



2027 Budget Newsletter



BUILDING MOMENTUM

Snapshot of 2027 Trinidad and Tobago Budget



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Acknowledgements

We extend our heartfelt gratitude and deep appreciation to our dedicated Aegis team for their remarkable contributions in producing this National Budget Newsletter.

We would like to take a moment to acknowledge the exceptional teamwork, leadership, and unwavering commitment demonstrated by the following team members, whose efforts have ensured the delivery of timely and valuable information to both our colleagues and valued clients:

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Your collective efforts, mutual support, and dedication have made this newsletter possible. Thank you all for your outstanding contributions and for standing together to support one another throughout this project.

Message From Our Chairman



Building Momentum

The real test of this Budget will be **EXECUTION.**

The opportunity is before us, but opportunity without execution will deliver little. A budget sets the direction; our values determine how we lead, and execution determines the destination.

Ultimately, we will measure this Budget's success not by what we promise, but by what we deliver with integrity, excellence, and purpose, and by whether we measurably improve the lives of our people and the fortunes of our businesses. In that spirit, we look forward to the work ahead with clarity and resolve.

VAEGIS

CHAIRMAN
ANGELA LEE LOY



Table of Contents



Message From Our Chairman	06
Budget Insights	08
Fiscal Measures	13
Social Factors & Trade Initiatives	19
Tobago Highlights	23
Our Services	25
Contact Us	26

Message From Our Chairman



The 2027 National Budget, “A People-Centred Approach: Investing in Communities, Transforming the Economy and Securing a Sustainable Future,” presented by the Honourable Davendranath Tancoo, Minister of Finance, on October 12th, 2026, sets out measures for social assistance, economic recovery, investment and fiscal consolidation.

The 2027 National Budget comes at a critical moment for Trinidad and Tobago.

Government revenue is estimated at TT\$59.7BN, with expenditure at TT\$63.4BN. The projected fiscal deficit of TT\$3.6BN, approximately 2.1% of GDP, indicates a commitment to fiscal restraint.



The projections assume an oil price of US\$77 per barrel and a natural gas price of US\$5 per MMBtu. Fiscal discipline must be accompanied by measures that strengthen productivity, investment and sustainable growth.

A People-Centred Approach must translate our energy resources, public expenditure and national investments into sustainable economic growth, greater competitiveness and tangible improvements in the lives of our citizens. It must strengthen communities and support lasting improvements in their quality of life.

Our newsletter’s theme, “Building Momentum,” reflects the need to build on progress while recognising that recovery will take time whilst exposure to volatile energy markets remains.

We cannot keep relying on energy revenues without accelerating diversification, strengthening non-energy industries, and creating an environment where private enterprise can innovate, invest, expand, and create jobs.

The real test of this budget will be execution.

Message From Our Chairman



Government must therefore move decisively to improve public-sector efficiency, accelerate infrastructure delivery, reduce bureaucratic obstacles, and address payment delays that unnecessarily pressure businesses.

At the same time, the private sector must embrace innovation, invest in productivity, adopt new technologies, and develop the skills required to compete regionally and internationally.

Government and business must work in partnership to unlock the full potential of our people and our economy. Only then can we move forward with purpose.

Right now, we need urgency, accountability, and measurable results.



Looking ahead, the Government has outlined plans to advance diversification through agriculture, manufacturing, tourism and technology, alongside investment in healthcare and the modernisation of public institutions.

We must now move from announcements to implementation, building competitive industries and taking the decisions needed to overcome longstanding challenges.

Ultimately, this budget's success will be measured by the results delivered and by whether it measurably improves the lives of our people and the fortunes of our businesses.

As a business community, we must play our part with integrity, excellence and purpose. In that spirit, we look forward to the work ahead with clarity and resolve.

I wish to thank our hardworking team for their diligence and dedication in producing this newsletter.

To our valued clients, colleagues and readers, we hope you find our publication informative and insightful. We warmly welcome your feedback and thank you for your continued support.



