



Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE

CORPORATE COMMUNICATIONS UNIT

For immediate release

December 04th, 2018

MEDIA RELEASE

**GOVERNMENT INCREASES ALLOWANCE FOR EXEMPTION FROM
INCOME TAX FOR SEVERANCE/TERMINATION BENEFITS TO
\$500,000**

The Honorable Colm Imbert, Minister of Finance, wishes to advise that at its regular Cabinet meeting last week, Thursday November 29th 2018, the Government agreed to increase the allowance for exemption from income tax for severance/termination benefits from \$300,000 to \$500,000. This increase is effective from said date, November 29th, 2018, and applies to all workers in all state enterprises, statutory authorities and private companies.

Section 124 of the Income Tax Act states, "*The President may remit or refund the whole or any part of the tax payable or paid, as the case may be, by any person if he is satisfied that it would be just and equitable to do so*" was used as an interim mechanism to increase the allowance to \$500,000, and in due course Section 5(6) of the Income Tax Act, which provides specifically for this allowance, will be amended accordingly.

- END -

The Hon. Colm Imbert, M.P



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