



# Head 09: Tax Appeal BOARD

A summary of the Board's Expenditure and Projects  
Financial Scrutiny Unit, Parliament of the Republic of Trinidad and  
Tobago

2017-2018

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## About this Guide

This guide provides a summary of expenditure for the Tax Appeal Board for the period 2012-2018. It provides the Members of Parliament and stakeholders with an overview of the Board's responsibilities. The primary purpose of this guide is to consolidate the information contained within the various Budget Documents pertaining to the Tax Appeal Board and provide readers with an analysis of same. This guide is based primarily on the Draft Estimates of Recurrent Expenditure and the Estimate of Development Programme.

# Head 09: Tax Appeal Board

## Overview

The Tax Appeal Board is established for the purpose of exercising the jurisdiction conferred upon it by the Tax Appeal Board Act, 1966 or by any other written law. The Tax Appeal Board shall consist of a Chairman and such other members as may be appointed under or in pursuance of section 4 of whom one may be the Vice-Chairman. The Appeal Board shall be a superior Court of record and have an official seal which shall be judicially noticed.<sup>1</sup>

### **Mandate**

- a) Appeals from the decision of the Board of Inland Revenue upon objections to assessment under the Income Tax Act;
- b) Appeals from such other decisions of the Board of Inland Revenue or of any other person under the Income Tax Act as may be prescribed by or under that Act; such other matters as may be prescribed by or under this Act or any other written law.

**Registrar (Accounting Officer):** Mr. Dushant Persad-Maharaj

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<sup>1</sup>Ministry of Legal Affairs, accessed on October 05, 2017: [http://rgd.legalaffairs.gov.tt/laws2/alphabetical\\_list/lawspdfs/4.50.pdf](http://rgd.legalaffairs.gov.tt/laws2/alphabetical_list/lawspdfs/4.50.pdf)

# Key Statements from 2016 Standing Finance Committee Debate

The Tax Appeal Board has jurisdiction over appeals coming out of assessments with respect to Income Tax, Corporation Tax, Employment Levy, Petroleum Tax, Stamp Duty, Water and Sewerage Act, Customs Act, Value Added Tax, Anti-Dumping and Countervailing Duties, Financial Institutions, Tourism Development Act, et cetera.

The purpose of the board is to act as an appeal tribunal. Therefore, once an entity, whether it is Inland Revenue Division or Customs and Excise Division or whoever, imposes a tax, persons are entitled to appeal to the Tax Appeal Board.<sup>2</sup>

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<sup>2</sup> Minister of Finance Statement -Standing Finance Committee- Hansard of the Tax Appeal Board 14 October 2016, accessed on August 16, 2017.

# Where the Board spends its money

## 2017-2018 Estimates of Recurrent Expenditure

The budget allocation of the sum \$ 8,211,160.00<sup>3</sup> for the Tax Appeal Board consist of the Estimates of Recurrent Expenditure which is comprised of:

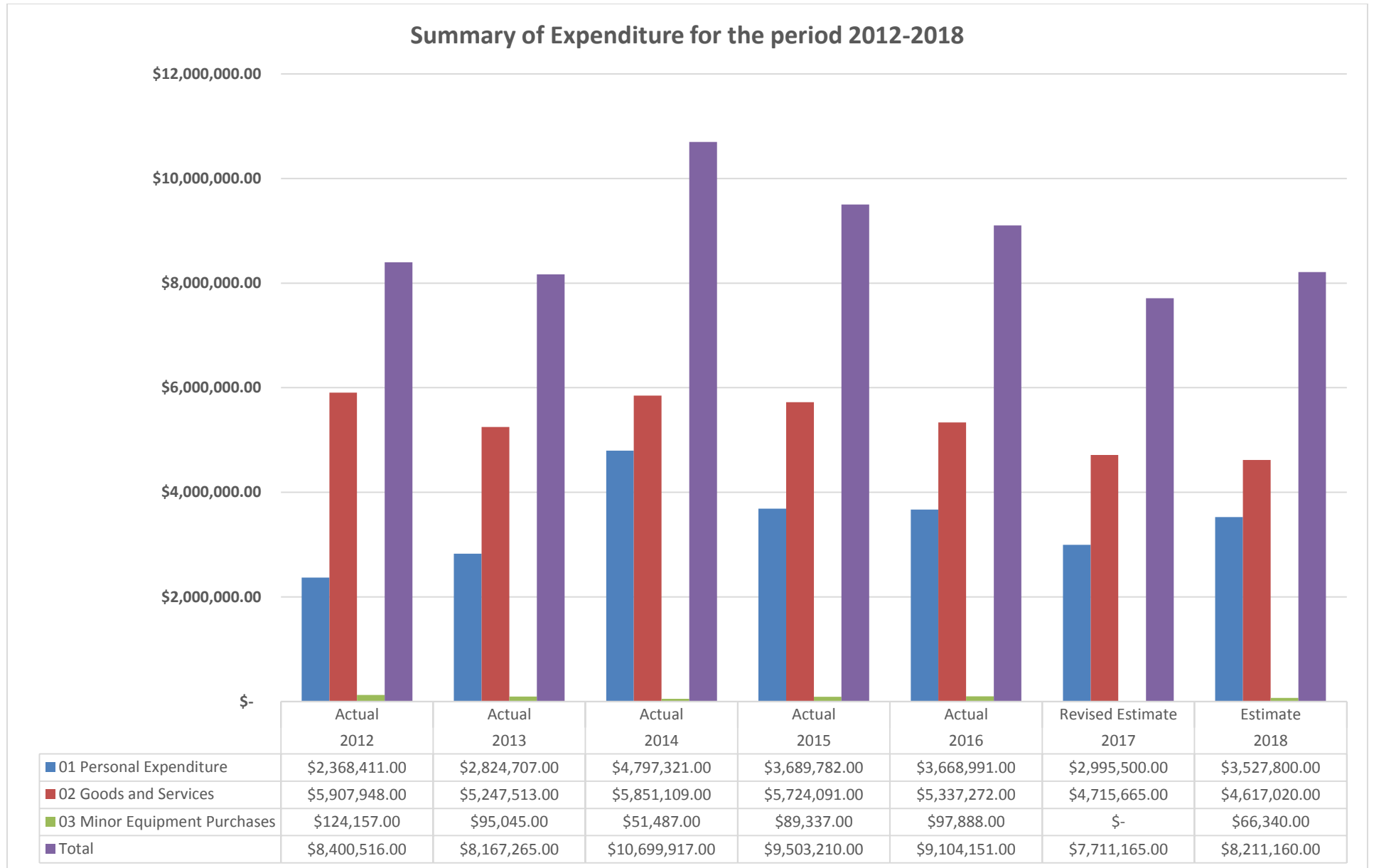
- 01 Personnel Expenditure - \$3,527,800.00;
- 02 Goods and Services - \$4,617,020.00; and
- 03 Minor Equipment Purchases - \$66,340.00.

