



TRINIDAD & TOBAGO – September 2021

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Time for a tax revolt?

The tax resistant frequently quote Winston Churchill’s “I contend that for a nation to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle.” That quotation is back in heavy rotation with the Property Tax pandemic set to infect the incomes of property owners soon. The Government intends to impose and collect the new Property Tax during the coronavirus fallout, taking citizens to double jeopardy with our economy at its worst and with unemployment and cost of living at its highest in decades. Many small and medium businesses have downsized, gone into safe mode or just out of business for good.

The evolution of Property Tax in T&T spans more than a decade. Antecedent to the Property Tax Act 2009 were the Land & Building Taxes which were collected and utilised by boroughs and regional corporations. They were reasonable annual taxes which citizens paid without fuss and which legally entitled them to the enjoyment of their lands and properties.

In 2010, the People’s Partnership, of which I was a part, campaigned with ‘Axe the Tax’ but on assuming office, deferred the tax rather than repealed it with the 29 seat majority we had. The decision disappointed many citizens, who felt betrayed by the then government of Prime Minister Kamla Persad-Bissessar. For 11 years, citizens paid no land and building taxes nor Property Tax. We were definitely under better economic conditions then as compared to now and so there was no reason to reintroduce the Property Tax.

During the 2015 general elections campaign, Dr Keith Rowley denied claims that he would reintroduce the Property Tax if the PNM was to win the elections. Well, they did and he brought it back with the Property Tax Amendment Act 2018.

So where are we presently with Property Tax?

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We have reached the valuation stage where, according to the Valuation of Land Amendment Act 2018, you can be fined \$5,000 for not submitting your valuation form on time. This form requires you to describe your home accurately down to the use of the type of tiles used. You must also attach copies of ID and title to land. The Valuation Division can also do a site visit to assess property and must send written notice before visiting, then the Commissioner of Valuations creates a Valuation Roll and serves notice of valuation to the owner. If there is an objection to the valuation given, the homeowner has 30 days to submit the objection in writing to the Commissioner of Valuations.

The tax for residential property is 3% of the Annual Rental Value, commercial at 5%, industrial with building at 6%, industrial with no building 3% and agricultural at 1%.

The Annual Rental value will be determined by location of property, classification of property, category of the property, dimensions of property and modifications to property. The property classifications are as follows: standard home with one bathroom, standard home with two bathrooms, modern home with at least one en-suite bathroom and a specialty room and an executive home with as many bathrooms as there are bedrooms and specialty rooms such as office and library.

After five years of non-payment, your land can be forfeit. You can apply for a tax deferral with evidence of being a recipient of a Public Assistance Grant, Disability Grant, Senior Citizen's Grant, a Trinidad and Tobago conditional cash transfer card (Food Card), Deferral of Tax 14 No. 18 Property Tax 2009 from the State, or if you do not receive an annual income exceeding the maximum amount specified in section 3 of the Senior Citizen's Grant Act.

Many have asked why another burdensome tax and so ill-timed at that?

Is it that the Government is too lazy to really push for diversification of the economy, which will enable them to generate revenue?

Or is it that they prefer to borrow and tax the citizens mercilessly? Would the population have voted differently in 2020 if they had known this would be the case today?

The country is hoping that the Opposition unites with all other opposing forces to "Relax the Tax" in 2021. It is rumoured that the Government may start Property Tax collections from January 2022. This suggests the announcement of such in the upcoming Budget presentation on October 4.

The biggest question to answer is whether or not the population can afford another new tax in these difficult times and what can be done to avoid it. The ball is in the hands of the citizens, don't drop it again!

Property tax: the economic booster Trinidad and Tobago needs

The government's property tax could be the booster shot this economy needs.

I understand that sounds absurd. No one likes taxes. When you're living in a country with widespread waste and graft, an instinctive willingness to raise the pitchforks against the taxman is even more understandable.

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After all, surely higher taxes should discourage economic activity, not the other way around? And most times they do.

But this property tax is different.

The narrative so far, even from its supporters, is that the property tax is a necessary evil in order to buttress public finances during a downturn and pay for local services.

For its opponents, a tax is an affront, given the economic ravages of covid19.

What both sides are missing is that this could be a positive economic boost.

Context is necessary. A whole generation of investors has experienced 20 years of consistently rising property rises, artificially buoyed by oil and gas money. When growth tanked, along with the 2015 energy price crash, property prices held stable.

A large part of this is because there is very little cost to sitting on idle property. It is seen as an inflation hedge that is unlikely to decline very much in value.

