

"We have been working towards ensuring that this facility is made easily accessible to all our Travelling Public Officers"



April 2007

LOANS MANAGEMENT

MINISTRY OF FINANCE
TREASURY DIVISION

Customer's Guide

TREASURY
DIVISION

TREASURY DIVISION

LOANS MANAGEMENT SECTION

VISION:

To be resourceful, efficient and client focused in the administration of Motor Vehicle Loans.

MISSION:

To deliver prompt and effective Loans Management Service to our clients in a customer oriented environment.

Dear Customer

In keeping with our vision of improving Customer Service, I am pleased to introduce the Customer's Guide which represents one of our many initiatives to achieving this goal.

The objectives of this booklet are to:

- Reduce the turnaround time it takes to process your loan(s).
- Assist you in providing complete and accurate documents from the under mentioned agencies for acceptance by the Treasury Division and the Chief State Solicitor's Department:

The Transport Division, Ministry of Works and Transport, Inland Revenue and Customs and Excise Divisions of the Ministry of Finance, Ministry of Trade and Industry, Insurance Companies and Motor Car Dealers.

We are confident that with the proper use of this booklet some of the more common causes for delays will be eliminated and thus help us improve our service to you.

This booklet and the application forms can be downloaded from our website at www.finance.gov.tt

Contact information: 623/2941 Ext. 4303, 4307 and 4308

Drive carefully!

Respectfully,



Roland Shepherd
Comptroller of Accounts

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GETTING STARTED

REQUIREMENTS FOR MOTOR VEHICLE LOANS

Your request for a Motor Vehicle loan (Purchase, Insurance and Repair) will require the completion of an application form with supporting documents in two (2) categories.

- Documents supporting your **eligibility** for these loans. Eligibility refers to your appointment (permanent temporary/ acting/contract) and the entitlement of your post. **Section 1 – pages 2...8**
- Documents in respect of the **transactions** relating to the cost and ownership of the motor vehicle. **Section 2 – pages 10...17**

Secondly, the completion of the application form by all parties concerned is necessary for prompt processing by the Treasury Division. These include:

The Applicant – Section A

The Head of the Human Resource Unit – Section B

The Head of the Accounting Unit – Section C

The Permanent Secretary/Head of Dept.- Sections D & E

As certain sections of the application are in the form of a **certification**, care must be taken to ensure the validity, correctness and accuracy of the information provided.

Finally, a checklist of the more common omissions is provided under the caption '**GETTING IT STRAIGHT**' at **page 23**

SECTION 1

ESTABLISHING

YOUR LOAN

ELIGIBILITY

CATEGORY 1: APPOINTMENT UNDER THE SALARIES REVIEW COMMISSION

**An official/officer who holds an office under the
Salaries Review Commission**

Documents supporting your Loan eligibility:

- **Completed Application Form**
- **Official- Certified Copy of your Instrument of Appointment**
- **Officer- Letter of Appointment- requirements relating to the type of appointment eg. Permanent/acting/temporary is the same as found in the categories 2,3 & 5 respectively.**
- **Maximum Loan Level – to determine the maximum level of loan for a person in this category, please consult the last **Minister of Finance Circular** which was issued in connection with entitlements of persons under the SRC**



CATEGORY 2: PERMANENT APPOINTMENT

An Officer who holds a Permanent Appointment and is performing the duties of that office which is included under Part 1 of the third schedule to the Travelling Allowances Regulations Chapter 23:50

Documents supporting your Loan eligibility:

- **Completed Application Form excluding Section E**

- **Certified copy of letter of Appointment in the post in which you are performing the duties**



CATEGORY 3: ACTING APPOINTMENT

An Officer who holds a Permanent Appointment and is performing the duties of a higher office which is included under Part 1 of the third schedule to the Travelling Allowances Regulations Chapter 23:50

Documents supporting your Loan eligibility:

- **Completed Application Form**
- **Certified copy of letter of Appointment in your substantive post**
- **Certified copy of letter of acting Appointment in the scheduled travelling post in which you are performing the duties.**

This letter may be issued either from the Director of Personnel Administration or under delegated authority from the Permanent Secretary/Head of Department.

and

Certification by the Permanent Secretary/Head of Department on **Section E** of the application form that the officer will be acting in that office for at least six months



CATEGORY 4: CONTRACT APPOINTMENT

A person on Contract whose Terms and Conditions provide for a Motor Vehicle Loan

Documents supporting your Loan eligibility

● Completed Application form excluding E

Certified copies are required for the following:

- Cabinet Minute creating the contract position
- Memorandum from Chief Personnel Officer indicating Terms and Conditions of employment, including any subsequent variations
- Ministerial Minute approving the employment with the stipulated Terms and Conditions
- Signed Copy of Contract Agreement from the Chief State Solicitor (*where possible*)
- Letter of Assumption of duty from the Human Resource Unit

If the remaining period of your contract is shorter than the maximum repayment period of six years you may request the Comptroller of Accounts to defer a portion of your repayment against your net contract gratuity.

