

# ***FISCAL MEASURES 2016***

***All Our Citizens Benefit***

PRESENTATION BY THE  
HON. COLM IMBERT, MINISTER OF FINANCE  
Thursday 21<sup>st</sup> January, 2016

# NIS AND SENIOR CITIZENS PENSIONERS



▶ As of December 1<sup>st</sup>, 2015

- ▶ Several thousand citizens who receive NIS and Senior Citizens pensions have realised increases in their pension benefits. The former cap of \$4,500.00 is now **\$5,000.00**.
- ▶ The Social Welfare Office of the Ministry of Social Development and Family Services has advised that just over 27,000 pensioners have benefited from this increase.
- ▶ Pensioners in receipt of both NIS and Senior Citizens Pensions will now receive an increase of up to **\$6,000.00 per annum**

# PERSONAL DEDUCTIONS FROM ANNUAL EMOLUMENT INCOME

- ▶ Effective 1<sup>st</sup> January, 2016 :
  - ▶ Personal Income Tax Exemption limit increased from \$60,000.00 to \$72,000.00
  - ▶ Individuals earning a personal income of \$6,000.00 or less per month, are now exempted from PAYE and not required to file income-tax returns.



# INCREASE OF PERSONAL INCOME TAX EXEMPTION LIMIT

## ► Benefits:

- Approximately 59,000 persons fall in the income bracket \$5,000.00 to \$6,000.00.
- Approximately 302,000 persons are exempted from paying PAYE as their incomes fall under \$6,000.00

**Example:** Persons earning \$6,000.00 monthly will now access an extra \$12,000.00 in tax exempt income. In other words, these persons can now realise an extra \$2,520.00 (approx.) per annum or \$210.00 monthly.



# IMPACT ON INCOME EARNERS

## Personal Allowance - \$60,000

4 Mondays

Gross Earnings	PAYE	NIS	HS	Total Deduction	Net Earnings
6,000.00	210	226.40	33.00	469.40	5,530.60
7,000.00	455	256.00	33.00	744.00	6,256.00
8,000.00	700	286.40	33.00	1,019.40	6,980.60
9,000.00	944	319.20	33.00	1,296.20	7,703.80
10,000.00	1,188	353.60	33.00	1,574.60	8,425.40
11,000.00	1,431	392.00	33.00	1,856.00	9,144.00
12,000.00	1,672	443.20	33.00	2,148.20	9,851.80

## Personal Allowance - \$72,000

4 Mondays

Gross Earnings	PAYE	NIS	HS	Total Deduction	Net Earnings
6,000.00	0	226.40	33.00	259.40	5,740.60
7,000.00	205	256.00	33.00	494.00	6,506.00
8,000.00	450	286.40	33.00	769.40	7,230.60
9,000.00	694	319.20	33.00	1,046.20	7,953.80
10,000.00	938	353.60	33.00	1,324.60	8,675.40
11,000.00	1,181	392.00	33.00	1,606.00	9,394.00
12,000.00	1,422	443.20	33.00	1,898.20	10,101.80

# Changes to VAT Schedule II

- ❑ From February 1<sup>st</sup> 2016 , households earning between \$3,000.00 and \$7,000.00 per month could spend as little as \$50.86 more when purchasing food items.
- ❑ In November 2015, the Central Statistical Office (CSO) surveyed 34.2% of households and used the average price of food items in 15 areas in Trinidad and Tobago. The CSO was therefore able to provide a comprehensive basket of goods and their respective prices.
- ❑ Based on this basket of goods, the following is a list of items and price comparison from November 2015 to February 2016:



# Changes to VAT Schedule II

CSO Average Monthly Household Consumption Expenditure (Source Table)  
Proposed Basket of Goods - Household (\$3,000 - \$7,000 per month)

No.	Item	November 2015 Price*	Item Zero Rated	VAT Adjusted Price (\$)
1	White Bread Hops	6.64	Yes	6.64
2	White Slice Bread	12.72	Yes	12.72
3	Brown rice	20.33	Yes	20.33
4	White Flour	14.21	Yes	14.21
5	Cornflakes	14.28	No	16.07
6	Macaroni	5.57	No	6.27
7	Crix	11.52	No	12.96
8	Biscuits	6.96	No	7.83
9	Other fresh pork	20.68	No	23.27
10	Whole chickens, fresh	9.86	Yes	9.86
11	Whole chickens, chilled or frozen	27.08	Yes	27.08
12	Other chilled or frozen chicken	20.72	No	23.31
13	Salted pig tail	23.20	No	26.10
14	Corned beef	14.96	Yes	14.96
15	Carite, Fresh	27.03	Yes	27.03