The result – a significant over-investment in property. But that over-investment has not resulted in lower prices – because most owners just sit on their property, rather than sell or lower rents. The market therefore remains stagnant, and hundreds of millions if not billions are trapped in unproductive uses.

Just before 2015, a horde of businesspeople invested in gated-property developments in the \$3-\$4 million range. Many of these continue to sit idle – out of reach for young people. Most owners don't even care if they don't collect rent.

This has contributed to stagnation and decline in a developing economy that is in desperate need of productive, foreign-exchange-earning assets. Raising capital for a new business or an export-producing idea is that much harder when you're competing against a property as an asset.

The property tax can change this. By imposing a cost on idle property owners will be incentivised to hustle either to sell or rent their property. In the first place, this will largely result in lower rents and prices for young people.

Crucially though, more people will start to look for alternative investments, such as private equity or local stocks or bonds. With mortgage-backed lending slightly less attractive, banks will equally be nudged towards lending to non-property investments, helping to unlock some of the \$8 billion they had in excess cash reserves as of June 2021. The result could be an increase in economic activity.

By jolting investors and banks out of their risk-averse stupor, it can move the frontier of what people may consider investing in. Suddenly your niece's environmentally-friendly packaging company or your nephew's friend's tech start-up looks more interesting.

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Our mutual funds, brokerages, publicly traded companies, and others should take this as a new opportunity to roll out new investment options, and to deploy capital in more interesting forms of private equity.

Businesses need to get ready to be investible. Risk aversion isn't entirely to blame. Deal-flow is just as much of a problem. Too many entrepreneurs still fail to demonstrate the potential of well-defined addressable markets, or even to present decent projections.

It is not just start-ups. Managers and owners should dust off their capital expansion plans. We should have thousands of investor-friendly businesses with pitch decks at the ready, preparing to scale.

Our economic system, from our overvalued currency to our antiquated labour laws to our forests of red tape, is designed to keep us from taking risks. Hemingway wrote that one goes bankrupt: "gradually, and then suddenly". Risk aversion is the luxury of the financially secure – which TT is not.

Too often we attack our political system for rewarding populism. This tax is hardly that. It is in fact almost universally unpopular – which is why it has been treated as a hot potato, tossed from one party to the other.

But tax like this is good news for our political system. When more people are directly paying taxes, it will make us even less forgiving of poor execution, infrastructure, or governance. This is a policy that will strengthen our longer-term institutions. Young people should celebrate that.

We need to start taking more measured, calculated business risks that play to our strengths in strong export industries. The property tax can be the nudge we need to get moving.

Afra Raymond supports property tax

Past president of the Joint Consultative Council for the Construction Industry (JCC) Afra Raymond says he supports the Government's bid to collect property tax.

But in an interview on CNC3's the Morning Brew with host Jason Williams yesterday, Raymond said he has doubts about whether the taxation system will be implemented.

He said T&T first began grappling with the issue of property tax in 2009 when it was introduced under the Patrick Manning administration. Raymond explained that while property tax is not new in T&T, the proposal brought by the People's National Movement in 2009 sought to modernise it.

"That set of proposals is what we are still grappling with 12 years later because the meaning of it is that we wanted to have a system that created up to date valuations of property that was based along the rental value of property and a system that was modern because the old system was really a kind of book-based system- with these big books where you write out all of this information," Raymond said.

He said a modern system would require less manual input, create more revenue for the State and better service for citizens.

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“To summarise, I have been in support of a modernisation and a revision of the property tax system since 2009, there are two or three significant issues with it, problems, but by and large, I support it.”

Raymond said there does not seem to be much prospect to the idea that property taxes will be passed on to tenants by landlords because there was more supply than demand for rental properties.

He sought to explain how much money citizens would have to pay in property taxes.

Raymond said if a property was valued at \$3,000 a month in rental value, it would amount to a yearly figure of \$36,000. From that figure, he said the law allows for a ten per cent reduction- bringing the Annual Rental Value (ARV) down to \$32,400.

“The annual taxable value of the property, you are taking three per cent off that- three per cent of \$32,400 is about \$960 or \$970-\$970 divided by 12 is like \$80 a month,” he said.

Williams pointed out that a lot of worry over the implementation of the property tax stemmed from clauses within the law that allow the State to seize properties in cases where land owners do not pay their taxes.

Raymond said he was sceptical about whether the tax would be implemented at all, given the narrow majority of the PNM in the August 2020 general election.

“That is the first fact: that the majority that the PNM enjoys at the moment is narrow so one has to be careful in that scenario how you spend your political capital,” he said.