The Tax Appeal Board total allocation as a percentage of the total Recurrent Expenditure budget is .02%

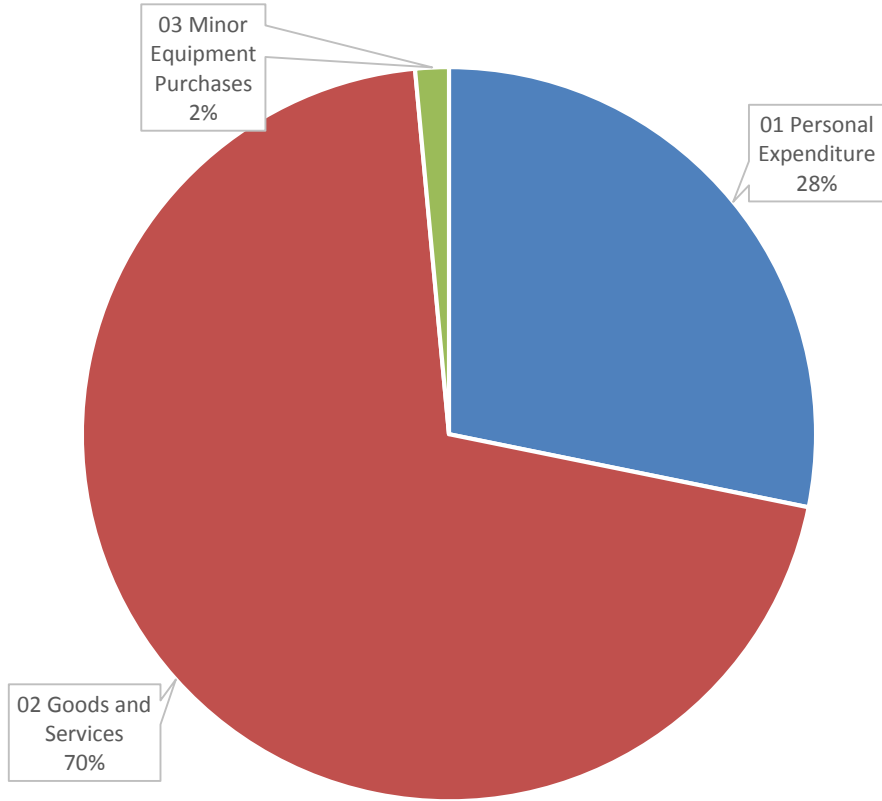
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<sup>3</sup>Ministry of Finance website – Draft Estimates of Recurrent Expenditure for the financial year 2018 accessed on October 03, 2017: <http://www.finance.gov.tt/wp-content/uploads/2017/10/Numbered-Draft-Estimates-Recurrent-Expenditure-2018.pdf>

