



TRINIDAD & TOBAGO – November 2022

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KAMLA THREATENS COURT ACTION OVER PROPERTY TAX, LOCAL GOVERNMENT ELECTIONS

OPPOSITION Leader Kamla Persad-Bissessar warned that the UNC will take Government to court if it implements property tax legislation, and also for not calling local government elections this year.

Persad-Bissessar issued these warnings during an occasionally volatile sitting of the House of Representatives on Friday, which saw Speaker Bridgid Annisette-George having to rein in government and opposition MPs.

In her contribution to debate on the Finance Bill 2022, Persad-Bissessar reiterated the UNC's opposition to the property tax which she said is justified by an August 10, 2021 memorandum from the Finance Ministry's valuations division to permanent secretary Suzette Lee Chee.

Persad-Bissessar claimed in the document, the division said it could not share information on property taxes with either the Board of Inland Revenue or the Rural Development and Local Government Ministry until the Data Protection Act is fully proclaimed.

She expressed concern that people's personal information could be shared without their permission in those circumstances. Persad-Bissessar was also concerned about what kind of information the Commissioner of Valuations could get from entities, such as the Water and Sewerage Authority and the TT Electricity Commission, about people as it populates its valuation rolls for the collection of property tax.

Persad-Bissessar told government MPs, "You cannot pass this with a simple majority and if you do, we will take you to court."

Responding to an inaudible comment from the government's side, Persad-Bissessar said no one could tell her anything about the police knocking on her door.

"No one is knocking unless you send them. My hands are clean and my heart is pure!"

She also dismissed suggestions that local government corporations would benefit from the collection of residential property tax.

Reiterating the UNC's condemnation of the extension of the life of local councils by one year and of local government elections taking place next year, Persad-Bissessar warned, "We are going to court on that matter as well.

At a news conference on November 3, Rural Development and Local Govt Minister Faris Al-Rawi said under the Miscellaneous Provisions (Local Government Reform) Bill 2020 – which will be partially proclaimed on Tuesday – the terms of all councillors and aldermen will end on December 3, 2023.

He said this extra year provides time for the rollout of the local government reform package and there is a three-month period after this date within which local government elections can be held.

Al-Rawi said, "Within the extra year, we will be able to build out all the relevant sections of the law, including taking councillors who are executive members and making them into secretaries similar to the THA; operationalising 13 separate divisions inside local government divisions, including planning, engineering, audit and accounting, sporting and recreation, etc."

He also said under the amended Municipal Corporations Act, local government corporations would be able to handle the collection of residential property tax in their jurisdiction.

In the House, Persad-Bissessar questioned the absence of the Prime Minister when there were issues of national importance to be addressed.

In a statement on Friday, the Office of the Prime Minister said Dr Rowley tested positive for covid19 experiencing flu-like symptoms and will remain in isolation. Rowley first had covid19 in early April 2021, and again on July 29 this year. He is fully vaccinated with the Sinopharm vaccine and has had two booster shots.

Persad-Bissessar asked, "Where is the Prime Minister? It seems that every time the heat is on, somebody goes missing in action and will not be there to answer?"

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She slammed National Security Minister Fitzgerald Hinds over the shooting incident near Rose Hill RC Primary School on November 3.

"Should this be happening in our schools?"

While Hinds and Finance Minister Colm Imbert spoke earlier in the sitting about increasing various fees related to firearms, Persad-Bissessar said this was only for legally registered firearms.

Al-Rawi and Health Minister Terrence Deyalsingh questioned the relevance of her comments.

To one audible comment from the government benches, Persad-Bissessar said, "I understand the courthouse is looking for every member of the NSC (National Security Council), including the Prime Minister."

On October 28, Justice Devindra Rampersad issued an order for the Prime Minister, Al-Rawi, Imbert, Hinds, Energy Minister Stuart Young and Public Utilities Minister Marvin Gonzales to appear in court the following week for the hearing of an injunction application from former police commissioner Gary Griffith to prevent the publication of the controversial Firearm User's Licence (FUL) audit report in Parliament.

On October 29, Rampersad issued a new order which did not include a summons for Rowley and his ministers in relation to this matter.

Government MPs objected when Persad-Bissessar compared the bill to "sprangers who pick up every little piece of thing on the road."

Annisette-George cautioned her. "It is not proper. I know you can do better than that."

Persad-Bissessar heeded her ruling.

"I don't refer to the honourable members on the other side at all (as sprangers)."

Opposition MPs thumped their desks as Persad-Bissessar told their government counterparts, "You will never stop me. I will take you on. Anywhere. Any time and any place for the rights of the people of TT."

IMBERT SLAMS UNC'S POLITICAL HYPOCRISY ON TAX AMNESTY

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FINANCE Minister Colm Imbert slammed the Opposition UNC for attempting to mislead the population about measures in the 2022/2023 budget which they claim to oppose now but wholeheartedly supported when they were in office between May 2010 and September 2015

He made these comments before the House of Representatives passed the Finance Bill 2022 on Friday. The bill will be debated in the Senate when it sits from 10 am on Tuesday.

Referring to Opposition Leader Kamla Persad-Bissessar calls for tax amnesties to be approved by negative resolution by Parliament, Imbert said the facts showed that Persad-Bissessar and the UNC did not support this view in 2011 and 2014, when they were in government.

