

**ONE HUNDRED AND NINETEENTH REPORT**

**OF THE**

**SALARIES REVIEW COMMISSION**

**OF THE**

**REPUBLIC OF TRINIDAD AND TOBAGO**

September 16, 2024



## **ONE HUNDRED AND NINETEENTH REPORT OF THE SALARIES REVIEW COMMISSION**

### **Determination of the salary and other terms and conditions of service for the office of Deputy Director General-Enforcement, Enforcement Division, Trinidad and Tobago Revenue Authority, Ministry of Finance**

By letter dated October 18, 2023, Her Excellency, the President of the Republic of Trinidad and Tobago conveyed her approval for the Salaries Review Commission (SRC) to determine the salary and other terms and conditions of service for the office of Deputy Director General-Enforcement (DDG-Enforcement), Enforcement Division, Trinidad and Tobago Revenue Authority (TTRA), Ministry of Finance. The office was placed within the purview of the SRC by virtue of Legal Notice No. 299 dated September 28, 2023.

#### **Background to the Creation of the Trinidad and Tobago Revenue Authority (TTRA)**

2. In 1993, the Government noted that the management of revenue collection in Trinidad and Tobago was not optimal. This was based on evidence of inefficiencies in processes, increases in transaction costs to businesses and their impact on productivity and competitiveness, and general complaints of dissatisfaction from taxpayers. As a consequence, consideration was given to the establishment of a revenue authority and as such, a Committee comprising representatives of the private sector and government was appointed to examine the institutional framework of revenue collection in Trinidad and Tobago. The Committee submitted its findings concluding that the revenue authority model provided an excellent framework to treat with these deficiencies.

3. The TTRA was established by the Trinidad and Tobago Revenue Authority Act No. 17 of 2021 (TTRA Act) assented to in December 2021 as a body corporate and an agent of the State responsible for the collection of revenue due to the State and the provision of other services for the protection of State revenue, including investigation of tax evasion and border protection. The TTRA seeks to subsume the powers, responsibilities and functions of the current Inland Revenue Division (IRD) and the Customs and Excise Division (CED) under the provisions of the Exchequer and Audit Act, Chap. 69:01 and all other relevant revenue legislation and regulations. As a single revenue collecting agency, it is anticipated that there will be several benefits and synergies, including cost efficiencies, data sharing and improved risk mitigation frameworks.

4. The TTRA Act enables the TTRA to function according to its mandate, but through a hybrid system, whereby the Enforcement Division will still be under the purview of the Public Service Commission.

## **The Role of the Trinidad and Tobago Revenue Authority (TTRA)**

5. According to the TTRA Act, the TTRA Board is responsible for the management policies which govern human resources, including those related to recruitment, remuneration, promotion, training and development, performance assessment, conditions of work, discipline, termination of employment and superannuation benefits.

6. The TTRA's core mandate includes the following:

- assessment and collection of taxes under the revenue laws;
- administration of the revenue laws;
- enforcement of the revenue laws;
- enforcement of border control measures subject to any other written law;
- provision of revenue collection services to any statutory or other body to collect public monies; and
- facilitation of legitimate trade and provision of advice to the Government on matters relating to taxation.

7. Pursuant to the TTRA Act, there are to be three (3) offices of DDG in the TTRA, namely:

- (i) DDG-Domestic Tax
- (ii) DDG-Customs & Excise
- (iii) DDG-Enforcement

The DDG in the Domestic Tax Division and the Customs & Excise Division of the TTRA will be appointed by the Minister of Finance, subject to affirmative resolution of Parliament, while the DDG-Enforcement shall be a public officer under the purview of the Public Service Commission. Moreover, section 13(5) of the Act makes provision for the salary, allowances and other terms and conditions of service applicable to the DDG-Enforcement to be subject to review by the SRC.

### **The Enforcement Division**

8. The Enforcement Division, headed by the DDG-Enforcement, comprises of public officers authorized to exercise the powers, authorities and privileges conferred by the Customs laws, the Excise Act or other revenue laws for purposes of the enforcement of those revenue laws.

### **Duties and Responsibilities of the office of DDG-Enforcement**

9. In accordance with Section 14(2) of Act No. 17 of 2021, the DDG-Enforcement shall be responsible for:

- a) the daily management and direction of the administration of the Enforcement Division;



- b) the daily management and direction of the enforcement of the Customs laws, the Excise Act and other revenue laws;
- c) advising the Director General on any matter that could affect public policy or public finances; and
- d) advising the Director General on any matter that could improve the effectiveness or efficiency of the administration of the Enforcement Division or the enforcement of the Customs laws, the Excise Act and other revenue laws.

