

TRINIDAD & TOBAGO DIGITAL ECONOMY 2027

Comprehensive Policy, Infrastructure, and Investment Strategy (FY 2027 Budget Assessment)

Executive Briefing: The Trinidad and Tobago Fiscal Year 2027 Budget lays out an integrated digital transformation agenda. Key pillars include a 12.5% VAT on foreign digital services ('Netflix Tax'), major upgrades to tax administration (GENTAX v26), the rollout of National Digital Identity (TTPass/e-ID), expansion of 4G LTE/cloud infrastructure, instant digital payments (UPI), and artificial intelligence integration across schools and community centres.

1. Strategic Overview & Core Pillars

The Government of Trinidad and Tobago has positioned digital technology as a cornerstone of its non-energy economic diversification strategy and public administration overhaul. Under Fiscal Year 2027, the digital economy framework spans five strategic pillars:

- **Fiscal & Tax Governance:** Leveling the playing field between domestic and foreign digital providers while modernizing internal audit and tax processing capabilities.
- **Digital Public Infrastructure (DPI):** Establishing unified e-ID (TTPass), digital credentialing (VerifyTT), and digital social benefit distribution (CareTT/BenefiTT).
- **Telecoms & Cloud Infrastructure:** Expanding 4G LTE coverage, sunsetting legacy 2G/3G networks, and establishing a Whole-of-Government Cloud Framework.
- **FinTech & Financial Inclusion:** Deploying an instant retail payment system (UPI) alongside non-bank Electronic Money Issuer (EMI) regulations.
- **Human Capital & AI Integration:** Modernizing education through student laptop distribution, AI platforms (NEXTCLASS TT, ELEVATE TT), and AI Community Centres.

2. Fiscal Policy, Tax Reform & Trade Modernisation

Remote Digital Services Value Added Tax ('Netflix Tax')

Effective **March 1, 2027**, a **12.5% VAT** will apply to remote digital services supplied by foreign, non-resident entities to domestic consumers (including streaming platforms like Netflix, Hulu, Disney+, HBO Max, and Apple TV). Non-resident vendors will register electronically with the Inland Revenue Division (IRD) and remit tax collections in **US Dollars (USD)**. The measure is projected to yield **TT\$18.0 million** in FY 2027, fostering tax parity and bolstering foreign exchange reserves.

GENTAX Version 26 & Administration Upgrades

To support digital compliance and broader tax enforcement, the Integrated Tax Processing System is transitioning from Version 9 to **GENTAX Version 26** under an approved budget of **TT\$113.4 million** over an 18-month timeline. The IRD is onboarding **102 tax auditors and 51 ICT professionals** to enforce mandatory e-filing.

