



TTMA WELCOMES VAT REFUNDS Relief for SMEs

The Trinidad and Tobago Manufacturers' Association (TTMA) thanks the Minister of Finance, Colm Imbert for his presentation of the Supplementation and Variation of Appropriation for the financial year 2023.

TTMA is pleased with the Honourable Minister's announcement of the acceleration of VAT refunds via payment of cash for the amount of \$250,000.00 dollars or less between May and June, 2023. This measure signals the government's continued commitment to the small and medium enterprise sector (SME) in T&T. TTMA will continue to monitor this situation to ensure the roll-out of these VAT refunds materialises in the intended way, which will benefit our members.

President of the TTMA, Mr. Roger Roach noted, "The manufacturing sector will benefit greatly from the payment of VAT refunds, which will allow SMEs to reinvest, expand and grow, thereby becoming larger earners of foreign exchange for Trinidad and Tobago via exportation."

Mr. Roach continued, "The Association also commends the Minister of Finance on his declaration of online application for VAT Bonds, which is immediately available, highlighting the government's commitment to fulfil its pledge of repayment, while fulfilling its digitization mandate to improve efficiencies. The Association is pleased with the offered interest rate of 3.15% per annum since this is likely to allow manufacturers to cash in the bonds at no loss.

Speaking on the future of VAT refunds, Mr. Roach stated, "TTMA hopes that while these current payments are being completed, a system will be adopted for the non-build-up of payment of VAT refunds in the future. The Association welcomes an opportunity to continue dialogue with the government to formulate proactive solutions to this perennial issue."

Referencing Minister's comment on the expected contribution of the non-energy sector to GDP, Mr. Roach highlighted, "The TTMA continues to pursue our agenda of doubling the value of non-energy manufacturing exports in the next five years. The Honourable Minister's announcement of the expected contribution to GDP of the non-energy sector of 73% signals the government's confidence in the Association continuing to achieve this goal."

In concluding Mr. Roach noted, "The government's commitment to utilise this increase in the budgetary supplementation for payments owed to contractors for goods and services. This is a welcomed initiative as it will improve the cash-flow position of SMEs in Trinidad and Tobago allowing them to plan and further expansion of business operations.

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