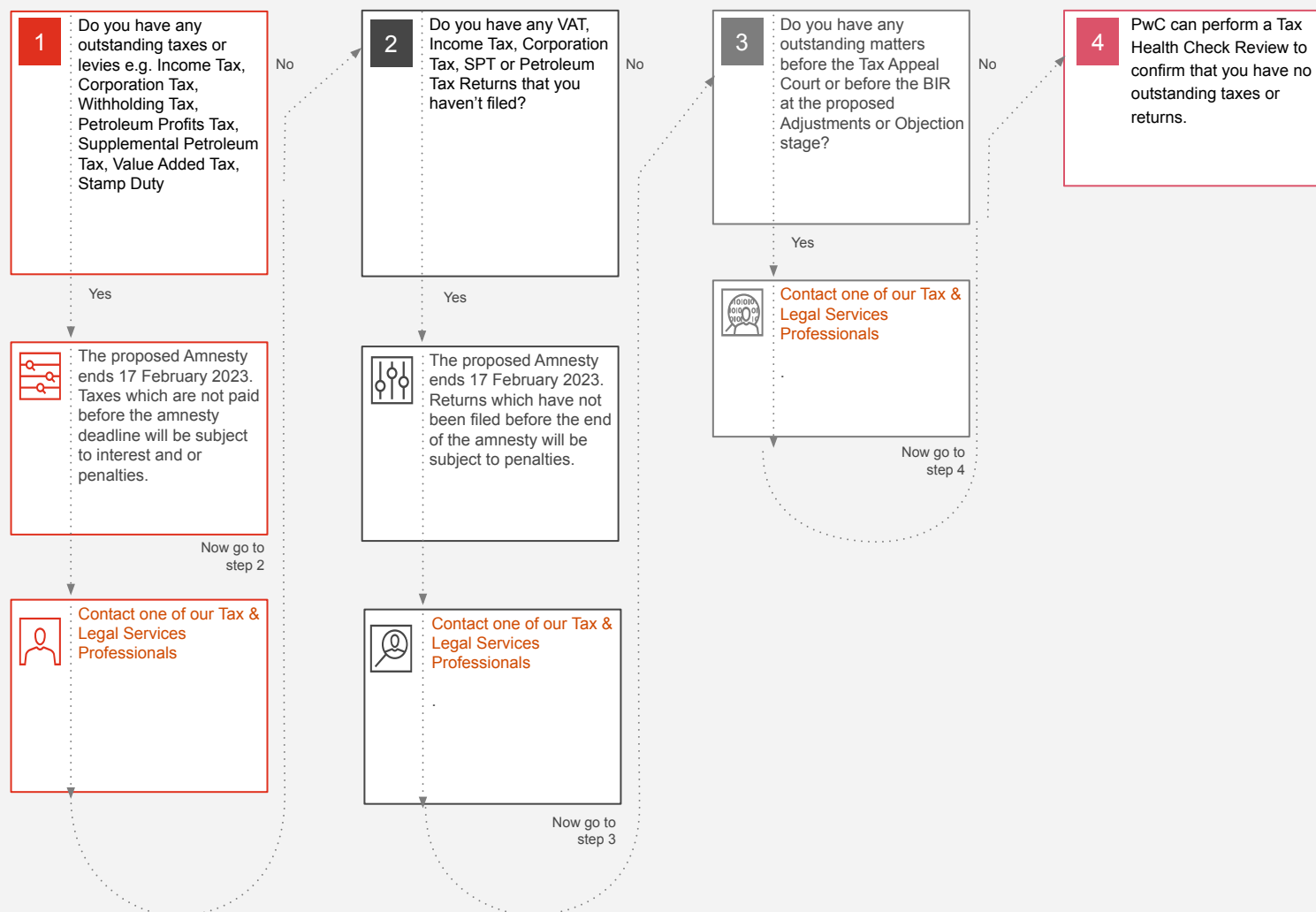
Next steps

Our Tax team would be happy to work with you to ensure full compliance with the tax laws of Trinidad and Tobago and to take advantage of the amnesty, including:

