

**COMPTROLLER OF ACCOUNTS CIRCULAR NO. 03 DATED MARCH 03, 2021**

**TO:**

**All Permanent Secretaries and Heads of Departments**

**SUBJECT:**

**Amendment to the Retiring Allowances (Legislative Services) Act, Chap. 2:03:**  
**Application of the Six Per Cent (6%) Contribution to Salary and Housing Allowance**

Your attention is drawn to Section 3 of Act No. 13 of 2019 which amended the definition of “Salary” to be inclusive of housing allowance in Section 2 of the Retiring Allowances (Legislative Service) Act, Chap. 2:03 (the Act). Please see an extract attached as *Appendix I*.

2. As you are aware Members of Parliament are required by law to contribute towards their retiring allowance at a rate of six per cent (6%) of the basic salary payable. Section 3 of Act 13 of 2019 amended the definition of salary to now include Housing Allowance.

3. The purpose of this Circular is to provide guidelines for recording and accounting for the 6% contributions in accordance with Section 4 of the Act, as amended.

**Deduction Code on the IGP/IhRIS**

4. A deduction code has been developed on the IGP/IhRIS system to facilitate this amendment i.e. 6% deduction from Housing Allowance payable. The table below shows the deduction code which has been configured on the IGP/IhRIS for the 6% contribution from the Housing Allowance. The code will be available for use by Ministries and Departments with effect from *March 2021*:

<b>Deduction Code</b>	<b>Description</b>	<b>Calculation Rule</b>	<b>Assignment</b>	<b>Input Required</b>
MOP HOUS FD	Legislator Contrib from House	Amount at Payee Level	Element Assignment by Payee Page	Amount

**Accounting Procedures**

5. Contributions under the Act remain at the rate of 6%. In this regard, Permanent Secretaries and Heads of Departments must ensure that:

- (a) Two (2) ledger cards are properly maintained in the name and title of each legislator as indicated in their instrument of appointment for the 6% contribution made from Salary and Housing Allowance;

/2... (b) The

- (b) The 6% contributions are correctly accounted for under the relevant votes;
- (c) The 6% contributions deducted from the Salary and Housing Allowance are remitted to the Comptroller of Accounts on a timely basis using the following Revenue Head:
  - 07 - Other Non-Tax Revenue
  - 03 - Pension Contribution
  - FN1 - Comptroller of Accounts
  - 006 - Members of Parliament
- (d) The Comptroller of Accounts' Official Receipt number is accurately entered on both ledger cards;
- (e) Monthly contributions from both Salary and Housing Allowance must be separately identified on the ledger card and Pay Record Card of each legislator, and
- (f) Arrangements are to be made for the payment of the arrears of contribution in respect of the Housing Allowance with effect from **August 19, 2020**.

***Note: Such remittances must continue until the cessation of the legislator's term of office to avoid any delay in the processing of retiring allowances.***

- 6. In the event that a legislator is subsequently reassigned to another Ministry or Department:
  - (a) The prior Ministry or Department must submit an audited copy of the ledger card/s and Pay Record Card to the new Ministry or Department to determine the start date of the 6% contribution from the Salary and Housing Allowance of the legislator and,
  - (b) The new Ministry or Department must retain the audited copies of the ledger card and Pay Record Card together with the new ledger card/s and Pay Record Card for that Ministry or Department to continue the 6% contribution from the Salary and Housing Allowance of the legislator with effect from the date the legislator was assigned to that Ministry or Department.
- 7. Should there be a break in the appointment of a legislator, appropriate notation should be made on the relevant ledger card/s and action should be taken as specified in paragraphs 5 and 6 above, where applicable.
- 8. The audit of the deductions of the 6% contributions from Salary and Housing Allowance must form part of the Internal Audit Work Programme. Copies of all updated ledger card/s must be stamped as checked by the Internal Audit and submitted together with all documents relevant to processing of retiring allowances to the Pensions Management Branch, Treasury Division immediately on cessation of the legislator's term in office.

**General**

9. It has been observed during the processing of benefits for Members of the last Parliament that Ministries/ Departments were tardy in the remittance of contributions payable. In some cases no deductions were made at all. To avoid delays in the processing of retirement benefits to Members of Parliament, a copy of the receipt and voucher (with receipt number inserted) are to be sent to the Widows and Orphans Section of the Treasury Division by the 15<sup>th</sup> of the month following each remittance.

10. All Permanent Secretaries and Heads of Departments must ensure that the contents of this Circular are brought to the immediate attention of all relevant personnel in the Human Resource Unit, Accounting Unit and Internal Audit Unit.

**CATHERINE LABAN**  
**COMPTROLLER OF ACCOUNTS**

## EXTRACT OF ACT NO. 13 OF 2019

*Legal Supplement Part A to the "Trinidad and Tobago Gazette", Vol. 58,  
No. 90, 27th June, 2019*

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Fourth Session Eleventh Parliament Republic of  
Trinidad and Tobago

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## REPUBLIC OF TRINIDAD AND TOBAGO

**Act No. 13 of 2019**

**3.** The Retiring Allowances (Legislative Service) Act Chap.2:03 amended  
is amended—

(a) in section 2, in the definition of “salary” by  
inserting after the word “Tobago”, the  
words “, inclusive of housing allowance  
but”; and

(b) by inserting after section 6A, the following  
section:

“Review of retiring allowance	6B. A person, including a retired legislator, is eligible on every fifth anniversary of the date he ceased to be a legislator for a revised retiring allowance calculated on the basis of the salary payable to a legislator on that date.”.
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