10. The DDG-Enforcement is required to provide strategic leadership to staff of the Enforcement Division and shall exercise the powers, authorities and privileges conferred in the Customs Laws, the Excise Act or other revenue laws set out in the Schedule to the TTRA Act. The incumbent will support the Director General in promoting the highest standards of policy, procedures and programmes relating to enforcement activities and is primarily responsible for managing, coordinating and implementing the Enforcement Division's responsibilities as follows:

- (i) investigation and prosecution of breaches of the Customs laws, Excise Act and other revenue laws;
- (ii) border control of Trinidad and Tobago;
- (iii) support of the Technical Services offered by the TTRA through enforcement; and
- (iv) synergy and cooperation with local, regional and international law enforcement agencies.

### **Qualifications, Training and Experience of the office of DDG-Enforcement**

11. The office holder is required to possess the following:

- minimum of Postgraduate Certification at the Master's level or equivalent from a recognized institution in Law, Business or Public Administration; and
- a minimum of five (5) years' demonstrated skill and experience in the area of tax or customs and administration, corporate management or in areas such as accounting, economics, law, business, public administration or other relevant fields; or
- any equivalent combination of education and experience.

### **Reporting Relationship**

12. The DDG - Enforcement reports to the Director General, TTRA and supervises the following office holders:

- Assistant DG-Enforcement
- Taxpayer Ombudsman

## Analysis

13. In considering an appropriate remuneration package for the office of DDG-Enforcement, TTRA, the duties, responsibilities and minimum requirements of the office were compared with other offices in the Top Managers in the Public Service Grouping of offices within the purview of the SRC. With regard to the DDG-Enforcement, consideration was taken of the wide span of responsibilities encapsulated in the office holder's role as Head of the Enforcement Division.

14. A comparison of the duties and responsibilities, reporting relationships, and minimum experience and training requirements of DDG-Enforcement with offices of a similar nature in Group 2B was undertaken and the offices of the Comptroller of Customs and Excise and the Commissioner of Inland Revenue were identified as comparators. Both the comparator office holders provide strategic leadership of their Divisions/Units. However, the scope and size of the operations of the Enforcement Division are considered to be much more extensive than those of the Divisions headed by holders of the comparator offices and the level of autonomy and responsibilities of the DDG-Enforcement is considered more significant than that of the comparator officeholders. In addition, the DDG-Enforcement has the power to impose fines and/or penalties.

15. In seeking to recommend an appropriate remuneration package for the office of DDG-Enforcement, the Commission compared the duties and responsibilities of the offices as well as the qualifications and experience requirements within its purview, particularly those in the Top Managers in the Public Service grouping. Based on the duties and responsibilities of the office, the scope of the job and the educational requirements, the Commission is of the view that the office should be remunerated in Group 2B, since it observed significant similarities in respect of major duties and responsibilities, knowledge, experience and skills requirements between offices in that group and that of DDG-Enforcement. Additionally, the Commission considered that even though it noted that the scope of the office of DDG-Enforcement was wider than that of the offices of Comptroller of Customs and Excise and Commissioner of Inland Revenue, which are remunerated in Group 2B, the DDG-Enforcement could not be remunerated higher, since the Commissioner of Inland Revenue and Chairman of the Board of Inland Revenue is being remunerated in Group 2A.

16. Against this background, and taking into account that the 117<sup>th</sup> Report of the SRC, which pertains to the Job Evaluation Exercise and Compensation Survey of all offices within the purview of the SRC, is to be subjected to a review, the Commission anticipates that once the review is completed and accepted, there is the likelihood of an upward adjustment with respect to the remuneration arrangements for the office of DDG-Enforcement. In the circumstances, we are of the view that, pending the review of the 117<sup>th</sup> Report of the SRC, the remuneration applicable to the office of DDG-Enforcement should reflect that of Group 2B, Top Managers in the Public Service grouping.

17. The Commission notes that there are two (2) other positions of DDG (Deputy Director General-Customs and Excise, and (Deputy Director General - Domestic Tax) within the TTRA. However, these positions are subject to the purview of the



Human Resource Advisory Committee (HRAC), which is responsible for monitoring remuneration arrangements of employees in the Public Sector.

