

LEGAL NOTICE NO. 17

REPUBLIC OF TRINIDAD AND TOBAGO

THE VALUE ADDED TAX ACT, CHAP. 75:06

ORDER

MADE BY THE MINISTER UNDER SECTION 8 OF THE VALUE ADDED TAX ACT  
AND SUBJECT TO NEGATIVE RESOLUTION OF PARLIAMENT

THE VALUE ADDED TAX (AMENDMENT TO SCHEDULE 2)  
ORDER, 2016

1. This Order may be cited as the Value Added Tax (Amendment to Citation  
Schedule 2) Order, 2016.

2. Schedule 2 of the Value Added Tax Act is repealed and  
substituted by the following:

Schedule 2  
repealed and  
substituted  
Chap. 75:06

“**SCHEDULE 2**

(Section 8)

**ZERO-RATING**

1. (1) Any—

- (a) unprocessed food of a kind used for human consumption;
- (b) rice;
- (c) wheat flour;
- (d) milk;
- (e) margarine;
- (f) white and whole wheat bread;
- (g) baby formula and baby milk substitute;
- (h) cheddar cheese and rennet free cheese;
- (i) corned beef;
- (j) curry;
- (k) sardine;
- (l) smoked herring;
- (m) toilet paper;

- (n) yeast;
- (o) baking powder;
- (p) uncooked and unstuffed pasta;
- (q) brown sugar;
- (r) pure white vinegar;
- (s) oatmeal, meal or cereal which must be boiled in water or milk to make a porridge; and
- (t) dried leguminous vegetables, shelled, whether or not skinned or split, under the tariff heading number 07.13.

(2) In this item, “unprocessed” means that the food contains no additives and that it is not the result of the application of a process other than freezing, chilling or packaging, a mechanical process, or a process that solely employs the elements of weather.

Chap. 78:01 (3) In this item, “milk” means the items contained in the First Schedule to the Customs Act under tariff heading numbers 04.01 and 04.02, including fresh animal milk, dry or powdered milk, dry or powdered skimmed milk and evaporated milk but excluding cream, condensed milk and milk which is concentrated or contains added sugar or other sweetening matter.

2. (1) Any live bird, fish, crustacean, mollusc or other animal of a kind generally used as, or yielding or producing, food for human consumption.

(2) Any draught animal.

3. Animal feeding stuff suitable for any animal referred to in item 2.

4. Seeds and other means of propagation of plants and plants that are used for providing—

- (a) a food referred to in item 1(1)(a), (b) or (c); or
- (b) a feeding stuff referred to in item 3.

5. Preparations for agricultural use including peat moss, fertilizers, insecticides, herbicides and fungicides.

6. Self-propelled agricultural equipment, agricultural tractors and agricultural implements for attachment to agricultural tractors; agricultural implements propelled by draught animals; agricultural devices designed to be carried by the operator.

7. Water and sewerage services supplied by a public authority.

8. (1) Bus services supplied by the Public Transport Service Corporation under the Public Transport Service Act. Chap. 48:02

(2) A—

(a) new electric vehicle with an engine size not exceeding 179 kilowatts; or

(b) used electric vehicle with an engine size not exceeding 179 kilowatts and which is not older than four years from the year of manufacture,

which is imported for private or commercial use on or after 1st January, 2015 and before 1st January, 2020.

(3) For the purposes of item 8(2), “electric vehicle” means a vehicle that is propelled by an electric motor powered by a rechargeable battery pack.

(4) A—

(a) new hybrid vehicle with an engine size not exceeding 1799 cc; or

(b) used hybrid vehicle with an engine size not exceeding 1799 cc and which is not older than four years from the year of manufacture,

which is imported for private or commercial use on or after 1st January, 2015 and before 1st January, 2020.

(5) For the purposes of item 8(4), “hybrid vehicle” means a vehicle that is capable of being propelled by a combination of an internal combustion engine and an on-board rechargeable energy system.

9. Medicines and drugs of a kind available only by prescription.

10. Any of the following medicines for human use:

(a) analgesics in the form of liquids, tablets, capsules or other solid dosage forms for oral or rectal use;

(b) cough and cold preparations in the form of liquids, tablets, capsules or other solid dosage forms for oral and nasal use;

(c) antacids and antiflatulents in the form of liquids, tablets, capsules and other solid dosage forms for oral use;

(d) laxatives in the form of liquids, tablets, capsules or other solid dosage forms for oral or rectal use;

- (e) anthelmintics in the form of liquids, tablets or capsules for oral use; and
- (f) oral rehydration preparations in the form of salts or solutions of W.H.O./ Pharmacopoeia standards.

11. Diabetic—

- (a) diagnostic testing kits and devices for testing glucose in blood and urine; and
- (b) insulin syringes with needles and devices of a type not exceeding 100 units (1.0 mL) capacity, for the administration of U-100 insulin.