If you wish to do so, please tick the appropriate box on Section A of the Application form. Approval may be granted after consideration of all the relevant facts



CATEGORY 5: TEMPORARY APPOINTMENT

An officer who is Temporarily Employed in an office which is included under Part1 of the third schedule to the Travelling Allowances Regulations Chapter 23:50

Documents supporting your Loan eligibility:

- **Completed Application Form**
- **Certified copy of letter of temporary appointment in the scheduled travelling post**
- **Certification by Permanent Secretary, Head of Department on Section E of the application form that the officer will be performing duties of the post for at least six (6) months**
- **Written confirmation by the Permanent Secretary /Head of Department, i.a.w Comptroller of Accounts Circular No.1 dated 8th May 2006, that the:**

Post is vacant and the officer is recommended to fill the vacancy, or

- 1) Post is not vacant and
 - (a) Officer is on the priority list,
and/ or
 - (b) Officer would be eligible for promotion upon successful completion of the training course he/she is pursuing

If post is vacant and officer is not recommended to fill the vacancy or the post is not vacant, additional security is required as shown on page 7



ADDITIONAL SECURITIES

The additional securities which an officer is required to provide, fall into two groups:

Group A: Insurance coverage

Group B: Shares/Fixed deposits held with registered Financial Institutions

Group A are Securities which must cover the **maximum** value of the Purchase Loan.

- **Life Insurance Policies**
- **Term Insurance for the duration of the loan**

Group B are Securities that must not be less than 50% of the amount of Motor Vehicle Purchase Loan and include :

- Shares in Unit Trust Corporation
- Credit Union Shares
- Shares in Companies listed on the Stock Exchange
- Fixed Deposits and other similar investments presently accepted by Commercial banks

The above Securities would be assigned to the Comptroller of Accounts by the Chief State Solicitor and may be released during the life of the loan on a prorata basis, if certain conditions apply.



CATEGORY 6: MUTATION/ASSIGNMENT

An officer who does not hold an Appointment in a scheduled travelling post but is rotated to one through the Mutation/Assignment process

Documents supporting your Loan eligibility:

- **Completed Application form**
- **Certified copy of letter of Appointment in your substantive post**
- **Certification by your Permanent Secretary/Head of Department on Section E of the Application form that the officer will be performing duties of the Post for at least six (6) months by Mutation/Assignment**
- **Memorandum providing details of Mutation/Assignment**



SECTION 2

**ASCERTAINING THE
TRANSACTIONS THAT
RELATE TO THE
COST AND OWNERSHIP
OF THE
MOTOR VEHICLE**

DOCUMENTS RELATING TO THE TRANSACTIONS OF A NEW VEHICLE

- **PRO FORMA INVOICE**

Particulars:

- Description of vehicle
- Showroom Price
- Chassis Number
- Cost of Number Plates
- Cost of Accessories
- Motor Vehicle Tax
- Cubic Capacity
- Registration Fee
- Engine Number
- Value Added Tax
- Original Motor Vehicle Tax/Vat Exemption Certificates from Inland Revenue.

True Certified Extract:

Must include:

- I. The amounts exempted
- II. Chairman Board of Inland Revenue restriction:
“Not to be transferred under two (2) years of purchase without the permission of C.B.I.R



- **Unregistered Memorandum of Satisfaction must be submitted, if the vehicle is currently mortgaged to another financial Institution**

- **Insurance Policy**
 - Full comprehensive insurance coverage for one (1) year. In the case of transfers, a minimum of six (6) months

 - The coverage must not be less than the loan amount plus all exemptions

 - Mortgage Clause in favour of the Comptroller of Accounts

 - Particulars of the motor vehicle as stated on the policy ***must*** agree with the information on the **True Certified Extract**

- **Letter of Disposal where applicable (See Procedure for Disposal on page 21)**



DOCUMENTS RELATING TO THE TRANSACTION OF A LOCALLY USED MOTOR VEHICLE

WRITTEN OFFER OF SALE FROM INDIVIDUAL OWNER OR INVOICE FROM FIRM

Particulars:

- Description of vehicle
- Buyer's Name
- Seller's Name
- Registration Number
- Engine Number
- Cost of Vehicle
- Chassis Number
- Cubic Capacity
- Value Added Tax (i.r.o. sellers who are VAT registered)

● **Appraisal Report from Transport Commissioner**

Obtain from Comptroller of Accounts a request for the Transport Commissioner to appraise your motor vehicle.