# Summary of Recurrent Expenditure for the period 2012-2018

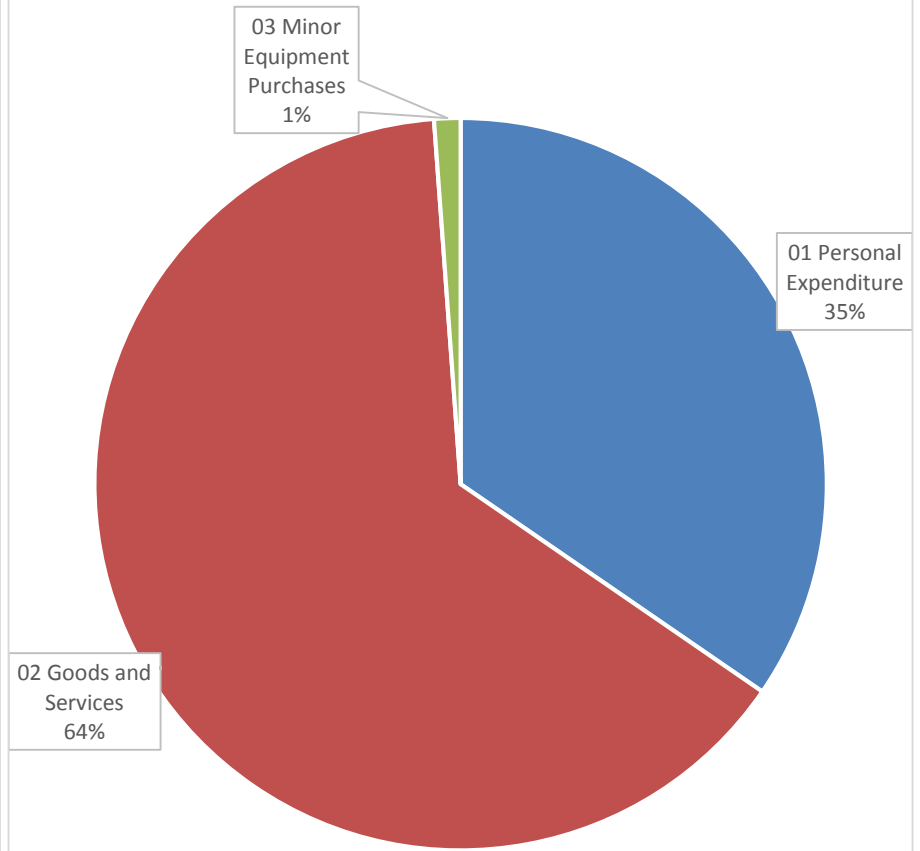


### 2012 Actual



■ 01 Personal Expenditure    ■ 02 Goods and Services  
■ 03 Minor Equipment Purchases

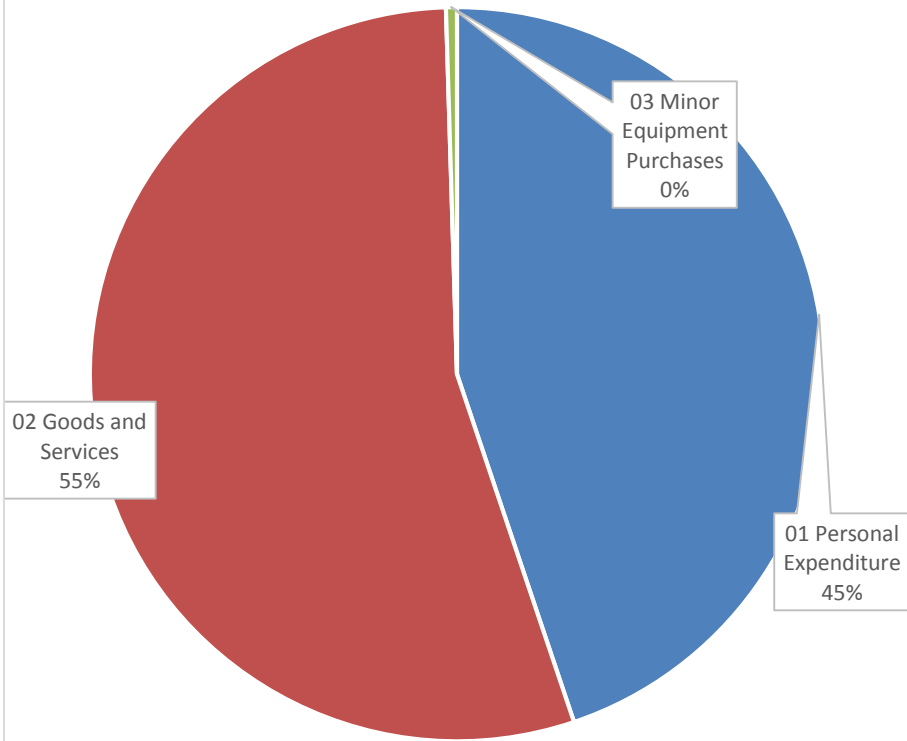
### 2013 Actual



■ 01 Personal Expenditure    ■ 02 Goods and Services  
■ 03 Minor Equipment Purchases

