



Building Institutions

Trinidad and Tobago Revenue Authority

Madam Speaker, all modern societies have in place a tax administration system aimed at collecting revenue in order to deliver services to the national community, as well as to resource social and developmental initiatives, as appropriate. For general acceptance by tax-payers, the tax administration system must be equitable, transparent and fair. The objective is to ensure optimality in the collection of taxes.

Madam Speaker, our internal revenue collecting agencies: the Inland Revenue and the Customs and Excise Divisions have long been struggling to function in an efficient and effective manner. The leakages and loopholes are well-documented. The two institutions have not been able to achieve optimal staffing levels. A perennially high number of vacant positions and inadequate operating budgets exist. Allegations of extensive corruption have dogged the two organizations.

The Revenue Authority model was adopted in **2009** but the initiative was brought to an abrupt end by the decision of the then Government in **2010** to abandon the Model. Substantial time, extensive effort and considerable resources had been spent with no result.

Madam Speaker, we are now completing the legislative requirements for the establishment of a Revenue Authority. The new public institution will bring together into one entity the Customs and Tax Administration. Under the oversight of a Board of Management, with a degree of autonomy, the Authority will be empowered to develop its own human resource policies, including appropriate compensation packages and financial management regimes.

Madam Speaker, we will engage the national community, including labour and business organizations, in an outreach and educational programme, with a view to sharing with them all aspects relating to the new institution. We are designing an organizational structure

with clear lines of authority and responsibility and we will determine the question of how to migrate personnel already in the system to the new Revenue Authority. We propose to have the Revenue Authority operational in **2018**.

Office of Procurement Regulation

Madam Speaker, immediately upon our assumption of office and consistent with the commitment in our Manifesto, we moved rapidly to improve the procurement framework as established in the *Public Procurement and Disposal of Property Act No.15 of 2015*. Through two major amendments – Act No.5 of 2016 and Act No.3 of 2016 – we are now assured that procurement transactions will meet the best practice and highest standards of governance.

Publicly accountable procurement units within our ministerial structure will ensure that society reaps the dividends from a legal framework which is fair and transparent and the scope for arbitrary decisions and corruption minimized, if not eliminated. The now-ingrained integrity of the procurement system will bring with it value for money in all our procurement transactions.

Madam Speaker, the Office of the President is at an advanced stage of securing a Procurement Regulator for the Office of Procurement Regulation. The position of Regulator has been advertised by the Office of the President and applications closed on **August 25th 2017**. We are advised that the Office of the President is working assiduously on evaluating the applications and that in the not too distant future, a decision will be made by His Excellency, after the required consultations, with respect to the appointment of the Procurement Regulator. Accordingly, we envisage that by early **2018** the legislation will be operational.