The appraisal is used to determine the vehicle's road worthiness and is considered in arriving at the quantum of the loan

● **Original Motor Vehicle Vat Exemption Certificate from Inland Revenue (if applicable)**

● **True Certified Copy/Extract Motor Vehicle**

Must include the following:

- Names of all previous owners and **new owner**
- The amounts exempted (if applicable)
- Chairman Board of Inland Revenue restriction:
***"Not to be transferred under two (2) years of
purchase without the permission of C.B.I.R"***
(if applicable).



- **Submission of Title and Hire Purchase Search Reports**

- **Unregistered Memorandum of Satisfaction must be submitted if the vehicle is currently mortgaged to another financial Institution**

- **Insurance Policy**
 - Full comprehensive insurance coverage for one (1) year. In the case of transfers, a minimum of six (6) months

 - The coverage must not be less than the loan amount plus all exemptions

 - Mortgage Clause in favour of the Comptroller of Accounts

 - Particulars of the motor vehicle as stated on the policy **must agree** with that on the True Certified Copy

- **Letter of Disposal where applicable (See Procedure for Disposal on page 21)**



DOCUMENTS RELATING TO TRANSACTIONS OF A ROLL ON/ ROLL OFF MOTOR VEHICLE FROM A REGISTERED DEALER

● Pro Forma Invoice from Firm Particulars:

- Description of vehicle
- Dealer's Name
- Value Added Tax
- Chassis Number
- Motor Vehicle Tax
- Copy of Warranty
- Registration Number
- Buyer's Name
- Engine Number
- Cubic Capacity
- Cost of Motor vehicle

● Appraisal Report from Transport Commissioner Obtain from Comptroller of Accounts a request for the Transport Commissioner to appraise your motor vehicle.

The appraisal is used to determine the vehicle's road worthiness and is considered in arriving at the quantum of the loan.

Be advised that at the time of registration by the dealer you may request the Appraisal letter from Comptroller of Accounts in order to have the motor vehicle registered and appraised simultaneously.

● Original Motor Vehicle Tax/Vat Exemption Certificates from Inland Revenue



- **True Certified Extract**

Must include the following:

- I. The amounts exempted
- II. Chairman Board of Inland Revenue restriction: ***“Not to be transferred under two (2) years of purchase without the permission of C.B.I.R”***

- **Unregistered Memorandum of Satisfaction must be submitted, if the vehicle is currently mortgaged to another financial Institution**

- **Insurance Policy**

- Full comprehensive insurance coverage for one (1) year except for transfers, a minimum of six (6) months
- The coverage must not be less than the loan amount plus all exemptions
- Mortgage Clause in favour of Comptroller of Accounts
- Particulars of the motor vehicle as stated on the Policy ***must*** agree with the information on the **True Certified Extract**

- **Letter of Disposal where applicable (See Procedure for Disposal on page 21)**



DOCUMENTS RELATING TO THE TRANSACTION OF A ROLL ON/ ROLL OFF MOTOR VEHICLE- IMPORTED BY INDIVIDUALS

- **Pro-forma Invoice from Foreign Company**
- **Statement of Expenses with supporting receipts**
(Costs associated with the registration of the vehicle)
- **Certified Copy of C82 Form from the Customs and Excise Division.**

Before registering your vehicle with the Transport Commissioner you may request the Comptroller of Accounts to note the original C82 form, for subsequent processing.

- **Appraisal Report from Transport Commissioner**
Obtain from Comptroller of Accounts a request for the Transport Commissioner to appraise your motor vehicle.