18. The Commission is cognizant that salaries in public sector agencies are generally higher than those of office holders under the purview of the SRC. It is, therefore, critical to note that, given the unique structure of the TTRA, the salaries and terms and conditions of service of the DDG-Domestic Tax and DDG-Customs & Excise will be determined by one source (the HRAC) while those of the DDG-Enforcement will be determined by another (the SRC). This presents a situation where the question of fair and equitable alignment of the remuneration packages of three (3) offices of DDG in the TTRA arises and will need to be duly addressed.

### **Recommendation**

19. Based on the foregoing, it is recommended that the office of Deputy Director General-Enforcement be placed in Group 2B of the Top Managers in the Public Service grouping of offices within the purview of the SRC. The recommended arrangements for the office are set out in the **Appendix**.

20. Further, since the office of Deputy Director General-Enforcement is in the Civil Service, the Commission recommends that the necessary steps be taken to have the office declared pensionable as provided for under Section 2 of the Pensions Act, Chap. 23:52.

### **Effective Date**

21. Except for the Motor Vehicle Loan Facilities, Tax Exemptions under the Transport Facilities provision and Subsistence Allowance, the remuneration arrangements for the office of Deputy Director General-Enforcement, Enforcement Division, Trinidad and Tobago Revenue Authority, Ministry of Finance, should be effective from September 28, 2023, the date on which the office was placed within the purview of the SRC. The Motor Vehicle Loan Facilities, Tax Exemptions and Subsistence Allowance should take effect from the date of the relevant letter conveying the approved remuneration arrangements to be applicable to the office.

Dated the 16<sup>th</sup> day of September, 2024.



**Nicole Ferreira-Aaron  
(Chairman)**



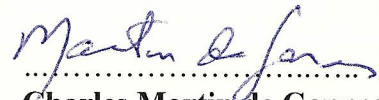
**Howard Dottin**



**Sandra Marchack**



**Chrisendath Mahabir**



**Charles Martin de Gannes**



**Recommended Remuneration arrangements for the office of Deputy Director General -  
Enforcement Division, Trinidad and Tobago Revenue Authority,  
Ministry of Finance**

**Salary**

\$30,340 per month.

**Duty Allowance**

\$3,040 per month.

**Transport Facilities**

- (i) A maximum loan of \$250,000 at a rate of interest of 6% per annum repayable over a period of six (6) years to facilitate the purchase of either:-
  - (a) a new motor vehicle with exemption from Motor Vehicle Tax limited to the amount payable on a vehicle with an engine capacity of 1999cc and exemption from Value Added Tax limited to a maximum of \$45,000; or
  - (b) a used motor vehicle with exemption from Special Motor Vehicles Tax limited to the maximum amount payable in respect of Motor Vehicle Tax on a vehicle at (a) above and exemption from Value Added Tax to a maximum of \$45,000.
- (ii) A loan to cover the cost of Motor Vehicle Insurance premium at a rate of interest of 6% per annum.
- (iii) A maximum loan of \$20,000 at a rate of interest of 6% per annum to effect repairs to a motor vehicle.
- (iv) A Transportation Allowance of \$3,900 per month.

**Service Allowance**

\$5,050 per month.

**Subsistence Allowance**

- (i) \$200 per day when travelling on official business beyond a radius of sixteen (16) kilometers from official headquarters.
- (ii) When on duty in Tobago, the office holder to be eligible for hotel accommodation and meals, as necessary. In the absence of the provision of any meals(s), to be paid \$200 per day.

(iii) For travel abroad on official business, the provisions of Minister of Finance Circulars No. 2 dated April 7, 2006, No.1 dated March 14, 2016 and No 2. dated March 17, 2017 or other relevant Circulars to apply.

**Housing Allowance**

\$7,740 per month.

**Entertainment**

Actual expenses incurred for official entertainment to be met from an official Entertainment Vote under the control of the Ministry/Department to which the office holder is attached.

**Vacation Leave**

Thirty (30) calendar days per annum.

**Telecommunication Facilities**

\$500 per month.

**Medical Benefits**

Membership in and entitlement to medical benefits as provided under the UNIMED Group Health Plan.

**Pension/Gratuity**

Entitlement to superannuation benefits in accordance with the provisions of the Pensions Act, Chap. 23:52, subject to the office being made pensionable under that Act.