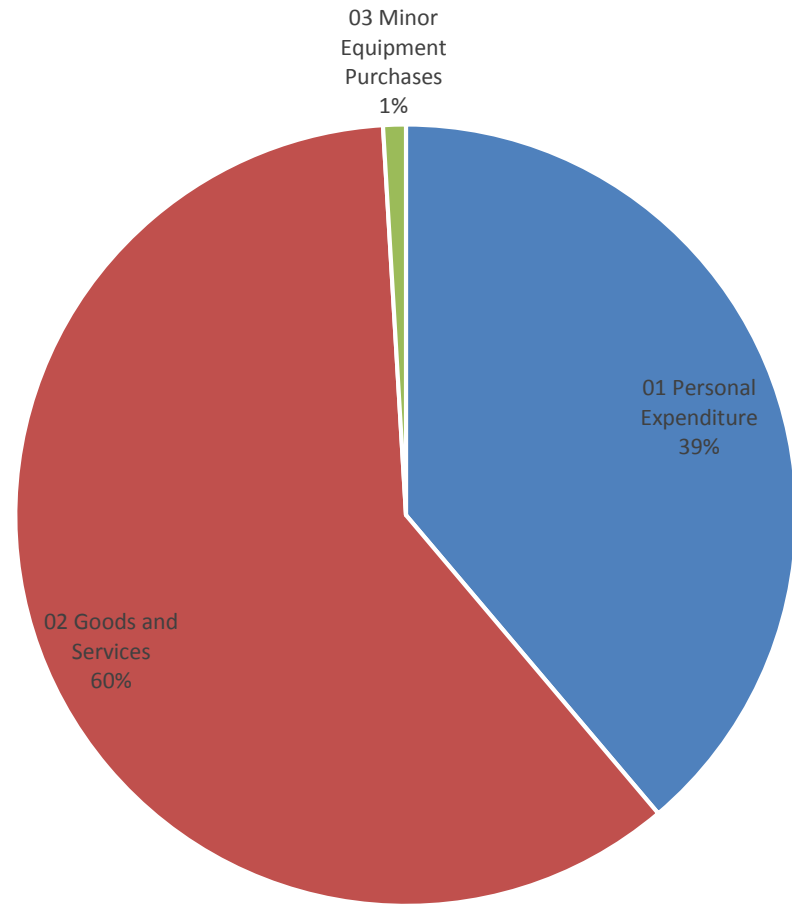


2014 Actual

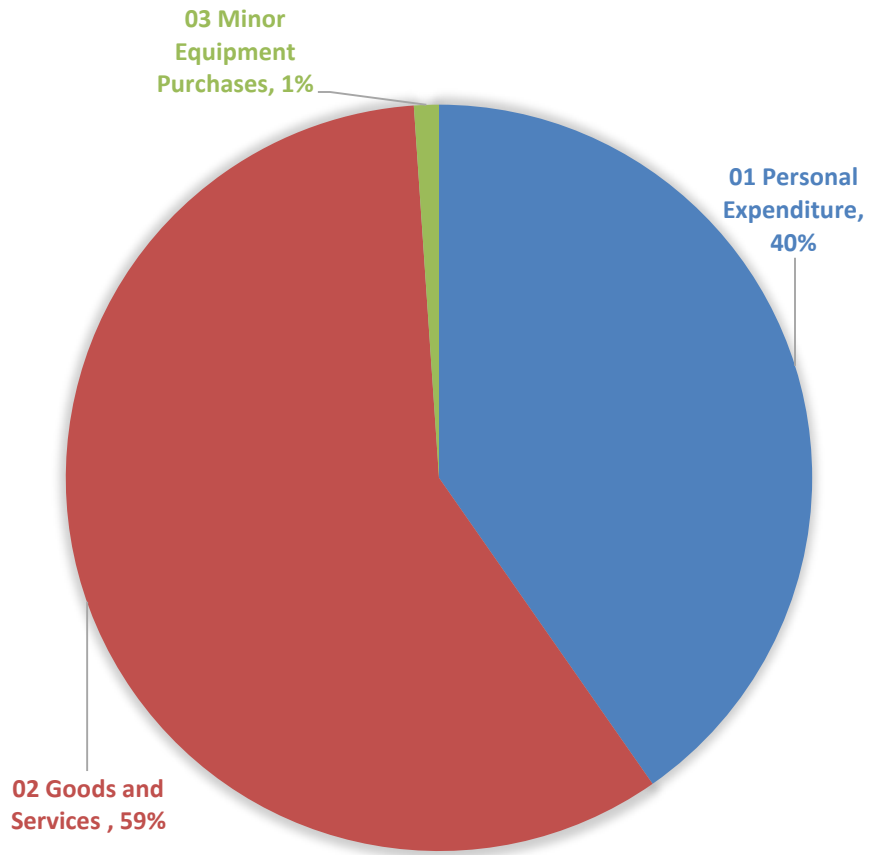


- 01 Personal Expenditure
- 02 Goods and Services
- 03 Minor Equipment Purchases

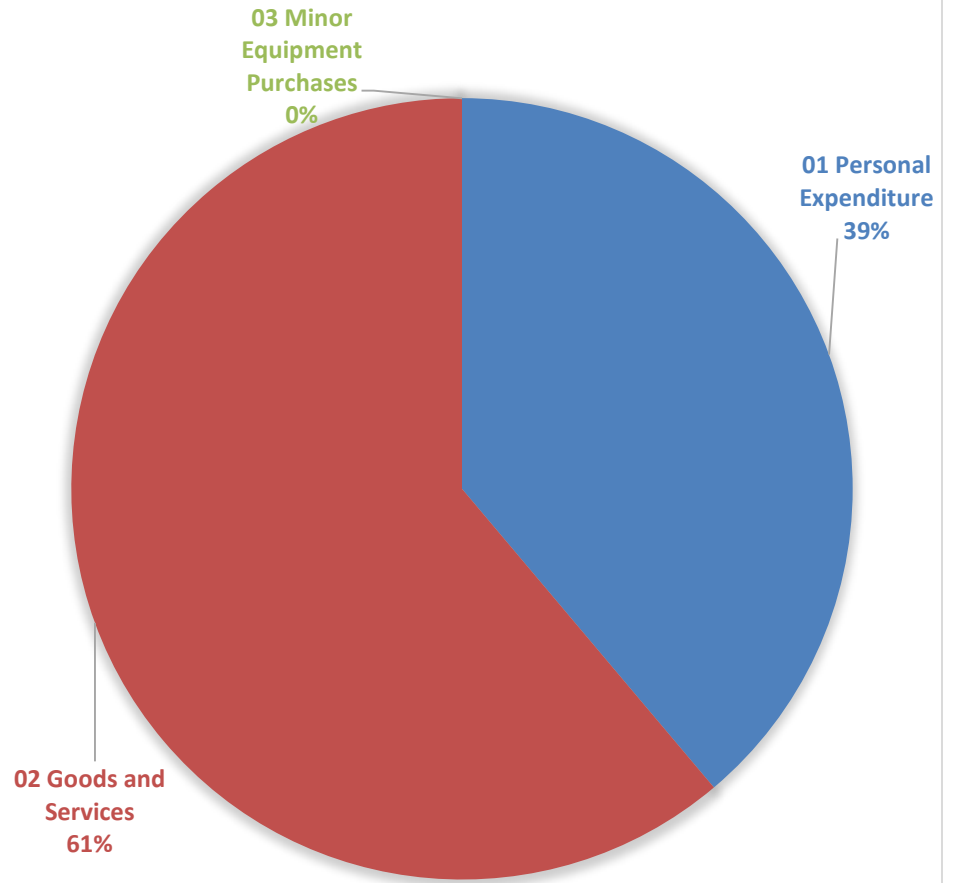
