



TRINIDAD AND TOBAGO – May 2018

IMBERT: PROPERTY TAX FEES FOR 2016 TO BE WAIVED 1
SENATE: SQUATTERS MUST PAY PROPERTY TAX..... 1
SENATORS AGAINST RETROACTIVE PROPERTY TAX 2

Imbert: Property tax fees for 2016 to be waived

Finance Minister Colm Imbert said that citizens need not worry about having to pay back-dated property tax for the year 2016.

Speaking during his presentation on the Mid-year Budget Review, Imbert said that government will extend the previous waiver on property tax payments up to December 2017.

"We are making progress in establishing the long-envisaged property tax regime. In early February 2018 we introduced in the House of Representatives, two pieces of legislation; the Property Tax Amendment Bill 2018 and the Valuation of Land Amendment Bill 2018, which sought mainly to correct anomalies with these two pieces of legislation."

"I wish to make it clear that contrary to rumour there is no plan for retroactive application of this tax. Accordingly, the waiver with respect to the payment of property tax will be extended at this time to the end of December 2017, since it is our policy to collect the tax in the year that all of the required administrative work is completed, such as, for example, the valuation of 50 percent of properties in Trinidad and Tobago in various categories," he said.

Additionally, the Ministry said pensioners and others who are unable to prove that they can pay property tax can apply for deferrals to the tax.

The Ministry said this deferral can be rolled over indefinitely once the circumstances of the landowner remain unchanged.

Property tax is applied on all property, except for those listed as exempt under the Act, including those owned and occupied by approved charitable institutions, schools, public hospitals, the State and certain State enterprises.

Senate: Squatters must pay property tax

THE Senate yesterday rejected a call by Opposition Senator Wade Mark to exclude squatters from paying the property tax, in the committee stage of debate on the Property Tax (Amendment) Bill yesterday. Mark said, "We are proposing it be removed completely from the legislation."

He asked if applying the tax to squatters would cause an illegal land-grab by fresh squatters, and said the Government had failed to signal its intent in applying the tax to squatters. Finance Minister Colm Imbert said paying tax did not entitle someone to legal ownership of a property. Mark retorted by insisting such a tax would strengthen the hand of squatters.

International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or any opinions expressed in the articles.

Imbert replied, "That's exactly what we're trying to avoid." He said squatters should pay the tax, as the Government has paid for substantial infrastructure to squatting communities, many of which will ultimately get legal title and meanwhile enjoy local government services. Independent Senator Paul Richards said taxing squatters will encourage a land-grab.

"Pay your tax and maybe I can get another acre elsewhere," Richards said. "It is way too open for all kinds of interpretation by the public." Minister in the Ministry of Finance Allyson West replied that the State already has the power to act against squatters. Imbert added, "We don't want to allow people to acquire rights to property just like that."

Independent Senator Dhanayshar Mahabir suggested someone in the process of being regularised, such as by a letter of comfort, should be deemed part of the mainstream and eligible to pay the tax. He urged that squatters on private lands should be exempt, while those on public lands should pay. Imbert retorted that as an MP he can't neglect private-land squatters, who must be supplied with services, and so implicitly should also pay the tax.

Mahabir urged the tax levied on retirees should not exceed one per cent. Imbert said a means test will be applied to elderly people seeking exemption, for which regulations will be brought to Parliament in due course. The committee voted against amendments offered by Mark and Mahabir.

Senators against retroactive Property Tax

Ridiculous to have retroactive Property Tax!

That's the view of Opposition Senator Taharqa Obika who, along with Independent Senator Stephen Creese, yesterday expressed concerns about retroactive property tax. That is, if the moratorium on the tax ends in September 2016.

Concerns were expressed in the Senate as debate continued concerning amendments to the Property Tax Act.

A clause in the bill on the Property Tax, which went to the House of Representatives previously, had stated the extended moratorium on the tax would have ended in September 2018. It was reportedly amended in final (committee) stage of House discussions to read "September 2016." That was passed.

The amended version of the bill, now being debated by the Senate, proposes the extended moratorium end in September 2016.

If the bill is passed with that clause, concerns have arisen that the tax might begin applying from 2016 with possibly almost two years of retroactivity depending on when it actually starts.

Piloting the bill in the Senate recently, Minister in Finance Allyson West—when asked by other Senators if Government might extend the moratorium beyond 2016—had said Government would have to examine the situation.

Yesterday, in Senate, Opposition Senator Obika said proposed retroactivity of the tax was "ridiculous"

"There's no reason for this, there are already so many taxes," Obika added.

Independent Senator Stephen Creese also said any degree of retroactivity is always fraught with difficulty.

Creese questioned what would apply with people who have signed lease or purchase agreements for property in the period when the bill was under debate and how they would deal with normal transactional queries on whether the property had any encumbrances - like taxes.

"Who'd be liable?" Creese asked, wondering if it would be the outgoing or incoming owner.

Obika also championed the cause of T&T's 300,000 squatters— including 50,000 families— on whom he said imposition of property tax would be immoral and unethical.

"Any person of conscience will never support the proposal (for squatters to pay property tax.)" Obika added.

International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or anyh opinions expressed in the articles.

“When a parent doesn’t have \$20 to send their child on a school excursion- and I’ve seen this - you think they would have money to pay property tax?!”

“If people are forced to squat, you believe they could afford taxes? Government is making poverty a crime!”

Obika said the Property Tax would dissuade people from developing properties for fear of larger taxes and this in turn will stymie businesses, including insurance since people may be unable to pay premiums. He said the former Land and Building Tax was a more feasible plan.

Opposition Senator Wade Mark last night signalled the Opposition has amendments to the bill including to delete the clause calling for the moratorium to end in “September 2016” and to return it to “September 2018” to avoid retroactivity.

International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or anyh opinions expressed in the articles.