

■ Tancoo urges business people to pay their fair share...

' Public must push back on higher costs'

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FINANCE Minister Davendranath Tancoo says he anticipates businesses which will have to pay higher taxes following the national budget will pass on costs to consumers.

He is advising the population to push back against this.

In the \$59.2 billion 2025-2026 fiscal package delivered in Parliament on Monday, Tancoo said landlords and business owners would pay a surcharge, starting on January 1, 2026.

'There are expectations at all sides that businesses will pass on costs to regular consumers. I expect that,' he told reporters yesterday, following a post-budget meeting hosted by the Trinidad and Tobago Chamber of Industry and Commerce at the La Reve Conference Centre in C3, San Fernando.

Asked how consumers could combat this, he added: 'What I also expect is a little bit more activity from the commercial sector, from the businesses, and from members of the population themselves to push back against passing the burden on.'

During his presentation on Monday, Tancoo said landlords will pay an increased tax-a business surcharge from January 1, 2026. The landlord business surcharge requires that each landlord registers with the Board of Inland Revenue and pays a one-time registration fee of \$2,500. Then the surcharge will be applied as follows: 2.5% of the gross annual rental income of \$20,000 or less; 3.5% of the gross annual rental income exceeding \$20,000. The measure is expected to yield \$70 million and takes effect from January 1, 2026.

Commercial and industrial consumers will also pay an increased electricity rate. Explaining yesterday that the landlord surcharge was not a new property tax, he said the increase targeted commercial activities.

'This is not for people who are renting. Those costs may or may not be passed on to others. It is then up to those persons who are renting to decide what they want to do. But it is unethical and inappropriate and illegal for persons to be engaging in commercial activities and not pay their fair share. The legislation was designed to balance; to make sure we bring people to book,' he stated.

He said the Board of Inland Revenue (BIR) was sabotaged by a lack of implementation and, once cleaned up, would generate increased production with increased economic activity.

'If we just harness and ensure tax compliance on the existing structure, we will be in a surplus. The focus is actually to fix tax compliance to ensure that the Government, the State and the people of Trinidad and Tobago get a fair share of what is being produced. Then, we are going to be in a better position,' he said.

Tancoo said during the budget debate later this week, further information would be disclosed.

He said higher taxes he announced in the budget seemed burdensome, but the increases would be 'minuscule'.

'I believe the increase on a bottle of beer is below ten cents. So, when you look at the general, the figure may sound massive and high, but the increase is minuscule,' he said.

Tancoo had announced in the budget that consumers of beer, rum and cigarettes will have to pay more for the products since there will be an increase in duties.

'I assume that businesses will accept their own responsibility to be part of the process of building Trinidad and Tobago. And if all that they are focused on is their own private profit margins, they will see their profit margins fall as other people move elsewhere,' he stated.

No intention to dip into HSF

Tancoo said the Government did not intend to dip into the Heritage and Stabilisation Fund (HSF) for the 2025-2026 fiscal year, as the Government has access to several financing mechanisms.

However, he added that any withdrawal from the HSF would be done legally.

'We have several financing mechanisms available to us. I don't want to assume that we are going to go in any particular direction outside of what we have constrained ourselves to, at this point; but if we are going to go to HSF, it will be within the confines and requirements of the law itself. Remember that the HSF was created for a particular purpose, so the purpose is twofold, one of which is also for budgetary support,' he said.

On Monday, in the House of Representatives, Tancoo delivered the \$59.2 billion budget, based on an oil price of US\$73.25 per barrel and gas price of US\$4.25 per MMBtu.

Asked whether he had any projections to offset a drop in energy prices, Tancoo said the assessment was not limited to a single scenario.

Asked about the revival of the Pointe-a-Pierre refinery, he said the Government was engaged in reviewing and researching before they acted.