2015 Actual



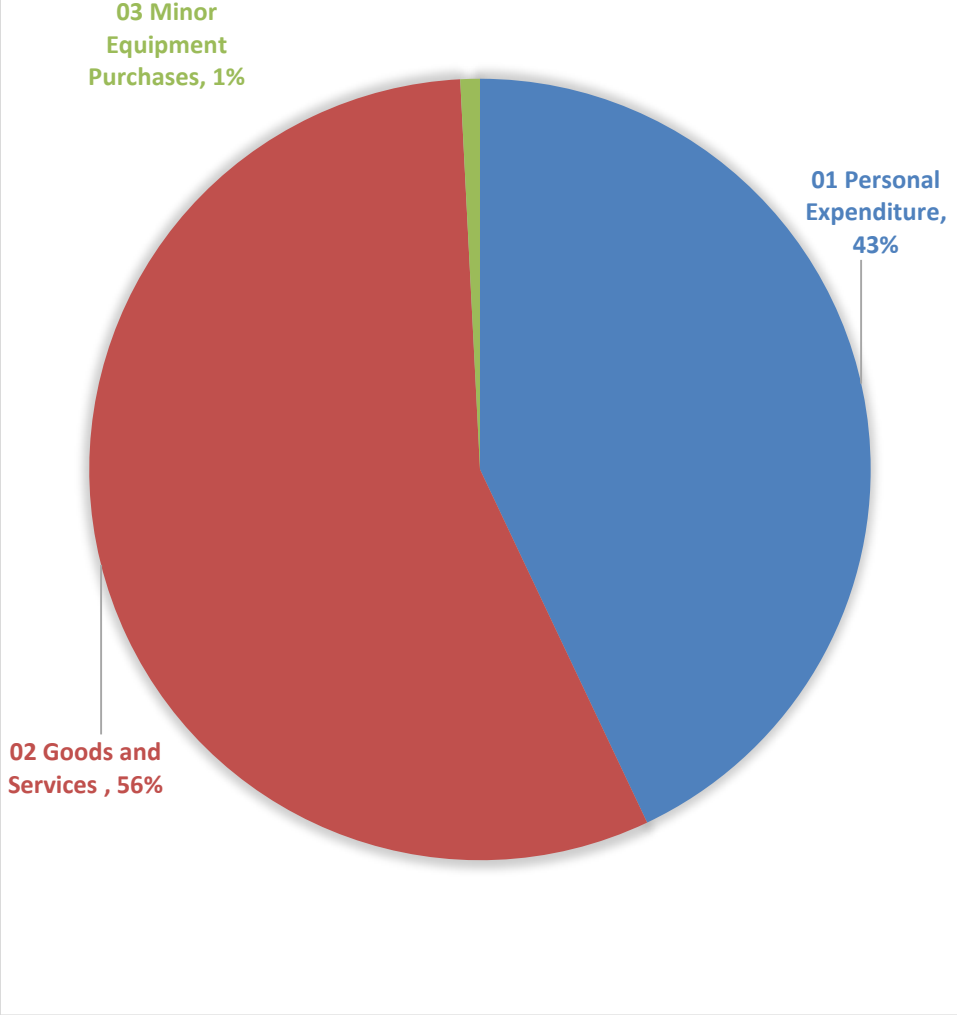
### 2016 ACTUAL



### 2017 REVISED ESTIMATE

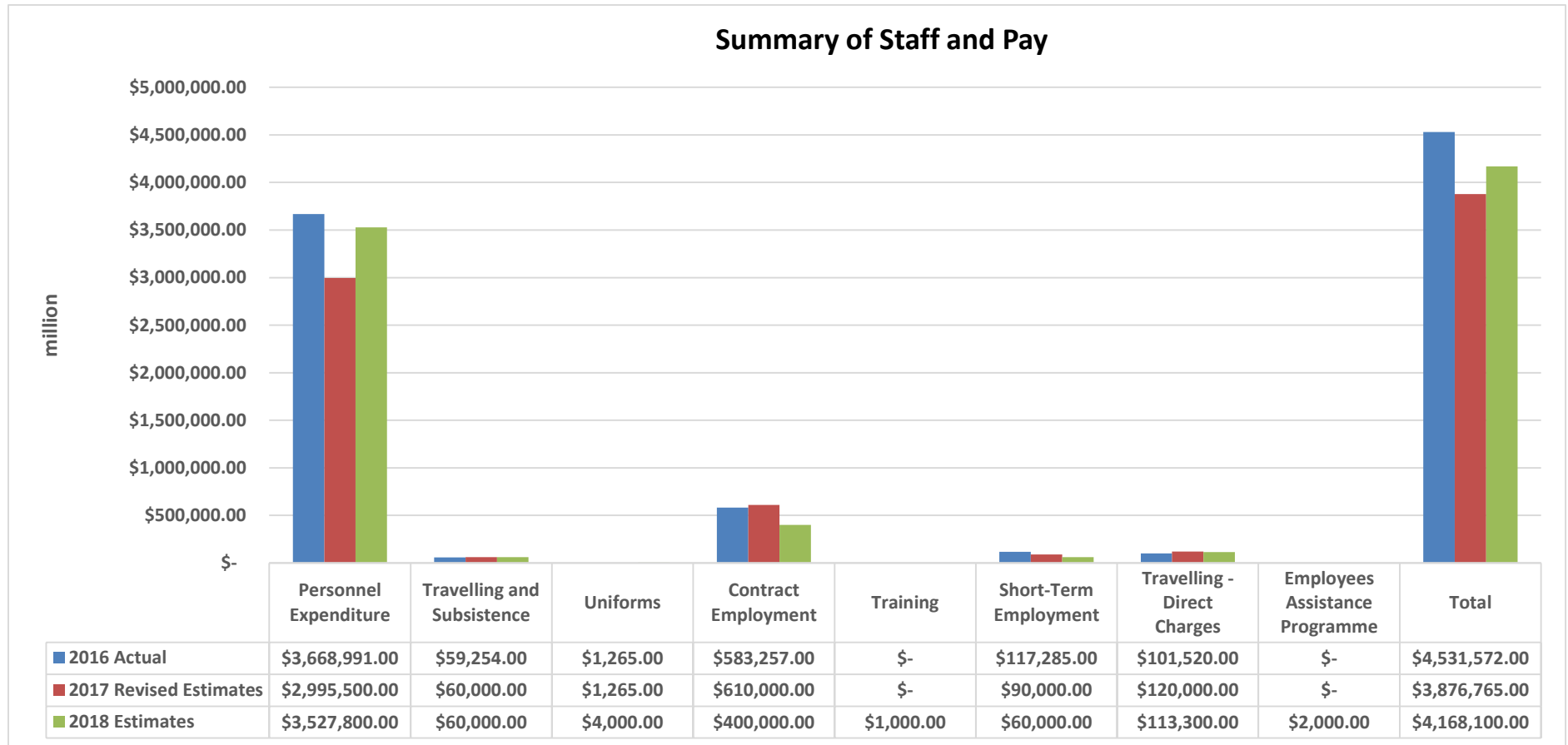


# 2018 ESTIMATE



# Staff and Pay<sup>4</sup>

The allocation of staff expenditure for the fiscal year 2018 was \$4,168,100.00 which represents an increase of approximately 8% from the last fiscal year 2016/2017. The following chart provides a breakdown of all expenditure related to staff from 2016 - 2018.