- Ensuring that all tax returns are filed and any outstanding liabilities are settled.
- Where tax issues are under objection and/or appeal, we can assist by reviewing the specific issues to ascertain the likelihood of success. Based on our review a determination can be made as to whether you should take advantage of the amnesty in respect of any matters under dispute. Payments can be made without prejudice to your ongoing challenges and would be recoverable if and when an objection or appeal is determined in your favour.
- Reviewing PAYE/Health Surcharge records to ensure taxes are computed on all benefits paid to or derived by employees.
- Reviewing of VAT Accounts and supporting documents to ensure VAT was accurately recorded and accounted for.
- Reviewing transactions to ensure Withholding Tax has been properly accounted for on payments made to T&T non-resident service providers.

Proposed Tax Amnesty

Can you benefit from the Tax Amnesty?



National Insurance Amnesty

The National Insurance Amendment Act No. 15 of 2022 was assented on July 5 2022 and has amended the National Insurance Act Chapter 32:01("the Act").

The National Insurance Act has been amended to:

- 1) waive all penalties and interest arising on the late payment of outstanding National Insurance contributions as at June 30 2022, where the contribution is remitted between July 1 2022 and December 31 2022.

Where the contribution remains outstanding after the end of the prescribed period, the interest and penalty which would have been payable will be reinstated and become payable as if the waiver was not granted.

- 2) increase the penalty for the provision of false information to the National Insurance Board to a fine of fifty thousand dollars and imprisonment for three years.
- 3) increase the statutory limitation for the commencement of proceedings for offences committed under the National Insurance Act to **the later of:**
 - three (3) years from the date of the commission of the offence; and
 - within twelve months from the date on which personal knowledge of the commission of the offence first came to the Executive Director.
- 4) grant the Minister of Finance the power to waive interest or penalties arising under it by way of an Order.

Next steps

Please therefore:

- Review your internal books and records to confirm whether any contributions remain outstanding.
- Seek clarification on specific matters if there is any ambiguity in your specific case.
- Address any issues identified in a timely manner

Our Tax team would be happy to work with you to ensure full compliance with the National Insurance Act.

3rd quarter 2022 tax instalments are due on or before 30 September 2022

Trinidad and Tobago 3rd quarter tax payments are due on or before 30 September 2022.

If your chargeable profits for 2022 is less than 2021

Where your estimated chargeable/taxable income for 2022 **is less than that of 2021**, you are required to seek approval from the Inland Revenue Division to reduce your quarterly instalments i.e. obtain approval to pay less quarterly taxes than required by law.

If your chargeable income for 2022 exceeds 2021

Where your estimated tax liability for 2022 **exceeds that of 2021**, your 2022 quarterly tax instalments are to be based on your 2022 tax liability.

You are required to remit to the Inland Revenue Division quarterly instalments equal to your liability for 2021 together with 80% of the increase over 2021 by 31 December 2022.

Business Levy 0.6% on gross sales/receipts

Where your Corporation Tax quarterly instalment liability exceeds your Business Levy liability for the quarter, you are required to remit **only** the Corporation Tax quarterly instalment. Where your Corporation Tax quarterly instalment liability is less than your Business Levy liability, you are required to remit the Corporation Tax instalment and the excess Business Levy liability for the quarter.

Green Fund Levy 0.3% on gross sales/receipts

Green Fund Levy is payable in addition to your Corporation Tax and/or Business Levy liability.

Interest at the rate of 20% per annum is imposed for the short payment (where prior approval is not obtained) of taxes and on the late payment of levies and taxes.

Early closure of cashier unit

Note the Inland Revenue Division cashier services will be closing early on 30 September 2022 at all of their locations. Inland Revenue Division Port of Spain tower cashier unit will be closing at 11am, Tobago cashier unit at 10am, San Fernando cashier unit at 10am and the cashier units at various district revenue offices, either at 10am or 9am depending on the particular office.

Year end tax planning

As we approach the 2022 calendar year end and the financial year for some companies, it is an opportune time for Trinidad and Tobago companies to consider their year end tax position and provisions for 2023. The management of the company's cash flow position is an important aspect of its business vis a vis its tax position in relation to any tax refund that it may be entitled to or any significant final tax payments.

Year end tax questions

As we head to the end of calendar year 2022, here are some tax related questions companies should be considering.