# Changes to VAT Schedule II cont'd

CSO Average Monthly Household Consumption Expenditure (Source Table)  
Proposed Basket of Goods - Household (\$3,000 - \$7,000 per month)

No.	Item	November 2015 Price*	Item Zero Rated	VAT Adjusted Price (\$)
16	King Fish, Fresh	27.90	Yes	27.90
17	Other fresh fish	16.67	Yes	16.67
18	Salted fish imported	29.62	No	33.32
19	Canned sardines	6.47	Yes	6.47
20	Full cream milk	10.23	No	11.51
21	Condensed milk	7.46	No	8.39
22	Evaporated milk	6.37	Yes	6.37
23	Powdered milk - full cream	52.57	No	59.14
24	Cheddar cheese	38.08	Yes	38.08
25	Eggs	23.16	Yes	23.16
26	Cooking margarine	8.99	Yes	8.99
27	Table Margarine	7.44	Yes	7.44
28	Soya bean oil	19.50	No	21.94
29	Other edible oil	48.28	No	54.32



# Changes to VAT Schedule II cont'd

CSO Average Monthly Household Consumption Expenditure (Source Table)  
Proposed Basket of Goods - Household (\$3,000 - \$7,000 per month)

No.	Item	November 2015 Price*	Item Zero Rated	VAT Adjusted Price (\$)
30	Tomatoes	23.80	Yes	23.80
31	Carrots	6.82	Yes	6.82
32	Split peas	4.70	Yes	4.70
33	Irish potatoes	5.28	Yes	5.28
34	Peas and carrots, canned	6.48	No	7.29
35	Corn curls, cheese balls, tortilla chips etc	4.21	No	4.12
36	Brown Sugar	12.65	Yes	12.65
37	Onions	4.91	Yes	4.91
38	Ketchup	8.61	No	9.69
39	Mayonnaise	14.90	No	16.76
40	Baby Formula	32.53	Yes	32.53
41	Instant coffee	30.00	No	33.75
42	Milo	27.64	No	31.10

# Changes to VAT Schedule II cont'd

CSO Average Monthly Household Consumption Expenditure (Source Table)  
Proposed Basket of Goods - Household (\$3,000 - \$7,000 per month)

No.	Item	November 2015 Price*	Item Zero Rated	VAT Adjusted Price (\$)
43	Sports and energy drinks	10.04	No	11.30
44	Carbonated soft drinks	6.01	No	5.88
45	Other non-alcoholic e.g.. malta, cydrax	7.01	No	7.89
46	Orange	10.68	No	12.02
47	Orange	10.48	No	11.79
48	Other fruit juices	12.23	No	13.76
	<b>Total</b>	<b>\$777.49</b>		<b>\$828.34</b>



LISTING OF SUSPENSION / VARIATION OF DUTY  
IN EFFECT JANUARY 2016

LEGAL NOTICE NO.	TARIFF HEADING NO.	DESCRIPTION OF GOODS	FROM	TO	PERIOD OF VALIDITY
<a href="#">404 &amp; 405/25.12.2014</a>	0210.19.10	Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal. Meat of swine: Salted or in brine	5%	Free	01.01.2015 - 31.12.2016
<a href="#">404 &amp; 405/25.12.2014</a>	0210.20.10	Meat of bovine animals: Salted or in brine	5%	Free	05.03.2015 - 31.12.2016
<a href="#">223 &amp; 224/31.12.2015</a>	Ex 0305.39.00	Fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process; flours, meals and pellets of fish, fit for human consumption. Dried, salted Pollock fillets	20%	Free	01.01.2016 - 31.12.2016
<a href="#">162 &amp; 163/13.08.2015</a>	0402.10.00	Milk and cream, concentrated or containing added sugar or other sweetening matter. In powder, granules or other solid forms, of a fat content, by weight not exceeding 1.5%	5%	Free	20.08.2015 - 19.08.2017
<a href="#">162 &amp; 163/13.08.2015</a>	0402.21.00	In powder, granules or other solid forms, of a fat content, by weight exceeding 1.5%: Not containing added sugar or other sweetening matter	5%	Free	20.08.2015 - 19.08.2017
<a href="#">162 &amp; 163/13.08.2015</a>	0402.29.00	Other	5%	Free	20.08.2015 - 19.08.2017

Questions ?