Budget Insights

Budget 2027: From Policy Commitments to Economic Performance



Trinidad and Tobago Budget Insights | October 2026

The Trinidad and Tobago National Budget 2027 outlines an agenda focused on fiscal consolidation, energy sector recovery, economic diversification and institutional reform.

While the proposed measures offer opportunities for economic growth, their success will depend on effective implementation, improved business confidence and the removal of longstanding structural constraints.

Economic Outlook: Recovery Remains Fragile

The economy continues to face challenges from declining energy production, foreign exchange shortages and significant public debt obligations. Real GDP contracted by 1.8% in the first quarter of 2026, although non-energy manufacturing recorded encouraging growth of 11.6%.

Restoring sustainable growth will require more than improvements in fiscal indicators. Increased private-sector investment, higher productivity and greater economic diversification will be essential to strengthening the country's resilience.

Fiscal Sustainability: Balancing Revenue and Growth

The Government projects revenue of TT\$59.7BN and expenditure of TT\$63.4BN, resulting in a fiscal deficit of approximately TT\$3.6BN, or 2.1% of GDP.

While the projected reduction in the deficit is encouraging, the fiscal outlook remains sensitive to energy prices and production levels. The Budget assumes oil at US\$77 per barrel and natural gas at US\$5 per MMBtu.

The challenge will be strengthening revenue collection and managing expenditure without placing excessive pressure on businesses or discouraging investment.

Budget 2027: From Policy Commitments to Economic Performance



Energy Recovery and Economic Diversification

Renewed investment in oil and gas exploration and production is central to the Government's growth strategy. Several natural gas developments are expected to increase production, potentially strengthening export earnings, government revenue and foreign exchange availability.

At the same time, initiatives targeting manufacturing, agriculture, tourism and technology seek to broaden the economic base.

While these developments present opportunities for businesses, meaningful diversification will require reliable infrastructure, access to financing, skilled labour and a competitive operating environment. Success should be measured through increased non-energy exports, investment and sustainable employment.

Tax Reform: Implications for Business Competitiveness

Proposed measures include restricting the utilisation of carried-forward tax losses to 75% of chargeable profits, increasing withholding taxes on distributions to non-residents and extending VAT to digital services supplied by non-resident providers.

These changes could increase tax liabilities, affect cash flows and raise the cost of certain cross-border transactions.

Although strengthening revenue collection is important, tax reform must be balanced against maintaining a predictable and competitive business environment. Businesses should assess the implications for tax planning, contractual arrangements and profitability.

Budget 2027: From Policy Commitments to Economic Performance



Foreign Exchange: A Persistent Business Constraint

Foreign exchange availability remains a significant challenge for businesses, affecting imports, supplier payments and investment decisions.

The proposed improvements to EXIMBANK's allocation framework, particularly for SMEs, manufacturers and exporters, are encouraging. However, improved distribution alone will not resolve the underlying shortage.

Sustainable progress will depend on increasing foreign exchange earnings through energy production, exports, tourism and foreign investment. Greater predictability in access to foreign currency will be critical to restoring business confidence.

Public Sector Reform: Execution Will Be Critical

Modernisation of tax administration, Customs and digital government services could improve efficiency and reduce administrative burdens.

However, the gap between planned and actual public investment remains concerning. Approximately TT\$3BN was spent against a budgeted TT\$5BN under the Public Sector Investment Programme in fiscal 2026.

Improving project execution, reducing VAT refund delays and strengthening accountability will be essential to translating public expenditure and institutional reform into tangible economic benefits.

Budget 2027: From Policy Commitments to Economic Performance



The Road Ahead

Budget 2027 presents opportunities for investment, business expansion and economic transformation, but significant challenges remain.

For businesses, priorities should include assessing the impact of proposed tax measures, strengthening cash-flow management, managing foreign exchange exposure and identifying opportunities in emerging sectors.

Ultimately, the success of Budget 2027 will be determined not by the number of initiatives announced, but by measurable improvements in economic growth, business competitiveness, investment confidence and public-sector efficiency.

Moving from policy commitments to economic performance will require disciplined execution, fiscal responsibility and meaningful collaboration between government and the private sector.