4th quarter tax payment

Should you apply to the Inland Revenue Division for a reduction in your 4th quarter tax payment? Have you paid all of your previous quarterly tax payments?

Tax allowances

Have you taken full advantage of all available tax allowances including:

- Promotional expenses allowance
- Production company allowance
- Scholarship allowance
- Art and culture, sportsmen, sporting activities, audio, visual or video production, fashion Industry allowance
- Training and re-training
- Wear & tear allowance/capital allowance

Repair & maintenance

Have you done a detailed analysis of your repair and maintenance expenditure to determine if any items are capital in nature?

Donations

Have you made any donations to nonprofits/charities? Were these done under a deed of covenant?

Payment to non-residents of Trinidad and Tobago

Have you made any payments to non-resident of Trinidad and Tobago? Was withholding tax applicable on those payments?

Fixed asset register

Have you done a detailed review of your fixed asset register to confirm disposals and additions of assets? Are your assets classified correctly and are the correct tax depreciation rates being applied?

Year end tax planning

Third party/external professional fees

Have you completed an analysis of any expenses related to third party professional fees e.g. lawyers, architects, foreign consultations to determine if they are related to capital transactions or subject to withholding tax?

Bad debts

Do you have any provisions for bad debt on your accounts? Do you have documentation demonstrating your attempts to collect these debts as well as support for the methodology used to quantify your provisions?

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



Corporate Amnesty reminder

Corporate Amnesty reminder

The Companies Act ("the Act") of Trinidad and Tobago stipulates the timeline for the submission of certain documents (e.g. Annual return) which apply to companies incorporated/registered under the Act. Failure to file within the required timeframe results in the imposition of penalties as prescribed by the Act.

Filing penalties

The late filing of most documents under the Act attracts a penalty of three hundred (TTD 300) for every month, or part thereof.

The Government of Trinidad and Tobago has introduced a Corporate Registry Filing Amnesty. Under the Amnesty, there is a waiver of the penalties associated with the failure to file your statutory documents on time.

Period covered

The Corporate Registry Filing Amnesty has been **extended from 2nd August 2022 to 2nd December 2022**.

Where any outstanding document is not filed by **2nd December 2022**, the penalty of TTD300 per month or part thereof will continue to apply from the due date until the documents are filed with the Companies Registrar.

Requirements under the Companies Act

The Companies Act requires all companies (locally incorporated and registered branch offices of an external company under the Act), to file where applicable by way of a notice any fundamental changes in the company's corporate instruments and/or directorships, inter alia:

Annual Return: required to be filed annually no later than 30 days after the anniversary date of the Company's Incorporation, Registration, Continuance or Amalgamation.

Notice of Change of Directors: required to be filed within 30 days of a change (appointment or ceasing to act) of any of its directors of a company.

Notice of Change of Secretary or Assistant Secretary: required to be filed within 30 days of a change (appointment or ceasing to act) of any of its secretary and/or assistant secretary.

Notice of Change of Registered Address: required to be filed within 15 days of a change of its registered address.

Notice of Issuance of Shares: required to be filed within 14 days of the issuance of shares or pledge of guarantees.

Beneficial Ownership Filings: required to be filed annually and within a specified time frame of particular events occurring, such as the issuance or transfer of shares.

All notices/filings are to be remitted to the Registrar of Companies on the prescribed forms stipulated under the Act.

REPORT

Financial statement

JANUARY FEBRUARY MARCH APRIL MAY JUNE JULY

1	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
2	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
3	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
4	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
5	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
6	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
7	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
8	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
9	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
10	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
11	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
12	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
13	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
14	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
15	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
16	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
17	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
18	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
19	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
20	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
21	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
22	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
23	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
24	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
25	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
26	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
27	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
28	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
29	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
30	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K
31	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K	\$10.0K