But he said the country also does not have a history of prosecuting those who fail to pay taxes.

“And those laws about property being sold if you don’t pay your taxes, those have always been there, those were there in the old system, they are not laws that are being introduced or were introduced by Mr Manning in ’09, those provisions were always in the law, any modern taxation system has that but I am saying we as Trinidadians and Tobagonians have never honoured that part of the system so I don’t think that’s a big issue to be spending our time on,” Raymond added.

He said while he agrees that property tax should be implemented, he does not agree with the Government’s proposal that the revenue generated should go to the Central Government.

Land valuation exercise or property tax issue?

A few years ago I indicated to the Government that it is almost impossible, perhaps improbable, to collect property tax if it continued along its prescribed path.

I also suggested that if the purpose was to raise funds then it would be much simpler to just increase the already established property tax figure by a percentage consistent with the increase of prices in the economy.

After years of continuing with its exercise, the result is as I expected – not much progress.

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There seems to be much uncertainty about the new initiative. The public notice sent out under section 29 of the Valuation of Land Act requiring all landowners to furnish a return form with the particulars of their property by November 30 has many confused.

This, it has been proffered, has nothing to do with property tax. Nonetheless, the exercise seems to cause unease among property owners.

If there is one area that shows up the inefficiency, ineptitude, and lack of vision among governments past and present it is the area of land management.

After years of attempting to manage ourselves, we are now in a position where most of our agricultural lands are abandoned, and squatters occupy almost every piece of premium state land, from the old train tracks to lands set aside for municipal use.

There are some worrying issues with the new valuation initiative. Among them are:

- * The possibility of individuals giving false information.
- * The possibility that the literate may claim lands that are not theirs while the illiterate landowner remains vulnerable to the manipulation of the greedy.
- * The status of squatters in this exercise.
- * The absence of proper documentation lost through various means including theft, fire, misplacement and damage may cause many to not register their property.
- * The fear that by registering their property they would then be faced with an unbearable property tax.
- * Property handed down through generations without proper documentation may remain unregistered.

The solution to our land issues is simple. The Government ought to employ every possible land surveyor to map out every parcel of land in TT.

This exercise may take a few years to complete but in the end every parcel ought to be categorised into property with legitimate title, title not confirmed, title under investigation, state lands, squatter property and abandoned property.

That must be the starting point for land management. Using the might of the State to force citizens to complete valuation returns is an exercise that shows up the lack of vision of a government that daily seems to be growing in its failure to efficiently manage the affairs of TT.

Anxiety among citizens as Govt lays foundation for Property Tax collection

T&T is getting set to reintroduce property tax as one of the revenue streams which is expected to rake in millions of dollars for the Treasury.

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But this move has caused apprehension and trepidation among thousands of citizens already reeling from the effect of sickness, deaths, job losses and reduced income due to the COVID-19 pandemic. Many citizens have expressed grave concerns that they will now have to shoulder yet another bill.

But according to a valuations expert who spoke to the Sunday Guardian, there is no specific date given for the rollout of this tax, however, the Government has started laying the foundation for it.

"The Government has not actually said when it is going to implement the Property Tax, so while they are doing the preparatory work one cannot say with any sense of surety when it will be done, but they are laying the foundation for it."

The Government has put out advertisements calling on citizens to file information on property and land ownership with the Valuation Division, Ministry of Finance (MOF). They must do so by the end of November 2021, and failure to do so can see citizens facing a fine of \$5,000.

"The Government is attempting to populate the valuation roll now," the valuations expert said.

This, he said, is the necessary groundwork that would eventually see Property Tax being levied on residential and commercial properties as well as on agricultural lands.

The Sunday Guardian called Minister in the Ministry of Finance Brian Manning and the Commissioner of the Valuation Division on the move to implement the tax, but no information was forthcoming. Manning referred all questions to the Valuation Division head. But while questions were sent to the commissioner and technical officers as directed, no one responded.

The Patrick Manning-led People's National Movement (PNM) administration passed the Property Tax in 2009 but was unable to implement it as citizens voted them out at the polls in 2010 due in part to an 'Axe the Tax' campaign led by the People's Partnership (PP) which took office from 2010 to 2015. In 2009, then Opposition Leader Kamla Persad-Bissessar joined with the Congress of the People (COP) to fight the PNM's Property Tax initiative. Launching the 'Axe The Tax' campaign then, they fought against the national issue which touched every person including tenants, landowners, homeowners, business operators, and squatters. They had labelled the Property Tax as a "demonic tax."

The Sunday Guardian spoke to the valuations expert to get some clarity.