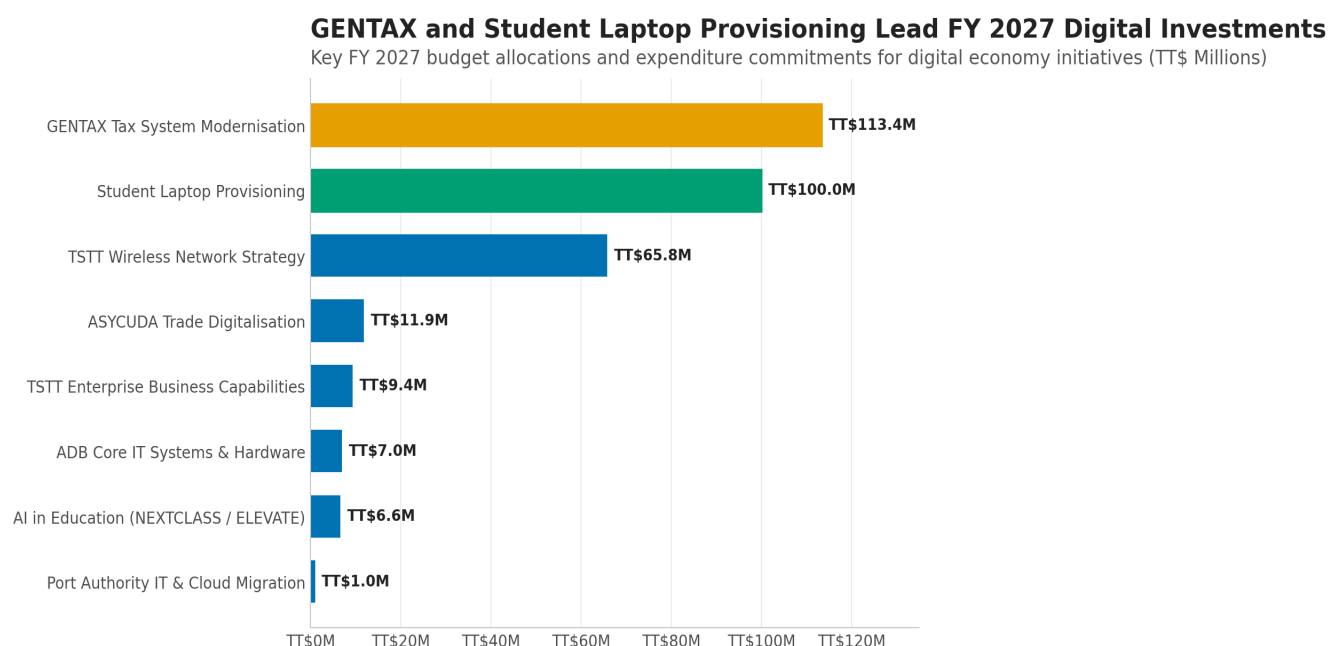
ASYCUDA Extended Digitalisation Project

In partnership with UNCTAD, the Customs and Excise Division is executing an 18-month digitalisation project across 28 sites. Budgeted at **US\$1.75 million (~TT\$11.87 million)**, it deploys 7 key modules (including ASYHUB, ACI, ASYDIS, and ASYRISK) and SD-WAN connectivity to streamline international trade.

3. Public Sector E-Governance & Digital Public Infrastructure

- **TTPass National Electronic Identity (e-ID):** Core foundational e-ID platform providing biometric authentication, digital signatures, and e-KYC. Terms of Reference and DigiTT execution workplan are set for FY 2027.
- **VerifyTT Credentialing Platform:** National platform for tamper-proof digital credentials, launched in April 2026 and expanding in FY 2027 in integration with EmployTT and LearnTT.
- **CareTT / BenefiTT Social Wallet:** Mobile and web digital platform enabling electronic distribution of social assistance grants and non-financial benefits to prevent fraud.
- **Electronic Arrival/Departure Card:** Fully online immigration declaration replacing paper forms, accessible up to 72 hours prior to travel with QR code generation.
- **Digital Healthcare ('One Patient, One Record'):** Deployment of an Integrated Health Information System (IHIS), unique National Health IDs, and telemedicine expansion across RHAs.

4. Budget Allocation Analysis (FY 2027 Commitments)



Source: Trinidad and Tobago FY 2027 Budget Publications (Ministry of Finance, SEIP, SSIP)

Figure 1: Comparison of Major FY 2027 Digital Economy Allocations (TT\$ Millions). Source: Budget Statement 2027 & Investment Publications.

5. Telecommunications, Enterprise & Banking Infrastructure

- **TSTT Wireless Network Strategy:** Phased sunsetting of legacy 2G/3G networks, expansion of 4G LTE, and VoLTE/VoWiFi rollout. Total revised strategy cost: **TT\$2,459.2M** (FY 2027 allocation: **TT\$65.8M**).
- **TSTT Enterprise Business Capabilities:** Upgrading corporate and government ICT infrastructure. Total revised

cost: **TT\$519.03M** (FY 2027 projection: **TT\$9.38M**).