Share value



Tax facts

TAXES

NOTES

Tax facts

Tax facts

Income tax - Allowances/deductions

Income tax - Allowances/deductions	2022	Proposed 2023
Tax rate (Chargeable income ≤ \$1m)	25%	25%
Tax rate (Chargeable income > \$1m)	30%	30%
Personal allowance	\$84,000	\$90,000 ¹
Tertiary education allowance	\$72,000 ²	\$72,000 ²
Pension/deferred annuity	\$60,000 ³	\$60,000 ³
National insurance	70%	70%
First time homeowner allowance	\$30,000 ⁴	\$30,000 ⁴
Stamp duty threshold	\$2,000,000 ⁵	\$2,000,000 ⁵
Contributions under a Deed of Covenant	15% of total income ⁶	15% of total income ⁶
Venture capital tax credit	30% of investment ⁷	30% of Investment ⁷
CNG kit and cylinder tax credit	25% of total cost ⁸	25% of total cost ⁸
Solar water heating equipment tax credit	25% of total cost ⁸	25% of total cost ⁸
Tax credits on National tax free savings bonds	25% of \$5,000 ⁹	25% of \$5,000 ⁹
Severance pay exemption limit	\$500,000 ¹⁰	\$500,000 ¹⁰
Alimony paid	No limit	No limit
Guest house approved capital expenditure deduction	No limit	No limit

Income tax - 1	Effective January 1, 2023 the Personal allowance of \$90,000 will be available to all resident individuals and non resident individuals receiving pension income accruing in or derived from T&T.
Income tax - 2	For attendance at foreign universities not GORTT funded. Claim limited to \$72,000 per year w.e.f 1 January 2019.
Income tax - 3	Maximum claim of \$60,000 effective 1 January 2022.
Income tax - 4	First-time homeowners deduction for five (5) years for properties purchased/constructed with effect from the date of acquisition.
Income tax - 5	Stamp duty threshold for first time home owners increased to \$2,000,000 w.e.f 2021.
Income tax - 6	Contributions under a Deed of Covenant include donations to approved sporting bodies, charitable organisations and/or The Children Life Fund.
Income tax - 7	Any unrelieved credit on the Venture Capital Investments can be carried forward if unrelieved in the first year.
Income tax - 8	The credit is 25% of the cost of the equipment up to a maximum of \$10,000
Income tax - 9	Any unrelieved credit on the National tax free savings bonds can be carried forward if unrelieved in the first year.
Income tax - 10	Approval must be obtained from the BIR

Tax facts

Corporation tax - Allowances/deductions (1 of 2)

Corporation tax - Allowances/deductions	2022	Proposed 2023
Corporation tax rate (Petrochemicals)	35%	35%
Corporation tax rate (Other)	30%	30%
Corporation tax rate (Commercial Banks)	35%	35%
Corporation tax rate (Exporters of local goods)	25% ¹	25% ¹
Small and Medium Enterprises (SME) (First five years from the listing on the Trinidad & Tobago Stock Exchange)	0% ²	0% ²
SME (Five years following the listing)	15% ²	15% ²
SME (Core business related to technology solutions, digitalisation and construction)	25%	25%
Business Levy (On gross sales & receipts)	0.60% (0.3% SME 2nd yr)	0.60% (0.3% SME 2nd yr)
Green Fund Levy (On gross sales & receipts)	0.30% (0.15% SME)	0.30% (0.15% SME)
Initial allowance (Manufacturing companies)	90%	90%
Scholarship allowance	Expense incurred	Expense incurred
Art and culture/sportsmen/sporting activities	Expenses incurred ³	Expenses incurred ³
Promotional allowance	150% uplift	150% uplift
Audio/Visual/video production allowance	150% uplift ³	150% uplift ³
Fashion allowance	150% uplift ³	150% uplift ³
Production company allowance	150% uplift ⁴	150% uplift ⁴
Energy service company allowance	150% uplift	150% uplift
Covenanted donations to charity	15% of Total Income ⁵	15% of Total Income ⁵
Employees training/retraining	150% uplift	150% uplift
Approved property development company (Construction of building used for commercial and industrial purposes)	20%	20%
Investment in tech start-up and new tech business	150% uplift ⁶	150% uplift ⁶
Technology solution and digitalisation	150% uplift ⁶	150% uplift ⁶
Creation of employment in a technology industry	150% ⁶	150% ⁶
Digitalisation and technology solutions company	50% exemption first \$100K of chargeable income - yr 1 and the first \$200K of chargeable income - yr 2	50% exemption first \$100K of chargeable income - yr 1 and the first \$200K of chargeable income - yr 2
Research and development (R&D) capital allowance	40% of expenditure	40% of expenditure