While the PP never repealed the Property Tax Act, they never implemented it either so it just remained in abeyance.

"This means the Government does not have to go back to Parliament, they can now move to implement it which is what they are doing. There is no legal impediment whatsoever to the implementation of this tax at this time," the valuations expert said.

According to the valuations expert, wanting to be fair to the State, moratoriums on Property Tax (previously called Land and Building Tax) were granted from 2010-2015 and 2015-2018. To date, the tax has not been implemented. That means that citizens have not been paying tax on land and building for about ten years.

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Pointing to the effects of the ongoing pandemic, he described the proposed measure as a "double whammy" where your income has fallen and your cost of living has risen.

"You are being squeezed from two sides with loss or reduction of income, higher food prices and the expenses of online schooling which did not exist before, and now, this additional expense."

However, he did not think any government would want to immediately further burden a population that is so hard-pressed right now.

'A wealth tax'

Referring to the propensity of the Property Tax to morph into a "wealth tax," he explained, "the better the state of your home due to improvements and amenities, the higher your property tax will be."

He explained there were three aspects to this process—subjective, objective and relative.

"If you have a two or three-storey house with five bedrooms, objectively it will cost more to rent something like that than a two-bedroom one-storey house. The value can also be subjective as you can have a fancy house in one area of the country and that exact design in another part of the country in a lower-income neighbourhood, but the rental value will be different, so that will be subjective. Then there is relative, where the market value has to be based off supply and demand variables."

People who have temples, storerooms, green-houses, and pet dwellings constructed on their properties do not have to worry as these structures will not be subjected to tax.

However, for those with pool houses that are comfortably outfitted and can be considered an extension of the living quarters, this will be subjected to tax and will therefore increase the owner's annual Property Tax.

Even squatters and renters will have to pay tax as they will be classed under occupier.

Asked what could be the possible outcome if someone is unable to pay the tax, the valuations expert said there was an option in law to apply for a deferral.

For these people, no interest will be incurred on the amount which will be rolled over to the next fiscal year.

He added, however, "A deferral does not mean exemption. It simply means it will keep building and building against the property. If a person dies before this, the full amount will have to be taken out of the person's estate unless it is passed on to someone who is also indigent...then they can get an exemption from having to satisfy the debt the previous owner would have owed, but they will now have to start paying the tax from the point of inheritance."

While he felt it was unlikely that it will land those who are unable to pay on the streets he added, "It will be an additional burden on the population."

'Property Tax questions intrusive'

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Agreeing the latest form that was released by the MOF last week was "intrusive and invasive," requiring details such as whether the home has porcelain tiles or gypsum ceilings, the valuations expert said concerns had surfaced as to just how such private and confidential information could be kept from being leaked to the wrong people.

This could happen, he said, although there are significant penalties for anyone found to be leaking confidential information.

Indicating that a person has the option to challenge their valuation within 30 days of receipt of the notice of valuation, the official said it will be up to the individual to prove after a comparative analysis or submission of a certified valuation, just how much the figure should be adjusted by.

In foreign jurisdictions, Property Tax is collected by the respective municipality and funnelled back into providing and improving the infrastructural operations of the local districts such as road repairs, garbage collection, cleaning and clearing of waterways, and general beautification.

He said, "While the intention seems to be a good one, the devil is usually in the details."

Pointing out that problems can arise when these taxes are collected and remitted into the Consolidated Fund, he said, "If the dollars are not 'marked', then the Government can apply it to whatever it wants to do and then allocate to the Municipal Authorities how much ever it wants to."

Harjoon Heeralal, a retired banker of Carapichaima, felt the timing of the tax may not be appropriate given "the inability of people to meet commitments of taking care of their families, and make existing loan payments whilst still paying all the other taxes directly or indirectly."

He said in T&T, even though taxes are derived via several means, the main grouse is the efficient use of these taxes.

"Roads are deplorable, health services are very unsatisfactory, school maintenance is dreadful, the water utility is particularly worrisome and some projects and expenditure are more nice-to-have than practical such as the national gas company issue, the failed Sandals initiative and the Toco to Tobago sea-bridge, which is yet to be justified," Heeralal said.

He said taxes may be mandatory and owners and lessees would not be averse to paying them but asked, "to what end if tangible results are not seen in public works and social services?"

Heeralal felt the Government needs to show greater accountability for the taxes it collects so citizens will be more amenable to this latest tax rather than utilise its power to "bully" residents into toeing the line.

