

BATT calls for dialogue on proposed levy

The Bankers Association of Trinidad and Tobago (BATT) says it hopes to consult with Finance Minister Davendranath Tancoo on the proposed 0.25% levy on commercial banks' assets outlined in the national budget.

'BATT looks forward to engaging with the Ministry of Finance to discuss the mechanics of its implementation vis-à-vis exemptions or reduced rates for government securities and interbank placements, deductibility of the tax from corporate income tax and threshold-based application,' BATT stated in a release issued yesterday.

'The Association aims to ensure that the levy minimises negative effects on expansion activities and preserves the stability of the banking sector, while carefully balancing the Government's need for additional revenue with the promotion of sustainable economic growth,' it stated.

During his budget presentation on Monday, Tancoo proposed the introduction of an Asset Levy of 0.25%, to be charged against the assets of commercial banks and insurance companies operating in the country.

Tancoo said the measure will become effective January 1, 2026, and is expected to contribute \$575 million annually to revenues.

BATT said it was encouraged by the scope of the measures proposed in the budget by Tancoo.

'The measures announced by the minister seek to address thorny and long-standing issues, including the sustainability of the NIS system, reform of the VAT system, oversight of public spending through the establishment of a Financial Oversight and Appropriations Committee, and unlocking value in State assets through both the establishment of the Real Estate Investment Trust and expansion of the National Investment Fund,' BATT stated.

BATT said it also welcomed the Government's emphasis on digitising public services, as well as on improving trade logistics, transportation infrastructure, and payment platforms, which it called key drivers of national productivity.

'Effective rollout of the digital ID should enhance online security, help banks reduce fraud, and boost investor confidence. These initiatives will accelerate financial inclusion, empower small businesses, and promote e-commerce,' BATT stated.

'Financial institutions in Trinidad and Tobago have invested considerable sums in fostering digital transformation of the banking sector and we look forward to working with the relevant bodies in due course,' it stated.

The eight member banks of BATT include the Citibank (T&T) Ltd, First Caribbean International Bank (T&T) Ltd, First Citizens Bank Ltd, JMMB Bank (T&T) Ltd, Republic Bank Ltd, Scotiabank T&T Ltd and RBC Royal Bank (T&T) Ltd and ANSA Bank.