Fiscal Measures



Fiscal Measures



- Utilisation of carried-forward losses for all businesses will be limited to 75% of chargeable profits.
- Unemployment Levy on the taxable profits of petroleum companies will increase from 5% to 8%.
- Withholding tax on distributions are as follows:
 - Non-resident individuals and companies: increase from 8% to 10%
 - Non-resident parent companies: increase from 3% to 5%.
- Reduction of 25% in excise rates on imported alcoholic beverages. Based on the value of the product the duties will now be charged at an ad valorem rate.

- Income Tax Act will clarify withholding tax rules for payments to non-residents, based on where the payment obligation arises and the cost is incurred.
- Income Tax Act will be amended to expressly disallow deductions for expenses incurred in earning exempt income.
- Stricter tobacco laws will apply, including new rules for cigarette possession and imports, a 20% customs duty on vaping products, a ban on vaping in public places, and a prohibition on selling vaping products to persons under 21.
- New regulations will govern classic, antique and vintage vehicles, with Motor Vehicle Tax increasing by 100%, 50% and 25%, respectively.

Fiscal Measures



- Surcharge of TT\$0.05 per kWh will apply to residential electricity consumption exceeding 3,000 kWh per billing period
- Annual Personal Allowance for pensioners will increase from TT\$90K to TT\$102K.
- Farm Business Formalisation Programme will be introduced to help registered farmers with land ownership, business registration, record-keeping, financial management and access to funding and other agricultural support
- Agricultural Internship Programme will expand from 30 to 100 interns, providing opportunities inclusive of production, agro-processing, technology, research and distribution and support for interns to be explored.
- Selected zero-rated items will be reclassified as VAT-exempt, while zero-rating will be retained for selected basic and essential items.
- TT\$100 fee to be introduced for the issuance of a VAT Clearance Certificate.
- TT\$100 penalty to be imposed for every two-month period that a VAT return remains outstanding.
- Customs Act penalty will double to TT\$250K
- Foreign Currency Declaration threshold will rise from US\$5K to US\$10K.
- Registered clubs may pay taxes quarterly rather than annually.

Fiscal Measures



- Monthly grants for seniors, people receiving public assistance and people with disabilities will each rise by TT\$250.
- Rules for foreign investment in land and shares will be simplified, including transactions up to US\$100K. CARICOM nationals will be exempt from the consideration rule, while foreign investors must disclose beneficial ownership to improve transparency and reduce delays.
- Amendments to the Exchange Control Act will clarify rules for importing and exporting foreign currency and require authorised dealers to provide more detailed reports to the Central Bank on cash movements.
- Virtual assets sandbox will be expanded, with a full licensing system for service providers and stronger rules for cybersecurity, consumer protection, governance and regulatory oversight.
- Effective March 1st, 2027, application of VAT on digital services supplied by non-resident to persons in Trinidad and Tobago. A simplified registration system will allow these suppliers, including those providing taxable real estate-related services, to register, collect, and pay VAT electronically.
- During the first quarter of 2027 government entities that do not meet the requirements for VAT registration will be deregistered, while those making taxable supplies will remain subject to the VAT.

Fiscal Measures



- All taxpayers will file electronically through GENTAX, simplifying compliance and improving tax administration.
- TT\$16.3MN in fiscal 2027 to upgrade 22 priority schools and practical learning materials across 56 schools, alongside expanded vocational training, teacher preparation and career guidance.
- TT\$2MN proposed internship programme in July/August 2027 to provide about 1,300 students aged 16+ with training and a TT\$1,500 stipend.

- Penalties on employers who fail to pay NIS contributions will increase, with the maximum fine doubling from TT\$4,000 to TT\$8,000. The NIB will also be allowed to waive penalties, subject to accountability measures.