Things to know about Property Tax

According to the Property Tax Act 2009 and the Valuation of Land Act 58:03, amended by Act 17 of 2009:

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1. Property value is calculated on:

- Location of the Property (Neighbourhood)
- Classification of the Property (Executive, Modern, Standard [I & II])
- Category of the Property (Agricultural, Commercial, Residential, Industrial)
- Dimensions – Property Floor Area
- Modifications to the particular property

2. Property Tax is calculated based on the Annual Taxable Value of all land.

According to the Property Tax Act 2009, all land including vacant land in T&T shall be rated on a rental value basis. The Annual Rental Value (ARV) is the rent at which a property will be let from year to year after a deduction of 10 per cent for Voids.

Tax rates are as follows:

- Residential: 3%
- Commercial: 5%
- Industrial with building: 6%
- Industrial without building: 3%
- Agricultural: 1%

Vacant Land will also be taxed:

The (ARV) of vacant land will be found by taking a percentage of the Current Market Value of the land.

Property Tax is calculated by taking a percentage (rate of tax) of the Annual Taxable Value of all Land.

Tax rates are as follows:

- Agricultural: 2 %
- Residential: 3.5 %
- Commercial and Industrial: 5%

3. Once authorised, officers can enter and inspect your premises at any time during the day

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Once authorised by the Commissioner of Valuations, officers can enter and inspect your property, whether you want them to or not.

According to the Valuation of Land Act 18 of 1969:-

“Section 15 (1) Subject to subsection (2), the Commissioner, or any officer authorised by the Commissioner in writing for that purpose, shall for the purpose of ascertaining the value of any land have power to enter, at all reasonable hours during the daylight, in or upon any land without being liable to any legal proceedings or molestation whatever on account of the entry.”

4. You could be fined for not submitting your property tax valuation form

According to Section 6 of the Valuation of Land Act 18 of 1969:

Sub-section (1) states, "Every owner of land in Trinidad and Tobago shall make with the Commissioner, a return of the land in the form set out in Schedule II."

Sub-section (2) states, "Where the owner of land fails to file a return, the Commissioner shall by Notice inform the owner that he is required to file a return, failing which he may be liable to conviction under this section."

Sub-section (3) states, "A Notice under subsection (2) shall be sent by registered post."

Sub-section (4) states: "A person who willfully—

(a) fails to make a return within the prescribed time under subsection (1); or

(b) makes a return which is defective or incomplete or which is to his knowledge false in any material particular, commits an offence and is liable on summary conviction to a fine."

5. You have 30 days to challenge your valuation

By law, citizens have up to 30 days to lodge a complaint after receiving their notice of valuation.

According to Section 19 of the Valuation of Land Act 18 of 1969:-

"An owner or local authority who is dissatisfied with a valuation may, within thirty days after service of the notice of valuation, post to or lodge with the Commissioner an objection in writing against the valuation stating the grounds upon which he relies. The objection shall be limited to one or more of the following grounds:

(a) that the values assessed are too high or too low;

(b) that lands which should be included in one valuation have been valued separately;

(c) that lands which should be valued separately have been included in one valuation;

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(d) that the person named in the notice is not the owner of the land."

Govt's Property Tax gamble

The Government collected \$143 million in 2009, the year that the old Property Taxes ended.

The current estimates of the Property Tax to be collected are to the tune of \$504 million annually, so that is about three-and-a-half times more than what property owners paid in 2009, according to Afra Raymond, chartered surveyor and managing director of Raymond & Pierre Limited.

The revenue lost over the last 12 years since the axing of the tax could be more than \$5.50 billion, Raymond estimated.

Raymond, a past president of the Joint Consultative Council for the Construction Industry (JCC), said the move to implement the Property Tax would be widely unpopular at a time of many burning issues, including the COVID-19 pandemic and the existing socio-economic situations.

Raymond believes that with only a slim parliamentary majority, the introduction of the new Property Tax will be a considerable gamble for the Government.

T&T is getting set to reintroduce Property Tax as one of the revenue streams which is expected to bring in millions of dollars for the Treasury.

While there is no specific date given for the rollout, the Government has started laying the foundation. They are attempting to populate the valuation roll. The Government has put out advertisements calling on citizens to file information on property and land ownership with the Valuations Division, Ministry of Finance (MOF). If citizens fail to do so by the end of November 2021, they can face a fine of \$5,000.

With this move, Property Tax can be levied on residential and commercial properties and agricultural lands.

Raymond felt that the objections from the Opposition United National Congress elements are bemusing, to say the least. This, he said, is for two reasons—"Firstly, the official record of tax collections from 1993 to 2009 as shown in the graph and table below. When the UNC was in power in the seven-year period 1995-2001, there was a dramatic and unexplained decline in the collections of Land & Building Taxes, which are collected in the non-municipal areas. That decline was reversed when the UNC left office.