<sup>4</sup> Direct charges to the consolidated funds are not included in the appropriation bill. Direct charges are items of expenditure which are charged to the consolidated fund but not required to be included in the Appropriation Act. They are itemized in the draft estimates of expenditure and include *salary and allowances –General Administration, Remuneration to Board Members and Government Contribution to N.I.S.* Therefore, total appropriation plus direct charges will constitute total budgeted expenditure for the year.

# Analysis and Summary of Expenditure

Recurrent Expenditure refers to the payments for expenses which are incurred during the day-to-day operations of the Board for Personnel Expenditure, Goods and Services and Minor Equipment Purchases. Recurrent Expenditure for Fiscal Year 2017/2018 is **\$8,211,160.00**.

- The Revised Estimate for Recurrent Expenditure for Fiscal Year 2016/2017 was **\$ 7,711,165.00**. Comparing this figure with Fiscal Year 2017/2018, there was an overall increase of **\$499,995.00** or **6%**.
- The largest portion of the allocation has consistently gone to Sub-Head 02 Goods and Services. This figure has been fluctuating over the period 2012-2018, accounting for on average **61%** of total funding for the Board. Comparing 2016/2017 to 2017/2018, there was a decrease in the allocation by **5%**.
- Minor Equipment Purchases received the lowest portion of the total allocation for the Board over the period 2012 to 2018.
- The total allocation of the Board has been fluctuating over the seven (7) year period.

## Summary of Development Programme Expenditure for the period 2012-2018

Development Programme is capital expenditure aimed at improving and enhancing development in different areas of Trinidad and Tobago which includes; human resources, economic and social development.

The Public Sector Investment Programme (PSIP), which represents the capital expenditure component of the National Budget, is the instrument used by Government to effect its vision and policies. It is a budgeting and strategic planning tool made up of projects and programmes, designed to realise the goals set out in the Government's overarching policy.

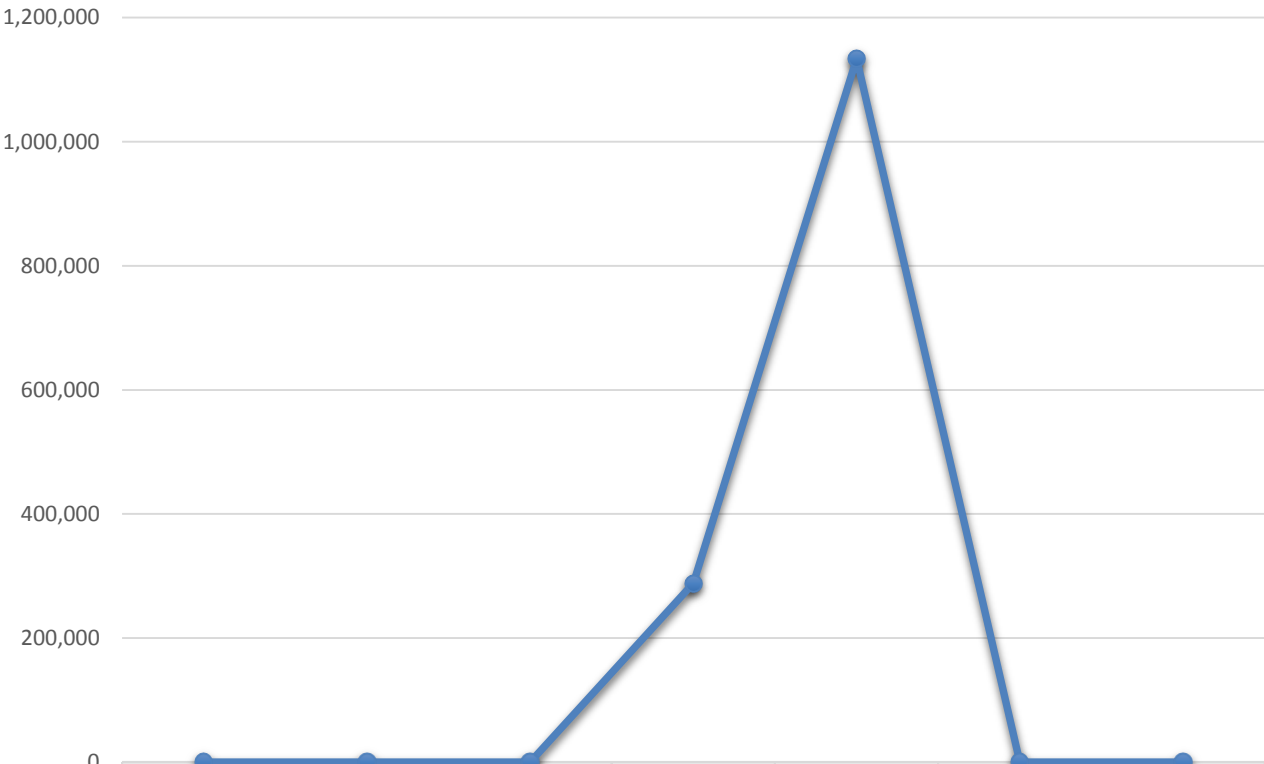
The PSIP budget document provides a detailed description of the programmes and projects and includes a review of the implementation of projects and programmes in the previous financial year and highlights the major projects and programmes to be implemented in the upcoming financial year.