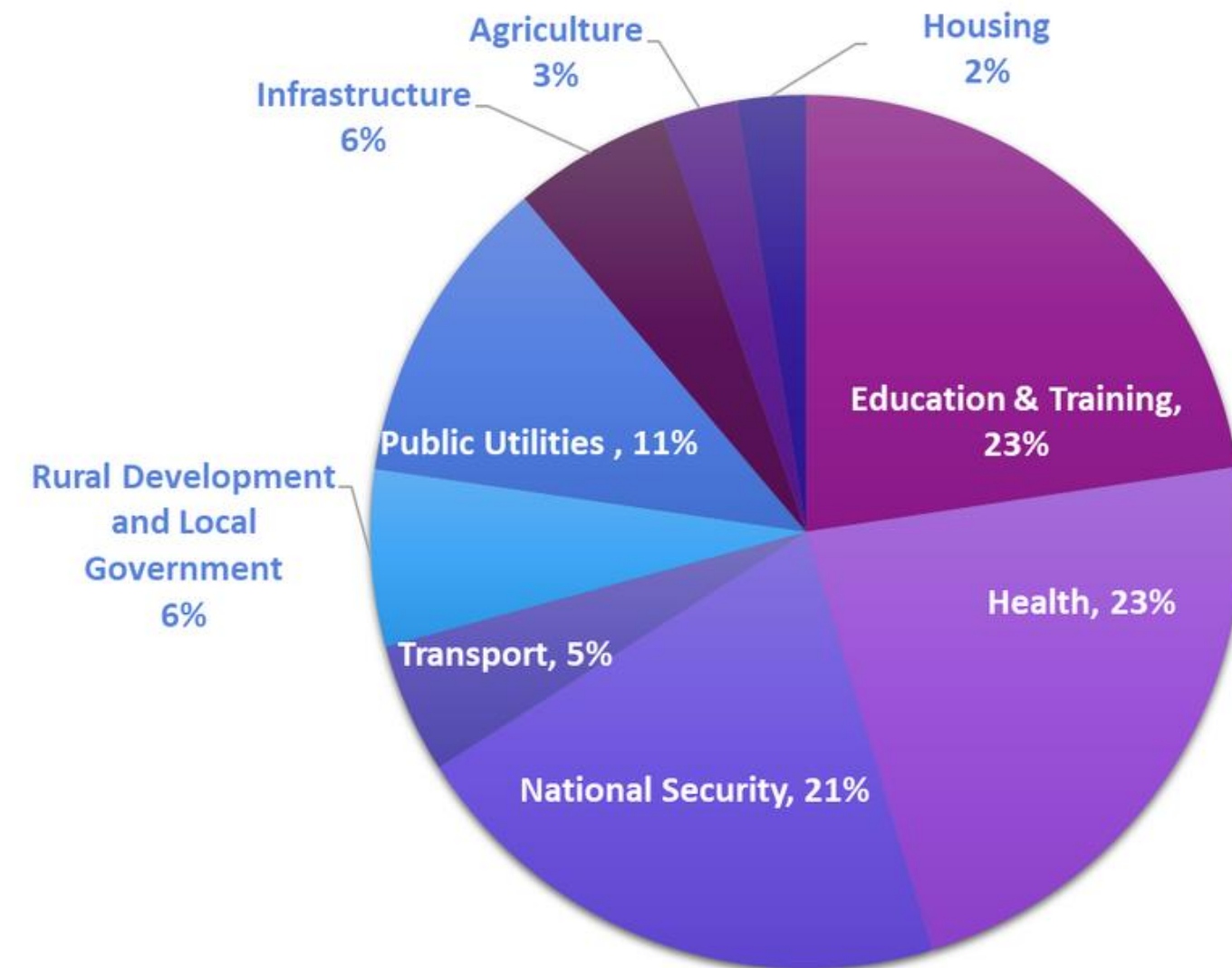


Fiscal Measures



- In fiscal 2027, the Government will review the National Insurance claims and appeals system to address over 1,000 outstanding appeals and reduce delays with support from an international development partner.
- Legislation to be amended to protect workers who missed National Insurance contributions during COVID-19 shutdowns from unfairly losing their benefits.
- Government will introduce a savings bond programme allowing citizens to invest from TT\$1,000, with fixed interest rates in TT and US dollars, while other Government securities will be available from approximately TT\$5,000. The securities will be digitised and listed on the Trinidad and Tobago Stock Exchange to improve accessibility, encourage savings and wealth creation, and broaden public participation in the capital market.