Corporation tax - 1	Exporters of local goods where the annual revenue is over \$500K.
Corporation tax - 2	A tax rate of 0% would apply for the first five years from listing on the T&T Stock Exchange and five years following the listing at a rate of 15%. Standard rate of tax thereafter.
Corporation tax - 3	Tax deduction up to a maximum of \$12m. Aggregate of all claims restricted to \$12m.
Corporation tax - 4	Allowance only available to production companies. \$8m limit.
Corporation tax - 5	Covenanted donations to charity include approved sporting bodies, charitable organisations and/or The Children's Life Fund
Corporation tax - 6	Tax deduction up to a maximum of \$3m.

Tax facts

Investment income

Investment income	2022	Proposed 2023
Local distributions (dividends, mutual fund income, etc.)	Exempt	Exempt
Interest (individuals)	Exempt ¹	Exempt ¹
Gains or profits from sale of residential house sites	Exempt ²	Exempt ²
Sale/rental income from commercial buildings/	Exempt ³	Exempt ³
Multi-storey car parks	Exempt ³	Exempt ³
Premiums and rents from letting of newly constructed multi-family dwelling	Exempt ⁴	Exempt ⁴
Gains or profits from the initial sale of newly constructed multi-family dwelling	Exempt ⁵	Exempt ⁵
Apprenticeship allowance		150% uplift
Manufacturing tax credit		One time tax credit of \$50,000
Electronic payment providers and e-Money Issuers		One time tax credit of \$50,000

Investment income - 1	Interest income as per Section 8 of the Income Tax Act.
Investment income - 2	Construction must have commenced on or after 1 October 2012 and relates to persons in the business of property development. Profits exempt until 31 December 2025.
Investment income - 3	Construction must have commenced on or after 1 October 2012. Profits/rental Income exempt until 31 December 2025.
Investment income - 4	Construction must have commenced on or after 1 July 2016. Income exempt until 31 December 2025.
Investment income - 5	Construction must have commenced on or after 1 July 2016. Profits exempt until 31 December 2025.

Tax facts

Tax facts


Petroleum

Petroleum	2022	Proposed 2023
Petroleum Profits Tax (PPT) - Petroleum operations	50%	50%
Petroleum Profits Tax (PPT) - Petroleum operations - Deep water block	35%	30%
Unemployment Levy	5%	5%
Tax losses brought forward (PPT)	75% relief	75% relief
Royalty	12.5% of the fair market value of crude oil and natural gas won and saved	12.5% of the fair market value of crude oil and natural gas won and saved
Supplemental Petroleum Tax (SPT)	Computed on gross income from disposals of crude oil. Allowances and tax credits available. Varying rates from 0-55%	Computed on gross income from disposals of crude oil. Allowances and Tax Credits available. Varying rates from 0-42%
Investment Tax Credit	25%	30%

Tax facts

Alternative energy incentives

Alternative energy incentives	2022	Proposed 2023
Wear and tear allowance (CNG)	130%	130%
Wear and tear allowance (Solar & Wind)	150%	150%
New and used electric commercial vehicles (not older than 3 yrs) Engine size 179kw	Duty, Motor Vehicle Tax Exempt - VAT 0%	Duty, Motor Vehicle Tax Exempt - VAT 0%
New and used hybrid commercial vehicles (not older than 3 yrs) Engine size <1599cc.	Duties, Motor Vehicle Tax Exempt and VAT - 0%	Duties, Motor Vehicle Tax Exempt and VAT - 0%
All new and used CNG commercial vehicles (not older than 3 yrs) Engine size, 1599cc.	Duties, Motor Vehicle Tax Exempt and VAT - 0%	Duties, Motor Vehicle Tax Exempt and VAT - 0%
Private passenger vehicles - Engine size >1599cc but <1999cc	Increase M/V Tax and Duties by 25%	Increase M/V Tax and Duties by 25%
Motorcycles - Engine size - 300cc	Duties & taxes exempt	Duties & taxes exempt
Alternative energy incentives - 1	130% of cost of acquiring plant, machinery and equipment for the purpose of providing a CNG kit and cylinder installation service or on the acquisition and installation in a motor vehicle of a CNG kit and cylinder.	
Alternative energy incentives - 2	Effective 1 January 2011, allowance based on plant and machinery, parts and materials for manufacture of solar water heaters/wind turbines/solar photovoltaic systems.	

