

the hands of its members. Debenture interest, paid by an approved company from profits exempt from tax, is exempt in the hands of the debenture holder.

An approved property development company is entitled to a 15-per cent deduction of expenditures incurred in the construction of a building to be used for commercial or industrial purposes. This is granted only in the year in which the building is completed. In order to be recognized by the Board of Inland Revenue as an approved property development company, certain conditions must be satisfied.

The profits of any investment company are exempt from corporation tax. In order to qualify, the company must be publicly held, have 80 per cent or more of its investments in shares, bonds or marketable securities, and distribute 90 per cent or more of its profits within six months of its financial year-end.

Expansion of Established Enterprises. Where profits are re-invested or the existing capacity for approved products is expanded, an additional investment allowance of 100 per cent, spread over three years, is granted.

Export Production. All exports qualify for an export allowance, with the exception of re-exports, sugar, mineral oil and its products and products enjoying concessions under the Pioneer Industries Act 1950 and the Fiscal Incentives Act 1979. Export financing facilities offered by the Export Development Corporation include export credit insurance, pre- and post-shipment guarantees, and discounting facilities at concessionary rates.

Promotional Expenses. Companies incorporated and resident in Trinidad and Tobago are allowed a promotional allowance of 150 per cent of expenditures incurred in the expansion of foreign markets for locally produced goods shipped in commercial quantities.

Market Grant. The government of Trinidad and Tobago provides a grant in the amount of 50 per cent of expenditures incurred in developing either local or foreign markets for approved products. The grant is also exempt from corporation tax.

Scientific Research. Under the In Aid of Industry Ordinance, where expenditure on scientific research is not considered to be a capital expense, it may be deducted in computing profits for income tax purposes. Where the expenditure is considered a capital expense, it may be