



TAXES MAKING A BIG DIFFERENCE

ST. GEORGE'S, GRENADA, JUNE 26, 2014 -GIS: Government says that the increases in some taxes for the three-year Home Grown Structural Adjustment Program are already working well after only months of imposition.

Prime Minister Dr. the Hon. Keith Mitchell made the disclosure during the recent St Patrick West Constituency Forum.

He was responding to a question by well-known actor Robert White, who wanted to know if the increases were making a difference.

White, who like many other people, says that he does not like to pay taxes; but understands the necessity at this time. He is nonetheless hopeful that some of the taxes will be discontinued after the three years as was done with the Debt Levy Tax that was imposed following Hurricane Ivan, which devastated the country in 2004.

White's intervention sparked a lively response from Prime Minister Mitchell, who said that the taxes have seen a reasonable increase in revenue collection.

He indicated that the 18-million dollar monthly operating deficit has been cut by almost half. "The signs are looking optimistic. The gap is being closed.

It was EC\$ 18 million, it is now down to EC\$ 10 million; so almost half the gap has been closed", Prime Minister Mitchell pointed out. However, he indicated that some of the taxes have not yet been implemented and will become effective from next year 2015. Dr. Mitchell is positive that things will get better.

"If the economy can become robust as we expect; if we get the investment that we expect to see; if we see the productive sector increase the way we want it to; if we get some upward mobility in the Public Service- delivering service to people more efficiently, then we won't need to continue some of those increases", Prime Minister Mitchell said, indicating that some of the taxes should have been in place long before.

He said that people earning more than EC\$10,000 a month or more in rental of properties, will have to pay their fair share of taxes, as the policeman or civil servant who makes in the range of EC\$ 40,000 a year.

“They have jobs and properties and are making US\$ 15,000 a month from renting and they are not paying a cent, is it fair? So I do not think that we need Structural Adjustment to have come with that tax”, Dr. Mitchell said.

“I do not honestly believe that when the program finish we should necessarily remove the ability of persons who are making money to pay their fair share to the tax payers.

They should not get away from paying and the person who is struggling has to pay. It is not fair”, the prime minister said, indicating that as soon as the situation improves some of the taxes could be removed and not affect the program.

--

Government Information Service
Grenada

Ministerial Complex

Botanical Gardens, Tanteen, St. George.

Telephone: 1 473 440 2061

Emails: gisgrenada@yahoo.com, gis10grenada@gmail.com

FaceBook: <http://www.facebook.com/pages/Government-Information-Service-Grenada/124679667715950?ref=hl>