

REPUBLIC BANK LIMITED

Budget FY2026/27 Economic Snapshot

TOTAL REVENUE

\$59.7bn

+9.9% vs FY2026 (\$54.3bn)

TOTAL EXPENDITURE

\$63.4bn

+3.4% vs FY2026 (\$61.3bn)

OVERALL BALANCE

-\$3.6bn

2.1% of GDP

Real GDP GROWTH

-2.2%

2026 estimate

Public Debt to GDP

83.3%

FY2026 estimate

ENERGY PRICE ASSUMPTIONS

Oil

US\$77.00 per barrel

FY2026: US\$73.25 per barrel

Natural Gas

US\$5.00 per MMBtu

FY2026: US\$4.25 per MMBtu

HSF NAV

US\$6.5bn

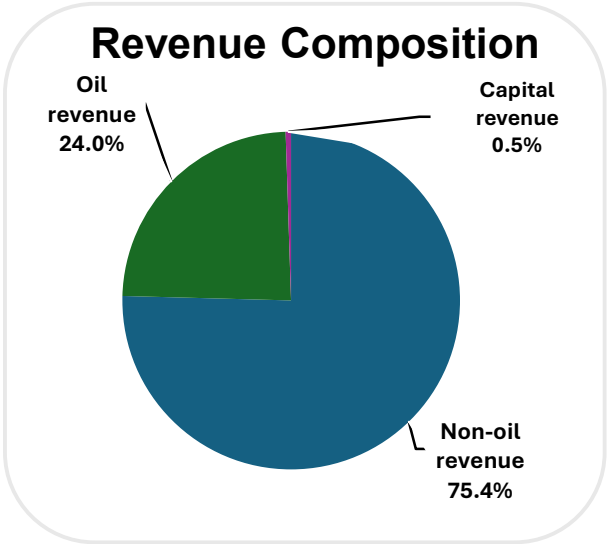
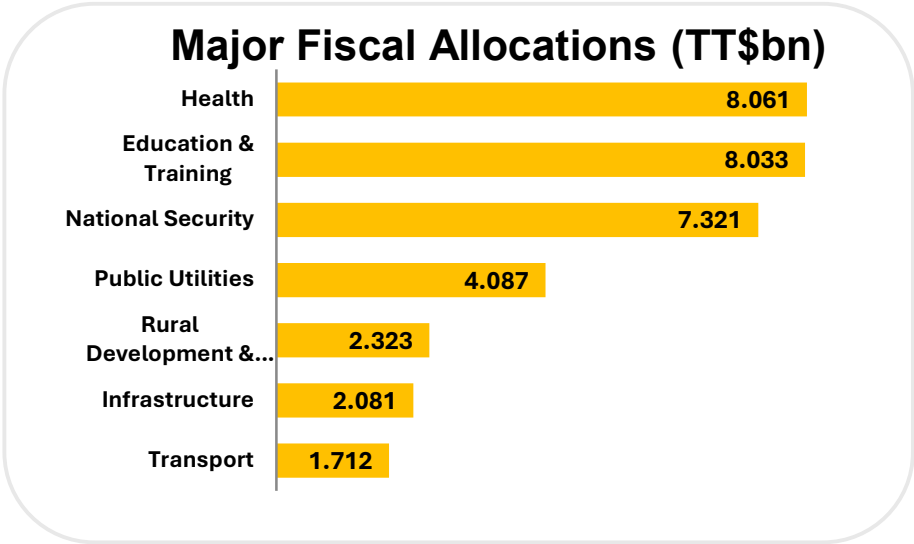
September 2026

Reserves

US\$5.3bn

6.1 months of imports

August 2026



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Budget FY2026/27 Fiscal Summary

Proposed Fiscal Measures

Business, Taxation and Revenue Mobilisation	
1. Cap on Carried-Forward Losses From January 1, 2027, businesses will be allowed to offset up to 75 percent of annual chargeable profits using losses carried forward from previous years. Expected to generate \$430 million in revenue.	2. Increase in the Petroleum Unemployment Levy The Unemployment Levy on the taxable profits of petroleum companies will increase from 5 percent to 8 percent, effective January 1, 2027. The measure is expected to raise an estimated \$155 million.
3. Adjustment of Non-Resident Withholding Taxes Withholding tax on distributions to non-resident individuals and companies will rise from 8 percent to 10 percent, while the rate for non-resident parent companies will increase from 3 percent to 5 percent. Projected additional revenue is \$25.1 million.	4. Amendment to the Definition of “Payments” under the Income Tax Act Government will clarify the withholding-tax treatment of payments to non-residents for management, technical and other prescribed services. The measure is expected to generate approximately \$300 million.
5. Excise Relief and Ad Valorem Restructuring on Alcohol Excise duty rates on alcoholic beverages to reduce by 25 percent for both locally produced and imported beverages. A value-based customs duty to be introduced.	6. Deductions Related to Exempt Income From January 1, 2027, deductions for expenses incurred in earning exempt income will be disallowed. Government expects the measure to generate approximately \$75 million.
7. VAT on Remote and Digital Services VAT to be applied to digital services supplied by non-resident providers to persons in Trinidad and Tobago from March 1, 2027, with projected revenue of \$18 million.	8. Conversion of Selected Zero-Rated Items to VAT-Exempt Status Selected goods to be reclassified from zero-rated to VAT-exempt status while maintaining no VAT at the point of sale. The measure is intended to simplify VAT administration and reduce pressures associated with VAT refunds.