Key Fiscal Expenditure Allocations 2027





Social Factors & Trade Initiatives

Social Factors



- Additional TT\$5M allocated to Women's Health Fund.
- Senior Citizens', Public Assistance and Disability Assistance Grants - Increase by TT\$250 a month effective January 1st, 2027.
- Allocation of TT\$30MN towards Flood Mitigation and Erosion Control Program.
- Electricity surcharge of 5 cents per kilowatt-hour on residential consumption above 3K kilowatt-hours per billing period. To generate an additional TT\$17.8MN in revenue effective January 1st, 2027.
- Pensioners' Tax Relief - Personal Allowance increases from TT\$90K to TT\$102K effective January 1st, 2027, this will result in approximately TT\$11MN in tax relief.
- Technical and Vocational Education total allocation TT\$16.3MN with an additional TT\$2MN 'READY' internship program for students aged 16 and over, with a TT\$1,500 stipend, between July to August 2027.
- The Geriatric Adolescent Partnership Programme is expanding into home care for older persons, persons with disabilities and those needing short-term assistance, with eligibility criteria, caregiver standards and safeguards.

Education and Skills Training



- PEARL initiative to benefit 16,000 students with cognitive challenges.
- Digital Learning - TT\$6.6MN allocated to AI and digital education.
- After-school study centres in 100 schools across seven districts.
- National Parent Portal - Parental Responsibility Act.
- Laptops - TT\$\$100MN in laptop distribution.
- Tertiary Education and Skills: Investment in UWI, UTT, COSTAATT and OJT Program.



Trade Initiatives



- Targeted to generate an additional US\$2BN in non-energy exports by 2027 and US\$5BN by 2030.
- Pinnacle Steel and Vanadium - Investment of US\$250MN initially, targeting production by 2027 and 1K jobs.
- T&T is once again open for business with 45 potential projects valued at approximately US\$2.2BN in our investment pipeline at various stages of readiness with potential to generate over 7,100 new jobs.
- Amendment to the Tobacco Control Act - Possession of 10K or more tobacco products would constitute evidence of distribution; importing 800 or more cigarettes require an import license effective January 1st, 2027.
- Increase penalties for false declaration under the Customs Act from TT\$125K to TT\$250K, effective January 1st, 2027.
- Increase in the Foreign Currency Declaration Threshold from US\$5K to US\$10K, effective January 1st, 2027.