A man with a beard and glasses, wearing a dark blue shirt, and a woman with short curly hair and glasses, wearing a dark green sweater and light-colored pants, are walking through a modern office. They are both looking down at papers they are holding. The office has glass partitions, wooden floors, and modern lighting. The image is framed by a diagonal band of red, grey, and white squares.

Let's talk

The New Equation

What is The New Equation?

Our vision for the PwC Network, fuelled by our Purpose, is to be the most trusted and relevant professional services business in the world - one that attracts the best talent and combines the most innovative technologies, to help organisations build trust and deliver sustained outcomes.

We're calling our refreshed global strategy The New Equation, and it speaks to the two most fundamental needs clients and organisations are grappling with today.

First is the urgency to successfully respond to, and change, in the face of the major shifts shaping the world: technological disruption, climate change, fractured geopolitics, social tension, and the continuing effects of the COVID-19 pandemic. Second is the need to build trust at a time when it is both more fragile and more complicated to earn.

Delivering sustained outcomes which make a difference

Our approach embodies who we are: a community of solvers coming together in unexpected ways to deliver outcomes for organisations, their customers, stakeholders and communities, which make a positive and enduring impact right across the value chain.

Our formula is simple: we deliver bold ideas, solutions which are human-led and tech-powered and meaningful experiences which deliver real-life results.



You can't buy trust - you have to earn it

Trust has never been more important. It's the link that connects your organisation, your people, your customers, your stakeholders and the world. We know that trust isn't something you can buy off the shelf. It's something you earn through every interaction, every experience, every relationship and every outcome delivered.

The world holds businesses to higher standards than ever before. Trust has never been harder to earn or easier to lose. Our community of solvers bring the capabilities, technology and ethical decision-making to deliver quality and sustained outcomes that companies, markets and society can count on.

It all adds up to The New Equation.

Tax and Legal Services

Our vision is to build a sustainable and competitive advantage by offering unique, efficient and professional tax solutions to our clients. We believe that in order to maximise client satisfaction, a broad understanding of the tax laws and our client's needs is required.

PwC offers a wide range of tax, corporate secretarial and commercial transaction support services and we utilise subject-matter experts to cater to a variety of clients and their unique needs. This will allow our clients the opportunity to focus on their core competencies in growing their businesses.

Our services extend beyond our borders, as we continue to provide advice to companies operating in Trinidad and Tobago on all of the services outlined as follows.

Tax consulting services

These assignments are all encompassing and include tax advice related to all transactions or issues undertaken as part of the business operations of a client. It extends to cross-border and other tax implications such as tax treaty issues arising on a transaction. Additionally, our experienced team of tax professionals advises on special areas including:

- Corporate finance and funding arrangements
- Acquisitions and merger tax implications
- Debt restructuring and debt workouts
- Transfer pricing arrangements and other relevant International tax initiatives impacting cross-border transactions
- Commodity and financial derivative issues
- Thin capitalisation rules
- State and Central Government proposals for the introduction of incentives to attract foreign direct investment as well as Regional/Government proposals for reorganisation of taxing authorities.

Compliance services

Corporate Tax returns

Preparation and/or review of tax returns, advising on areas of exposure and recommending solutions for addressing same. Additionally, we can support with review and regularisation of tax records with the Board of Inland Revenue to ensure that the Tax Authority's records are in order.

Value Added Tax returns

Preparation of monthly/bi-monthly Value Added Tax (VAT) returns and associated refund claims if required. Maintenance of a VAT refund monitoring programme for our clients geared towards expediting the receipt or refunds by identifying and clearing up any queries by the Inland Revenue Division on a timely basis.

Quarterly instalments

We support our clients by computing quarterly tax instalments due and payable and where applicable, we make the appropriate applications to the tax authorities for adjustment of these instalments.