He reminded MPs that no such resolution was sought in May 2011, when then finance minister Winston Dookeran extended a tax amnesty that began in September 2010.

Imbert said in September 2014, then finance minister Larry Howai publicly said government implemented a tax amnesty because of "calls from the business community."

He added this proved that UNC claims of tax amnesties under the PNM were aimed at "giving someone a bligh" were false.

"Political hypocrisy."

Imbert was amused by Oropouche West MP Davendranath Tancoo's comment that the UNC did not like his body language.

He wondered if the UNC would be happy if he were to dance or jump up and down.

After briefly raising his hands in the air and swaying from side to side at the podium, Imbert told opposition MPs he would not oblige them.

"I'm a serious minister. I do not engage in antics. If you don't like my sombre, professional approach, too bad!"

Speaker Bridgid Annisette-George overruled Barataria/ San Juan MP Saddam Hosein's complaint that Imbert was disturbing UNC MPs by speaking too loudly.

Imbert said UNC MPs knew he had "no control over the volume in this microphone in front of him."

He also told them to be quiet, listen and learn something.

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Shortly after Imbert made that comment, Annisette-George instructed St Augustine MP Khadijah Ameen to leave the Parliament Chamber, after she made an inaudible remark.

Earlier in his contribution Imbert told Leader Kamla Persad-Bissessar she was misled by her members into believing there were grounds for legal action to be taken against the Government over the implementation of property tax.

In her contribution, Persad-Bissessar claimed the implementation of property tax could be unlawful and said the UNC was ready to go to court on this matter. She thanked osein for helping her research information for her contributions.

Imbert said, "I'm a little embarrassed to tell a senior counsel to update her records."

Government MPs thumped their desks when he said, "Whoever the honourable member relied upon for research, misled the honourable member. I would advise you to be careful who you seek advice from."

Imbert said Persad-Bissessar, and whoever her researcher was, seemed oblivious to the existence of a legal notice dated August 20, 2021.

In that notice, he said, then acting President Christine Kangaloo said the Data Protection Act will come into effect on such a date "as fixed by the President."

Imbert said in the notice, Kangaloo indicated certain sections of the act which allowed the sharing of information between the ministry's valuations division and other entities (such as the Board of Inland Revenue) regarding property tax were proclaimed into law on August 23, 2021.

"Therefore the relevant sections of the Data Protection Act were proclaimed over one year ago."

Persad-Bissessar earlier claimed that property tax could not be implemented because the act was not proclaimed and people's privacy could be infringed. She threatened the UNC could go to court on this matter.

PROPERTY TAX IN TRINIDAD & TOBAGO: THE FACTS

The Synopsis

Formerly known as the Land & Building Tax Act, it was surrendered in 2010 after much lobbying and political pressure, resulting in a tax concession up until today. Now renamed

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“The Property Tax Act”, the current government administration has proposed amendments to the original tax legislation, a new fee schedule, and updated assessment methods.

However, plans to reinstate this levy have been halted along the way due to hasty implementation of logistics, court injunctions and public pressure. While we await the proposed Property Tax, here’s what you should know:

What is Property Tax?

Property Tax is a proposed mandatory levy on land payable by the owner.

Who is the owner?

“The owner or occupier of any land, and the receiver, attorney, agent, manager, guardian or committee of any such owner or occupier and any other person in charge or having the control or possession of any land in the right of the owner, or having the possession in his or her own right or as guardian of any person of any such land.”¹

Property Tax is NOT:

- Stamp Duty, a tax that you must pay when carrying out certain transactions that require legal documents.
- A change in ownership to the person paying the tax,

“The liability to tax of the owner of any chattel fixed or affixed to land does not create a legal entitlement to the land upon which the chattel is located where the owner of the chattel is not the legal owner of the land.”²

- A tax for ancillary structures e.g. fowl coops, kennels or stables

What is the proposed calculation?

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What is the Proposed Calculations?	
TYPE OF PROPERTY	% TAXABLE VALUE
Residential	3% of the Annual Taxable Value
Vacant residential land	3.5% of Capital Value less 10%
Commercial	5% of the Annual Taxable Value
Vacant commercial land	5% of Capital Value less 10%
Industrial with buildings	6% of the Annual Taxable Value
Industrial without buildings	3% of the Annual Taxable Value
Agricultural	1% of the Annual Taxable Value

The Annual Taxable Value is 90% of the Annual Rental Value of the property.

10% is subtracted from the Annual Rental Value as deductions and allowances in respect of voids (periods when the property may not be rented) and loss of rent (where the landlord is unable to collect the rent).

The Annual Rental Value is determined by the Board of Inland Revenue and is the annual rent which particular property is likely to attract having regard to the purpose for which the land is actually used, occupied or tenanted, or where it is not actually used, occupied or tenanted, having regard to the purpose for which it is reasonably suitable.

Sources:

1. PROPERTY TAX ACT CHAPTER 76:04, Act 18 of 2009 Amended by 2 of 2015, pg 7
2. AN ACT to amend the Property Tax Act, Chap. 76:04 [Assented to 8th June, 2018], pg 397

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