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Households and Social Protection	
9. Increased Social Assistance Grants The Senior Citizens’ Grant, Public Assistance Grant and Disability Assistance Grant will each increase by \$250 per month from January 1, 2027. The additional cost to Government is estimated at \$555 million.	10. Increased Personal Allowance for Pensioners The annual personal allowance for pensioners will increase from \$90,000 to \$102,000, effective January 1, 2027, granting \$11 million in tax relief.
11. Residential Electricity Surcharge A surcharge of 5 cents per kWh will be applied to residential electricity consumption above 3,000 kWh per billing period. The measure is expected to raise \$17.8 million.	

Human Capital and Agriculture	
12. Expansion of Technical and Vocational Education Government will provide \$16.3 million to expand technical and vocational education across secondary schools, including workshop upgrades and equipment in 22 priority schools and practical learning materials across 56 schools.	13. Formalisation and Development of Agricultural Enterprises A Farm Business Formalisation Programme will provide registered farmers with support in land tenure, business registration, record-keeping, financial management and access to finance. The Agricultural Internship Programme will also expand from 30 to 100 interns.
14. READY Internship Programme Government will allocate TT\$2 million to provide approximately 1,300 secondary-school students aged 16 and over with four-week internships during July-August 2027. Each participant will receive a TT\$1,500 stipend.	

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Investment and Capital-Market Measures

15. Foreign Investment Act Modernisation

Government will simplify rules governing foreign acquisition of land and shares, including transactions up to US\$100,000, exempt CARICOM nationals from the consideration rule and strengthen beneficial-ownership disclosure.

16. Retail Investment and Capital Market Development

Government will introduce Savings Bonds and Retail Government Securities in smaller denominations to widen the access of ordinary citizens to investment opportunities.

Table 1: Revenue Collected from Selected FY2026 Fiscal Measures

Fiscal Measures	Revenue collected (TT\$ million)
Asset Levy on Banks and Insurance Companies	\$397.0
Landlord Registration Fees	\$48.4
Landlord Business Surcharge	\$85.6
Electricity Surcharge on Industrial and Commercial Consumers	\$89.4
Club Gaming Tax Adjustment	\$65.2
Increased Customs and Excise Duties on Alcohol and Cigarettes	\$1,230.0
Increased Fees, Charges and Licences	\$2.0
Taxes and Duties on Luxury Electric Vehicles	\$15.5
Single-Use Plastic Tax	\$14.1
Total	\$1,947.2

Source: Budget Statement 2026/2027

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Budget FY2026/27 Fiscal Summary

Table 2: Fiscal Summary TT\$ Mn (Fiscal Years)

Fiscal item	2025a	2026r	2027b
1. Total revenues & grants	46,594.2	52,346.0	57,789.5
2. Recurrent revenue (3+4)	45,139.9	51,795.1	57,477.9
3. Tax Revenue	36,561.9	40,960.2	41,643.8
4. Non-Tax Revenue	8,578.0	10,834.9	15,834.1
5. Capital receipts & grants	1,454.3	550.9	311.6
6. Total expenditure	58,803.6	61,535.0	63,243.7
7. Recurrent expenditure	57,216.7	59,538.9	60,704.8
8. Capital expenditure	1,586.9	1,966.1	2,538.9
9. Current account balance (2-7)	-12,076.8	-7,743.8	-3,226.9
10. Overall budget balance (1-6)	-12,209.4	-9,189.0	-5,454.2

Source: Draft Estimates of Revenue and Expenditure 2027

- a: Actual
- r: Revised estimate
- b: Budgeted

Please Note: This table is based on the Draft Estimates of Revenue and Expenditure 2027 and not the figures presented in the Budget Speech. Accordingly, some differences exist between the table above and the Budget Speech.