Tax and Legal Services

Personal Income Tax returns and related advisory services

Preparation of personal income tax returns for expatriate personnel and advising on all executive and employee compensation and other personal tax matters.

Tax audit and dispute resolution audits/objections/appeals

We provide assistance, advice and support throughout the audit, objections and appeal stages by liaising with the tax authorities on behalf of our clients.

Tax accounting and payroll accounting support

We can assist with the preparation of the relevant tax and payroll accounting documentation.

Corporate Secretarial Services Incorporation

Incorporation of both external and local companies. We provide advice to clients on general corporate matters and concerns.

Amalgamations and other corporate restructurings

Preparation and filing of the necessary documents with the government authorities to effect a required amalgamation or other corporate restructurings. We can also advise on methods of share dispositions and provide the relevant support services for each method including the valuation of shares; drafting of share instruments for review and execution by the company and having same assessed and stamped for duty by the Board of Inland Revenue.

Work permits/renewals and other Immigration related support services

Prepare and submit work permit applications and renewals for expatriate personnel, including facilitating the advertising, interviewing and evaluation process required by the Ministry of National Security. We can also provide support for endorsements, visas and visa waivers and other relevant immigration services.

Liquidation and dissolution

We can assist with, and advise on, voluntary and involuntary winding-ups.

Tax registration

We facilitate the tax, VAT and social security (National Insurance) registrations.

De-registration

We can facilitate the de-registration of both external and local companies from the Companies Registrar and the Tax Authority.

Maintenance of company portfolio

We prepare and file on behalf of the company Annual Returns, filings in relation to corporate changes in corporate instruments as well as other statutory filings and liaise with the Registrar of Companies to address queries relating to corporate documents filed by the company.

Advise and prepare other statutory requirements in accordance with the Company's Act including supporting our clients with the beneficial ownership requirements.

Caribbean presence

PwC in the Caribbean comprises eight firms with more than 1,200 people in The Bahamas, Bermuda, British Virgin Islands, Cayman Islands, East Caribbean (including Barbados and Saint Lucia), Guyana, Jamaica and Trinidad & Tobago. We provide quality assurance, tax, legal and advisory services to a full range of private and public organisations, including international businesses, local enterprises and Government.

Locations in the Caribbean

Our clients have access to top PwC talent, which means tapping into our vast pool of Caribbean and global industry resources that have the experience and credentials to deliver the quality services for which PwC is known.

The Bahamas	Bermuda	British Virgin Islands
Cayman Islands	East Caribbean (including Barbados & St Lucia)	Guyana
Jamaica	Trinidad & Tobago	

We have a long history of operating in the Caribbean



Caribbean territories

8



Caribbean locations

11



Our people in the Caribbean

1,200+

Building trust and solving important problems

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 155 countries with over 327,000 people who are committed to delivering quality in assurance, advisory and tax services.

Our advisory, tax, and assurance services address today's most pressing business imperatives

Simulate innovation

Align costs with business strategy

Transform human capital

Accelerate digital and technology impact

Grow and create competitive advantage

Navigate risk and regulatory complexity

Optimise deals

Create unique customer experiences

Strengthen trust and transparency

Unlock data possibilities

Secure assets

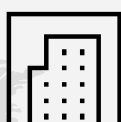
Strengthen Corporate Governance

We have the global reach, experience, and skill you need



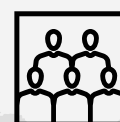
Countries

155



Global offices

1008



Our people

327,000+



Locations

742



Our revenue

\$42.4bn



Our clients

85%

of the Fortune Global 500 are our clients

Our clients range from the world's largest and most complex organisations to some of the most innovative entrepreneurs.

Let's talk

Connecting PwC tax services to your business

Tax services

Our vision is to build a sustainable and competitive advantage by offering unique, efficient and professional tax solutions to our clients. We believe that in order to maximise client satisfaction a broad understanding of the tax laws and our client's needs is required.

We offer a range of tax services and employ extensive tax and corporate secretarial expertise to cater to a variety of clients and their unique needs. This allows our clients the opportunity to focus on their core competencies in growing their sustainable businesses.

Our tax team

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