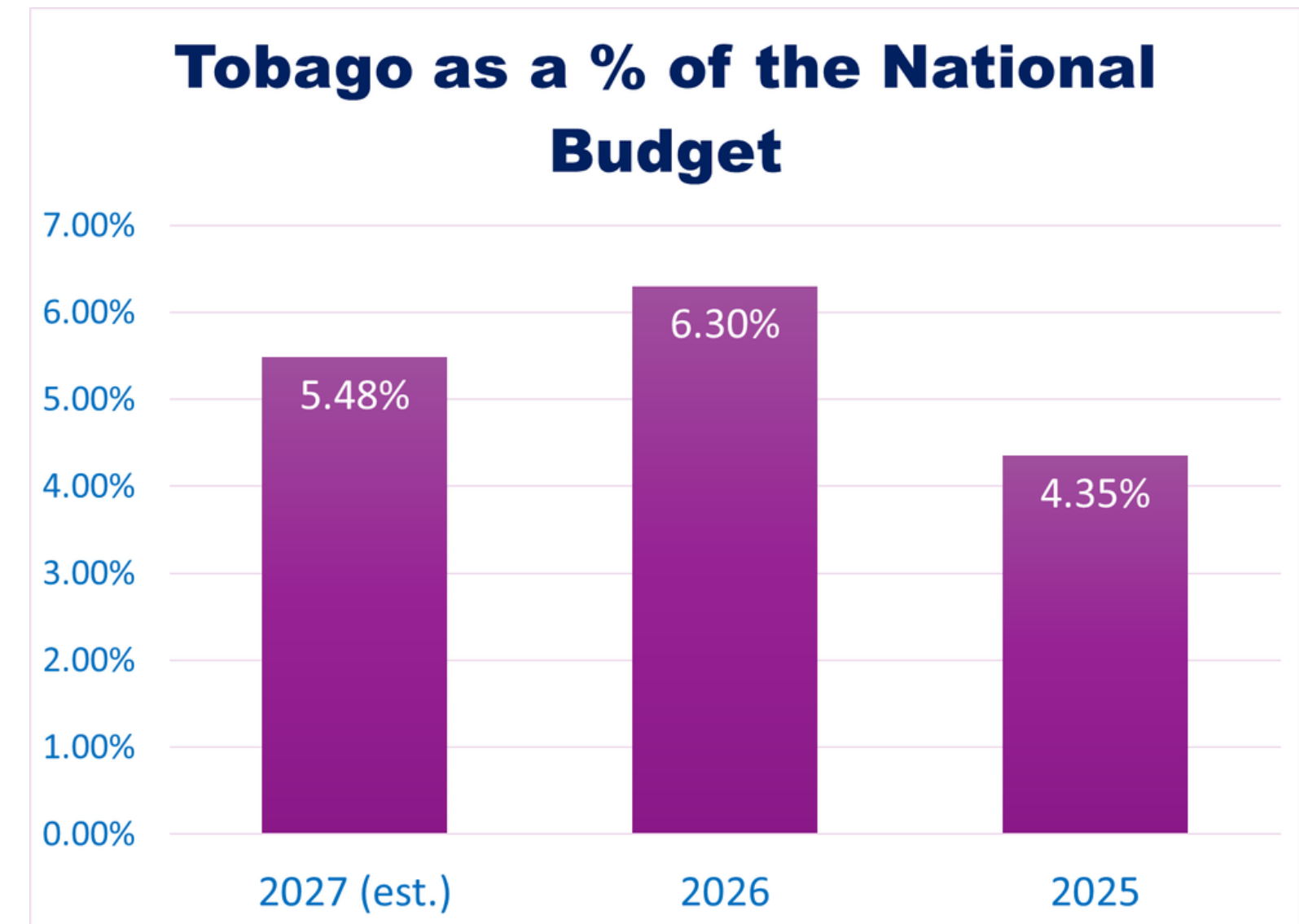
Tobago

Tobago Initiative



Tobago will receive TT\$3.5BN (5.5% of the national budget) for Fiscal Year 2027, comprising:

- TT\$2.8BN for the Tobago House of Assembly (THA).
- TT\$716.5MN in expenditure by various Ministries.
- Development Priorities: Focus on tourism, air connectivity, agriculture, infrastructure, digital transformation, education, business development and healthcare.
- Environmental Initiatives: TT\$100MN in CAF financing for coastal protection, reforestation, sargassum management, marine infrastructure and EV charging.
- Housing and Social Support: Deliver 250 housing units, 86 service lots and 350 housing grants, while continuing REACH and Emergency Food Card programmes.



- Strategic Alignment: Support the Tobago Blueprint 2026–2030 and the THA's 2027 programme.

Our Services

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02



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03



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04

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Keeping you compliant, organised, and efficient.

05

Information Technology

Leveraging technology to propel your business.

06

Assurance

Evaluating processes and performance to increase efficacy.



Contact Us



Looking to streamline your operations, scale your team, or bring a project to life? We specialise in delivering reliable, cost-effective outsourcing solutions tailored to your needs.



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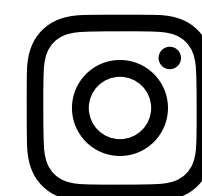
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Trainee Development - Platinum



The **2026 POST BUDGET DISCUSSION**

for Fiscal Year 2027

OUR FEATURED GUESTS



**PROFESSOR
WINSTON DOOKERAN**



DR. ROGER GOPAUL



VIVEK CHARRAN

**JOIN US ON
THURSDAY**



via Zoom



SCAN ME

**DATE: THURSDAY, OCTOBER 15, 2026
TIME: 10:00 AM – 11:00 AM
LOCATION: ONLINE VIA ZOOM**

Questions? Email info@aegistt.com