12. Medicaments (excluding goods of heading numbers 30.02, 30.05 or 30.06) consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses or in forms or packings for retail sale, as contained in the First Schedule to the Customs Act under tariff heading number 30.04 of the First Schedule to the Customs Act.

13. An aeroplane or ship imported by, or supplied to the State or a State corporation.

14. Repair of an aeroplane or ship used in international commercial services (whether or not belonging to the State or a State corporation).

15. Any good which is supplied to a destination outside the territory of Trinidad and Tobago.

Chap. 81:07 16. Any good which is supplied to a destination within a free zone under the Trinidad and Tobago Free Zones Act.

17. Any service which is supplied for a consideration that is payable in currency other than that of Trinidad and Tobago, to a recipient who is not within Trinidad and Tobago at the time when the service is performed.

Chap. 70:09  
Chap. 84:01 18. Prescribed services supplied by an approved enterprise under the Trinidad and Tobago Free Zones Act to a recipient that is licensed or registered under the Financial Institutions Act, the Insurance Act or any other written law that is administered by the Central Bank of Trinidad and Tobago, as follows:

- (a) products and services fulfillment support limited to—
  - (i) product and services related to application processing and validation;
  - (ii) account establishment and confirmation and database maintenance; and

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- (iii) provision of information for regulatory reporting;
- (b) operational guidance, review and support services limited to—
- (i) defining standards for process operations and control assurance;
  - (ii) providing process workflow guidance to process owners;
  - (iii) upgrading and improving processes through ICT enablement; and
  - (iv) monitoring process performance benchmarks within uniform metrics;
- (c) information technology support services limited to—
- (i) defining and maintaining technology architecture and infrastructure plans;
  - (ii) establishing and maintaining ICT project management frameworks;
  - (iii) identifying, acquiring and maintaining application software;
  - (iv) acquiring and maintaining technology infrastructure;
  - (v) installing and accepting solutions;
  - (vi) managing changes;
  - (vii) managing processing;
  - (viii) ensuring continuous service related to ICT disaster recovery, ICT network communications and data management for business continuity;
  - (ix) managing configuration, performance and capacity; and
  - (x) ensuring systems security and managing data;
- (d) accounting support and reconciliations limited to—
- (i) coordinating payment instructions and updating of customer databases and related application systems;
  - (ii) accounting control and general ledger reconciliation;
  - (iii) merchant settlement and reconciliation;
  - (iv) credit/debit card settlement and reconciliation;
  - (v) facilitating SWIFT wire instructions (incoming and outgoing);
  - (vi) facilitating customer transactions *via* electronic media;
  - (vii) managing customer queries or investigations and service support functions;

- (viii) clearing and handling of customers' cheques and cash; and
- (ix) processing reports for external agencies and regulatory bodies;
- (e) facilitation of retail branch communications with customers limited to—
  - (i) notifications to manage the processing of customer arrears payments; and
  - (ii) processing services on accounts assigned to collection agencies;
- (f) project implementation support limited to—
  - (i) planning implementation of operations and technology initiatives; and
  - (ii) establishing standards for systems security and enterprise networks; and
- (g) human resource management support limited to—
  - (i) staff scheduling and allocation of workload resources;
  - (ii) establishing performance standards in respect of customer services; and
  - (iii) specialised training in network security, data security and information security.

19. Natural gas.

Chap. 75:04 20. Crude oil as defined in section 2 of the Petroleum Taxes Act.

21. Iron Ore.

22. Pest control services supplied for the purposes of agriculture.

23. International freight and ancillary services including port and harbour services, docking, berthing and mooring, conservancy, aircraft landing, parking and housing, apron services, airport navigation services, transportation to the point where the goods are entered, demurrage or arranging any such services.

Chap. 75:02 24. Unconditional gifts of goods or services to an organisation approved by the President under section 6(1)(e) and (g) of the Corporation Tax Act.

25. Domestic travel between Trinidad and Tobago.

26. Goods and water for consumption or sale on board an aeroplane or a ship in the course of providing international commercial services.

27. Charter of a ship or an aircraft for use in international commercial services.

28. Books, meaning workbooks, activity books, exercise books, and other books for educational purposes for use in schools, colleges and other educational institutions.

29. Steelband instruments.

30. Accommodation at a building or group of buildings occupied together for the purpose of primarily providing sleeping accommodation for reward for its guests, not being persons resident therein under a contract of service.

31. Plant equipment, machinery or component which is imported and which, to the satisfaction of the Comptroller of Customs and Excise, is intended for use in—

- (a) constructing, altering, reconstructing or extending an enterprise classified as a highly capital intensive enterprise under section 9 of the Fiscal Incentives Act (hereinafter Chap. 85:01 referred to as “the Act”) and declared, by Order, to be an approved enterprise under section 10 of the Act;
- (b) equipping an enterprise referred to in paragraph (a) for the purpose of manufacturing its approved product as defined by the Act,

during the period commencing with the date of publication of the Order referred to in paragraph (a) and terminating on the date on which the benefits granted by that Order cease.