- **Agricultural Development Bank (ADB) IT Systems:** Core Banking Software replacement (**TT\$4.0M**) and hardware acquisition (**TT\$3.0M**) totaling **TT\$7.0M** in FY 2027.
- **Port Authority (PATT) IT & Cloud Migration:** ERP system migration, online payment gateway, and cloud infrastructure procurement (**TT\$1.0M** in FY 2027).
- **Unified Payments Interface (UPI) & EMIs:** Real-time digital payment rails for P2P, P2M, and G2P transactions regulated under the Central Bank's Electronic Money Issuer framework.

6. Education, Human Capital & Digital Inclusion

- **Student Laptop Provisioning:** Distribution of secondary school computing devices supported by a **TT\$100.0M** FY 2027 commitment (following 17,188 laptops distributed in FY 2026).
- **AI in Education (NEXTCLASS TT & ELEVATE TT):** Deployment of AI teaching software, digital textbooks, and adaptive assessment tools with **TT\$6.6M** allocated in FY 2027.
- **Community Broadband & AI Hubs:** Universal Service Fund (TATT) broadband expansion across rural communities (Brasso Seco, Morne La Croix, Tortuga, Gran Couva, Indian Trail) alongside AI Community Centres and Mobile Computer Buses.

7. Comprehensive Matrix of Initiatives, Timelines & Costs

Initiative / Project	Sector Impact	Key Scope & Mechanism	Timeline	Cost / Revenue Metric
Remote Digital Services VAT	Private / Public	12.5% VAT on foreign streaming platforms; paid in USD.	March 1, 2027	TT\$18.0M Rev. (FY27)
GENTAX v26 Upgrade	Public (IRD)	Upgrade tax system from v9; 102 auditors + 51 ICT staff.	2027 (18 mos)	TT\$113.4M Total
ASYCUDA Digitalisation	Customs / Trade	7 UNCTAD modules & SD-WAN across 28 sites.	Nov 2025–2027	US\$1.75M (~TT\$11.9M)
TTPass (National e-ID)	Public Sector	Biometric authentication, e-signatures, and e-KYC.	FY 2027 Rollout	MPAAI Core Budget
VerifyTT Credentials	Education / Trade	Verifiable tamper-proof digital credentials platform.	April 2026–FY27	MPAAI DPI Capital
CareTT & BenefitT	Social Services	Mobile/web social benefit wallet integrated with e-ID.	FY 2027 Rollout	MPSDFS Investment
Electronic Arrival Card	Immigration	Online immigration form replacing paper forms.	March 2026–FY27	Homeland Security
TSTT Wireless Strategy	Telecoms	4G LTE expansion, VoLTE, 2G/3G sunsetting.	Multi-year/FY27	TT\$65.8M (FY27 of \$2.46B)
TSTT Enterprise ICT	Telecoms / Enterprise	Government and corporate enterprise ICT expansion.	FY 2027 Exec.	TT\$9.38M (FY27 of \$519M)
ADB Core IT Banking	Agriculture / Banking	Replacement of core banking software & hardware.	FY 2027 Exec.	TT\$7.0M Total
Student Laptop Program	Education	Secondary school laptop device distribution.	FY 2027 Commit.	TT\$100.0M Allocation
AI Education Platforms	Education	NEXTCLASS TT and ELEVATE TT AI tools.	FY 2027 Rollout	TT\$6.6M Allocation
Port Authority Cloud/IT	Logistics / Maritime	ERP migration, payment gateway, cloud hardware.	FY 2027 Exec.	TT\$1.0M Projected

Conclusion: The FY 2027 budget demonstrates a structural pivot toward modernising Trinidad and Tobago's digital economy. By balancing revenue enforcement (remote VAT, GENTAX v26) with strategic investments in digital infrastructure (TTPass, Cloud, 4G LTE) and human capital (laptops, AI education), the Government aims to improve ease of doing business, enhance citizen service delivery, and secure long-term fiscal resilience.