- The Public Sector Investment Programme is intended to achieve:
  - ✓ the country's social and economic development goals; and
  - ✓ enhance the quality of life of all citizens.

The estimates for the development programme are presented in two parts as follows:

- Funds appropriated by Parliament and disbursed directly from the Consolidated Fund; and
- Funds disbursed from the Infrastructure Development Fund.

### Summary of Development Programme Expenditure for the Period 2012 -2018



	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Revised Estimate 2017	Estimate 2018
● 005 Multi-Sectoral and Other Services - Consolidated Fund	0	0	0	288,258	1,133,813	0	0

## The Board's total allocation as a percentage of the National Budget for the period 2012 to 2018.

Year <sup>5</sup>	Total Allocation <sup>6</sup>	National Budget <sup>7</sup>	Percentage of National Budget
2012 Actual	\$ 8,400,516.00	\$ 55,718,271,573.00	0.02%
2013 Actual	\$ 8,167,265.00	\$ 59,174,226,196.00	0.01%
2014 Actual	\$ 10,699,917.00	\$ 65,020,886,424.00	0.02%
2015 Actual	\$ 9,791,468.00	\$ 61,966,922,675.00	0.02%
2016 Actual	\$ 10,237,964.00	\$ 56,573,913,053.00	0.02%
2017 Revised Estimate	\$ 7,711,165.00	\$ 55,598,436,912.00	0.01%
2018 Estimate	\$ 8,211,160.00	\$ 54,955,041,591.00	0.01%

- Total allocation for the Board as a percentage of the National Budget was .01% for the period 2016/2017 and 2017/2018.


<sup>5</sup> For the Fiscal Years 2012-2016, actual figures were used to calculate total allocation. However, estimates were used to calculate the total allocation for the Fiscal Years 2017 and 2018.

<sup>6</sup> Total Allocation for the Tax Appeal Board = Recurrent Expenditure + Consolidated Fund Expenditure

<sup>7</sup> The National Budget = Recurrent Expenditure + Development Programme Expenditure Consolidated



# Recent Legislative Development

Act No.	Short Title	Related Bill	Date of Assent
4 of 2017	<p>The Tax Information Exchange Agreements (United States of America) Act, 2017  (284.9 kb)</p> <p>AN ACT to repeal the Tax Information Exchange Agreements Act and replace it with a Tax Information Exchange Agreements (United States of America) Act which would make provision for the implementation of agreements between Trinidad and Tobago and the United States of America providing for the exchange of information for the purposes of taxation, the validation of the sharing of personal information held by the Board of Inland Revenue or financial institutions and for related purposes.</p>	Progression	20-Mar-2017

# Noteworthy Development Programme Estimates in 2016-2018

The table below lists the project that has experienced irregular variances in estimates for funding received under the Tax Appeal Board<sup>8</sup>:

Project	2016 Actual	2017 Revised Estimates	2018 Estimate
09/005/06/A004 Upgrade of Library	\$1,133,813.00	-	-

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<sup>8</sup> Draft Estimates of Development Programme 2018, accessed on October 03, 2017: <http://www.finance.gov.tt/wp-content/uploads/2017/10/Numbered-Draft-Estimates-Development-Programme-2018.pdf>

# Status of New Projects for the Financial Year 2016/2017

The following new projects that received funding in the 2016/2017 financial year<sup>9</sup>:

Head 09, Subhead 9 Development Programme 2016	Programme/Project	2017 Estimate	2017 Revised Estimate	2018 Estimate
09-005-06-A004	Upgrade of the Library	\$1,133,813.00	-	-

<sup>9</sup> Draft Estimates of Development Programme 2018, accessed on October 03, 2017: <http://www.finance.gov.tt/wp-content/uploads/2017/10/Numbered-Draft-Estimates-Development-Programme-2018.pdf>

## General Useful Information

- Louisiana Board of Tax Appeals, USA: <http://labta.louisiana.gov/>
- Tax Revenue Appeals Board, TANZANIA: <http://www.trab.go.tz/>
- Tax Appeals Commission, IRELAND: <http://www.taxappeals.ie/>
- Washington State Board of Tax Appeals, USA: <http://bta.state.wa.us/>