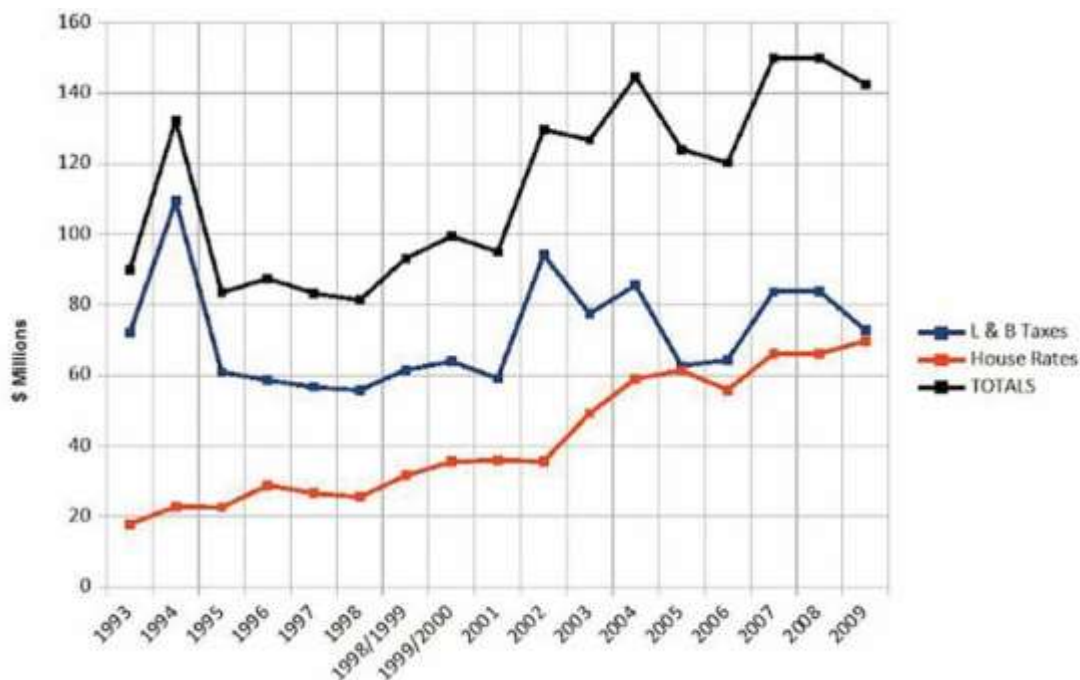
"Secondly, the People's Partnership (PP) used 'Axe the Tax' as a strong slogan in the 2010 general election which they won with 29 out of 41 seats. With that rare three-fifths majority in hand, there was tremendous scope for the PP to have lawfully changed or removed any laws or arrangements it wished, without any need for PNM support. Like the Property Tax, for instance. But that never happened, for whatever reason."

Raymond answers questions on Property tax

You are of the view that the revision of the property tax is long overdue, can you elaborate on the need for this, please.

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Yes, Property Tax is long overdue. The last time Property Tax was collected in T&T was in 2009, so 2022—which is next year, which is what is under discussion—would make that a total of 12 years that no taxes were paid by property owners. By any measure, that is a tremendous benefit that has been enjoyed by property owners. In the previous taxation system, the property taxes were called House Rates for the five Municipalities and Land & Building Taxes for the other parts of the country. The five municipalities are Port-of-Spain, San Fernando, Arima, Point Fortin and Chaguanas.

The national totals of Property Tax paid in the period 1993-2009.

Taking into consideration the drastic negative economic impact of the COVID-19 pandemic, how do you feel about the reintroduction or aggressive laying of the foundation re: valuation log to be completed by November and the pushing of the Revenue Authority Bill at this particular time, is the anxiety level among citizens justified?

Apart from the truism that at any time most tax increases will be opposed, we are now in very trying times in which the very system has been tested at every level—social, economic, medical/scientific, communications. Whether it's been tested to destruction and how we emerge from all of this remains to be seen. But the reality is that COVID-19 really sharpened certain serious challenges—we have been in decline for about a decade or more. There is tremendous, widespread and well-justified anxiety.

That is the background to the strong opposition and concerns being voiced about the re-introduction of this tax...When the old property taxes ended in 2009, a total of \$143M was collected in that year. The current estimates of the property tax to be collected are of the order of \$504M, so that is about three-and-a-half times more than what was being paid in 2009.