The appraisal is used to determine the vehicle's road worthiness and is considered in arriving at the quantum of the loan

- **Original Motor Vehicle Tax/Vat Exemption Certificates from Inland Revenue**

- **True Certified Extract:**
Must include:

- I. The amounts exempted
- II. Chairman Board of Inland Revenue restriction:
"Not to be transferred under two (2) years of purchase without the permission of C.B.I.R"



- **Unregistered Memorandum of Satisfaction must be submitted if the vehicle is currently mortgaged to another financial Institution**

- **Insurance Policy**
 - Full comprehensive insurance coverage for one (1) year. In the case of transfers, a minimum of six (6) months

 - The coverage must not be less than the loan amount plus all exemptions

 - Mortgage Clause in favour of the Comptroller of Accounts

 - Particulars of the motor vehicle stated on the policy *must* agree with the information on the **True Certified Extract**

- **Letter of Disposal where applicable (See Procedure for Disposal on page 21)**



SECTION 3

OTHER

LOANS

AND

DISPOSAL

OF

THE MOTOR VEHICLE

REQUIREMENTS FOR INSURANCE LOANS

Document supporting loan eligibility:

- Completed Insurance Loan Application Form

Documents relating to transaction of loan

RENEWAL NOTICE

Particulars:

- Name of the insured
- Vehicle Registration Number
- Premium Amount - breakdown showing discounts and net cost for the coverage
- Type of Coverage - Comprehensive
- Period of coverage-start and end date

***N.B Receipt from last Insurance
(If loan was granted by Comptroller of Accounts
and the receipt was NOT submitted)***



REQUIREMENTS FOR REPAIR LOANS

Document supporting loan eligibility:

- **Completed Repair Loan Application Form.**

First Time Repair Loan Applicants must have the following:

- Up- to- date True Certified Copy /Extract of motor vehicle from Transport Commissioner
- Certified copy of letter of Appointment

Document supporting Transaction:

- **Copy of current Insurance Certificate showing amount and type of coverage.**
- **Detailed estimate from a reputable garage (labour and material cost must be shown separately, with materials being itemized and cost attached to each item).**



PROCEDURE FOR DISPOSAL

- **Ensure your outstanding balances on all loans are liquidated.**

To liquidate your outstanding balances you should:

- Submit a certified statement of balances from your Department. Where amounts were deducted in the current month but not yet submitted to the Treasury Div; a certified statement to this effect should be sent to avoid double payment.
- Request your loan balances inclusive of interest charges from the Loans Management Unit in order to determine your exact indebtedness.
- Request from the Loans Management completed deposit vouchers to effect payment at the Paybranch Unit, Treasury Division or any District Revenue Office.
- Request and complete “Request for Disposal” form and submit with your receipt of payment in full to the Loans Management Unit.

Upon approval for disposal of your Motor Vehicle the Loans Management Unit will advise the following Agencies:

- *Transport Division*
- *The Accounting Unit of your Ministries/Departments*
- *Board of Inland Revenue*
- *Chief State Solicitor’s Department*
- *Your Insurance Company (where your motor vehicle was insured)*



OFFICERS WITH PREVIOUS PURCHASE LOAN

In order to determine Government's share of the value of your Motor Vehicle purchased with a loan from Comptroller of Accounts, it is necessary to have the vehicle appraised. The appraised value of motor vehicle purchased with last Loan will be determined by:

- i. The insured value at the time of sale or transfer
or
- ii. Trade-in receipt from reputable car firm/dealer
or
- iii. Depreciated value of 25% after the 1st year, and 5% thereafter
or
- iv. Appraised value from Transport Commissioner
Obtain from Comptroller of Accounts a request for the Transport Commissioner to appraise your motor vehicle.

Your letter of disposal will indicate the amount representing Government's share of the value of the Motor Vehicle which will be deducted from the cost of the new vehicle to determine the quantum of the loan



GETTING IT STRAIGHT

Applicants for Motor Vehicle Purchase, Insurance and Repair Loans should pay particular attention to the under-mentioned areas that can avoid the processing of applications;

1. Application Form

All relevant sections must be completed. Applicant should ensure that the following information is supplied:

- i. Accounting Unit Code
- ii. Sub-Accounting Unit Code
- iii. Income Tax File Number
- iv. NIS Number
- v. HR/IHRIS Number
- vi. Date of Birth
- vii. Post and Salary Range (*where possible*)
- viii. Contact Number
- ix. Name and Address



2. True Certified Extract:

- i. Name and Address must be correct
- ii. Value Added Tax and Motor Vehicle Tax Exemptions must be stated
- iii. Restrictions from Board of Inland Revenue must be stated, i.e. not to be transferred within two (2) years without approval.

3. Full Comprehensive Insurance Policy (1 year)

- i. Original Policy must be submitted.
- ii. The c.c. rating of the vehicle must be the same as that on the True Certified Extract.
- iii. The Chassis and Engine Numbers of the vehicle must be quoted correctly.
- iv. The Comptroller of Accounts must be named as the Mortgagee for the vehicle.
- v. 6% Government Tax must be added to premium.
- vi. The insurance must cover the full amount of the loan plus all exemptions