32. The items contained in the First Schedule to the Customs Act under tariff heading number 90.21, being orthopaedic appliances, including crutches, surgical belts and trusses; splints and other fracture appliances; artificial parts of the body; hearing aids and other appliances which are worn or carried or implanted in the body, to compensate for a defect or disability, other than items in tariff subheading numbers 9021.21 and 9021.29, being artificial teeth and dental fittings.

33. (1) Closed Circuit Television (CCTV) systems as presented, put up in packages for retail sale comprising the following main components:

- (a) CCTV camera(s);
- (b) VCR or DVR;
- (c) video monitor(s);

- (d) cables; and
- (e) a controller, switches, audio board/receivers.

(2) The CCTV systems referred to in subitem (1) shall have the following minimum specifications:

- (a) in analog systems, a complete analog surveillance kit with digital video recorder, day/night 560 TVL cameras and infrared LEDs, with installation materials; or
- (b) in digital systems, a surveillance system with internet protocol (IP) security cameras, network video recorder and installation materials.

(3) The CCTV systems referred to in subitem (1) shall—

- (a) be NTSC compatible;
- (b) have a minimum of—
  - (i) 560 TV lines, in respect of analog systems; or
  - (ii) 1 megapixel, in respect of digital systems; and
- (c) have a minimum of 1.0 luminous flux per unit area (lux).

(4) The CCTV systems referred to in subitem (1) may—

- (a) have infrared LEDs; and
- (b) contain kits of 4, 8, 16, 24 or 36 cameras.

34. The items contained in the First Schedule to the Customs Act, being—

- (a) glasses for corrective spectacles having tariff subheading number 7015.10;
- (b) contact lenses having tariff subheading number 9001.30;
- (c) spectacle lenses of glass having tariff subheading number 9001.40; and
- (d) spectacle lenses of other materials having tariff subheading number 9001.50.

35. The items contained in the First Schedule to the Customs Act, being—

- (a) invalid carriages, not mechanically propelled having tariff heading number 8713.10;
- (b) other invalid carriages having tariff heading number 8713.90; and
- (c) parts and accessories of invalid carriages having tariff heading number 8714.20.



36. The item contained in the First Schedule to the Customs Act being salted fish under tariff heading number Ex. 03.05.

37. The items contained in the First Schedule to the Customs Act, being—

- (a) toothpastes having tariff heading number 3306.101;
- (b) personal deodorants and antiperspirants having tariff heading number 3307.20;
- (c) soap in the form of bars, cakes, moulded pieces or shapes having tariff heading number Ex. 3401.112;
- (d) soap in the form of bars, cakes, moulded pieces or shapes for laundry and other household uses having tariff heading number Ex. 3401.191;
- (e) sanitary towels and tampons having tariff heading number 9619.00.11;
- (f) napkins and napkin liners for babies having tariff heading number 9619.00.12;
- (g) diapers for adults having tariff heading number Ex. 9619.00.19;
- (h) sanitary towels and tampons having tariff heading number 9619.00.21;
- (i) napkins and napkin liners for babies having tariff heading number 9619.00.22; and
- (j) diapers for adults having tariff heading number Ex. 9619.00.29.

38. The items contained in the First Schedule to the Customs Act, being solar water heaters for domestic use and other solar water heaters of tariff heading numbers 8419.19.10 and 8419.19.20, respectively.

39. The items contained in the First Schedule to the Customs Act, being photovoltaic cells whether or not assembled in modules or made up into panels; light emitting diodes under tariff heading number 8541.40.00.

40. The items contained in the First Schedule to the Customs Act, being wind turbines of tariff heading number 8502.31.00 and parts suitable for use solely or principally with the machines of tariff heading number 8502.31.00.

41. The following equipment to be used in the energy sector:

- (a) drilling rigs;
- (b) drill ships;

- (c) pipelay vessels and barges;
- (d) anchor handling tugs in excess of 35 metres in length;
- (e) geophysical survey vessels;
- (f) heavy lift installation crane barges;
- (g) oil skimming vessels;
- (h) rig and platform supply vessels in excess of 60 metres in length;
- (i) vessels used in bunkering in excess of 65,000 barrels [7,500 G.T.W. (Gross Ton Weight)]; and
- (j) floating dry dock in excess of 1000 DWT for repair of anchor handling tugs and platform supply vessels.

42. The item contained in the First Schedule to the Customs Act, being Compressed Natural Gas (CNG) systems under tariff heading number 8708.99.30.

43. (1) New private motor vehicles or new goods vehicles which are manufactured to use Compressed Natural Gas (CNG).

(2) Used private motor vehicles or used goods vehicles which are—

- (a) manufactured to use Compressed Natural Gas (CNG); and
- (b) not older than two years from the year of manufacture.

(3) This item comes into operation on 1st January, 2016 and expires on 31st December, 2018.”

Commencement 3. This Order comes into operation on 1st February, 2016.

Dated this 29th day of January, 2016.

C. IMBERT  
*Minister of Finance*