Ultimately this will be a widely unpopular move at a time of many burning issues, so with only a slim parliamentary majority (PNM 22, UNC 19), that will be a considerable gamble for the Government.

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Do you foresee a considerable challenge for the TTRA given the number of citizens against the proposed renewal of property tax?

Despite the range of objections, we need to be clear that the real fear of property tax is rooted in the fact that a modern transparent database will allow our Revenue Authorities (either BIR or TTRA) to see the wider affairs of taxpayers, especially the true levels of rental income earned on investment property, on which income tax is seldom declared, far less collected.

Please offer a perspective on property tax's place with respect to tax revenue and the T&T Revenue Authority (TTRA).

The Estimates of Revenue disclose that in 1995 property tax was two per cent of tax revenue and in 2009 it was expected to be a mere .18 per cent.

How much revenue on average has the Govt lost over the last 12 years?

That figure has always been underestimated, in my view, but the loss of revenue over that 12-year period would be over \$5.50 Billion.

What are modes of Property Tax?

There are four modes in which property is taxed in a modern system:

Stamp Duty or Transfer Tax–This is the tax paid by the purchaser when acquiring a property. This is the only one of the four types of property tax that is working to some extent. That said, most lucrative property investments are nowadays held in company names so that they can be split and sold by transfers of shares, which attracts a fraction of the stamp duty payable on a sale of the property.

Occupation Tax–This is the tax paid for the length of time one owns or occupies the property and this is the one being revised now. It is called either Land & Building Taxes or House Rates under our laws.

Income Tax on Rental Income–taxes payable on the income received from property rentals. This is poorly monitored at present.

Capital Gains Tax–This is a tax paid on the profits made when the property is sold. CGT is only payable here in the cases of property disposals taking place within 12 months of acquisition. Few vendors dispose of the property within that time limit.

What is your view on the merging of the collection agencies–BIR, Customs, into one unit to facilitate the functioning of the TTRA?

We are here contemplating a widely-discussed public policy shift which is an essential step onto the path of modern and effective Public Financial Management. These combined and crowd-sourced agencies are really the only effective way to tackle some of these big wicked problems, hence the same model was used for the Office of Procurement Regulation, which is also an integral part of modern and effective Public Financial Management. Crowdsourcing refers to the use of whistleblowers since those people are the most valuable source of critical information to stop white-collar crime, as all the research shows.

The Trinidad & Tobago Revenue Authority:

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The TTRA was launched in June 2009 and is intended to be a unified body to collect taxes and customs duties. The Board of Inland Revenue and the Customs and Excise Division are to be merged.

Some of the cited benefits of the Revenue Authority model are improved revenue generation and compliance with the country's revenue laws; better services to taxpayers and traders; a more professional staff complement; improved retention of qualified personnel; and, an improved capacity to deal with corruption. Those are objectives with which I fully agree and the Property Tax review under discussion must be understood as a part of the transition to the TTRA.

Years	L & B Taxes (\$M)	House Rates (\$M)	TOTALS (\$M)
1993	72.04	17.83	89.87
1994	109.38	22.78	132.16
1995	60.89	22.55	83.44
1996	58.64	28.81	87.45
1997	56.63	26.61	83.24
1998	55.78	25.49	81.27
1998/1999	61.56	31.56	93.12
1999/2000	63.9	35.48	99.38
2001	59.11	35.97	95.08
2002	94.08	35.57	129.65
2003	77.5	49.19	126.69
2004	85.54	59	144.54
2005	62.68	61.35	124.03
2006	64.35	55.91	120.26
2007	83.72	66.16	149.88
2008	83.77	66.16	149.93
2009	72.77	69.75	142.52

Property tax 1993-2009

Up to the start of 1998, the country's fiscal year-end for national accounting was December 31. There was a transition between 1998 and 2001, with periods to be read as follows '1998' is January 1 to September 30 of that year: '1998/1999' is 12 months ending September 30, 1999, and 1999/2000 being 12 months ending September 30, 2000.

Submit valuation return by November 30 or face \$5,000 fine

The Finance Ministry said property owners must submit a valuation return form by November 30 or face a possible \$5,000 fine.

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In a social media update, the Ministry said anyone owning residential, commercial or agricultural land, or any combination of such, must submit a return containing the particulars required by the Commissioner of Valuations on or before November 30, 2021.

The Ministry said under Section 32 of the Valuation of Land Act, failure to comply with this requirement constitutes a criminal offence which is punishable by a fine of \$5,000.

The Ministry said returns can be completed and submitted either manually or online using the website; returns submitted manually with attachments can be placed in a sealed envelope with the owner's address, telephone contact and email address written on the envelope, and deposited at any of the drop boxes located at the Valuation Division regional Offices or Municipal Corporations listed below.

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**Valuation Division
Public Notice**

Under Section 29 of the Valuation of Land Act

TO ALL PERSONS IN POSSESSION OF RESIDENTIAL LAND, COMMERCIAL LAND, AGRICULTURAL LAND OR ANY COMBINATION OF SAME

This Public Notice is issued pursuant to Section 29 of the Valuation of Land Act, Chap. 58:03 of the Laws of the Republic of Trinidad and Tobago. The Commissioner of Valuations requires that every person in possession of residential land, commercial land, agricultural land or a combination of any of the above (mixed use) in Trinidad and Tobago furnish a Return containing the particulars required by the Commissioner of Valuations on or before November 30th, 2021.

Under Section 32 of the Valuation of Land Act, failure to comply with this requirement constitutes a criminal offence which is punishable by a fine of five thousand dollars (\$5,000.00).

Returns containing the particulars required can be accessed from the Valuation Division website www.valuationdivision.gov.tt. Returns

will also be distributed by TTPost, and are available from any of the Valuation Division Offices listed below. Detailed instructions can be accessed from the website and are attached to the Return to assist persons to complete the Return.

Returns can be completed and submitted either manually or online using the website. Returns completed manually with attachments are to be placed in a sealed envelope with the name of the owner/occupier, residential address of the owner/occupier, telephone contact and email address clearly written on the envelope. The envelope is to be deposited in any of the drop boxes located at the Valuation Division Regional Offices or Municipal Corporations listed below.

Location	Address	Contact information(when applicable)
1. Diego Martin	Diego Martin Regional Corporation 17-18 Diego Martin Main Road, Diego Martin	Drop Box Location Only
2. Port of Spain	Port of Spain City Corporation 2-4 Knox Street, Port of Spain	Drop Box Location Only
3. Barataria	Valuation Division Head Office Churchill Court #19, #29, #29A Estate Trace, 6th Ave Ext, Barataria	612-1715 Ext. 8059, 8056, 8047 valdivpost@gov.tt
4. Tunapuna	Tunapuna/Parico Regional Corporation Centenary Street, Tunapuna	Drop Box Location Only
5. Arouca	Valuation Division Office 25-27 Eastern Main Road, Arouca	612-1715 Ext. 8282, 8299, 8202 valdivarou@gov.tt
6. Sangre Grande	Sangre Grande Regional Corporation Ram Dass Street, Sangre Grande	Drop Box Location Only
7. Chaguanas	Valuation Division Office 206 Caroni Savannah Road, Charleville, Chaguanas	612-1715 Ext. 8483, 8484 valdivchag@gov.tt
8. San Fernando	Valuation Division Office 29-31 Point-a-Pierre Road, Palms Club, San Fernando	612-1715 Ext. 8504, 8580 valdivsando@gov.tt
9. Princes Town	Valuation Division Office 100 High Street Princes Town	612-1715 Ext. 8592, 8593, 8586 valdivsando@gov.tt
10. Point Fortin	Valuation Division Office 65 Canaan Road and Sergeant Street, Mahaica, Point Fortin	612-1715 Ext. 8400, 8401-4 valdivptf@gov.tt
11. Siparia	Valuation Division Office Siparia Administrative Complex, High Street, Siparia	612-1715 Ext. 8784, 8787 valdivsio@gov.tt
12. Rio Claro/ Mayaro	Rio Claro/Mayaro Regional Corporation High Street, Rio Claro	Drop Box Location Only
13. Tobago	Valuation Division Office Ahmed Ghany Building 39 Wilson Road, Scarborough, Tobago	612-1715 Ext. 9100, 9108, 9113 valdivtob@gov.tt

Persons in possession of land are advised **not to include original documents when submitting completed Returns** via drop box. They will be contacted when their forms are processed either by mail, email or by telephone and provided with the Property Identification Number (PIN) assigned to the property. Each property will be assigned one PIN.

You are not required to submit a Return at this time if you submitted a Return previously AND a site visit was conducted for your property by a Valuation Division Officer.

If you require further information, please visit our website at www.valuationdivision.gov.tt

Commissioner of Valuations
September 6th, 2021

Valuation Division, Ministry of Finance

Address: Churchill Court #19, #29, #29A Estate Trace, Barataria
Telephone: (868) 612-1713, (868) 423-4221 Fax: (868) 423-5874
E-mail: valdivpost@gov.tt | valdivhelp@gov.tt

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