



2021-2022

Fiji National Budget Synopsis

16 July 2021



pwc

2021-2022 Fiji National Budget

The 2021-2022 Fiji National Budget was today presented to the nation by the Attorney-General and Minister for Economy, Civil Service and Communications, Honourable Aiyaz Sayed-Khaiyum.

This Budget is for the 1 August 2021 to 31 July 2022 fiscal year and seeks to build on key measures that were introduced in the 2020-2021 Budget intending to support economic recovery, rejuvenate private sector activity, protect jobs, assist the unemployed and maintain overall macro-fiscal sustainability.

PricewaterhouseCoopers is pleased to provide this synopsis of the 2021-2022 Fiji National Budget. A more detailed report of the 2021-2022 Fiji National Budget will also be issued.

Should you have any queries on the Budget or our Synopsis, please do not hesitate to contact us.

2021-2022 Budget Estimates: Snapshot

	2021-2022 Budget
Estimated revenue (\$'000)	2,085,104.9
Estimated expenditure (\$'000)	3,690,545.6
Estimated Net Deficit (\$'000)	1,605,440.7
Debt repayments (\$'000)	367,801.7
Gross deficit (\$'000)	1,973,242.4
<i>Net deficit as a percentage of GDP</i>	16.2%
Nominal GDP (\$ million)	9,889,245.9

Source: Budget Estimates 2021-2022

The Fijian economy is estimated to have contracted by 15.7% in 2020, the largest in Fiji's modern history, with an expected economic contraction of 4.1% in 2021. The economy is projected to rebound in 2022 and 2023 by 6.2% and 8.0%, respectively. This is based on the expected re-opening of borders to international travel by early to mid-2022 and Government initiatives to rejuvenate domestic economic activities.

The 2020 year-end annual inflation was -2.8%. Inflation in June 2021 was 0%. Year-end inflation for 2021 is expected to be 1.5%. Year-end inflation for 2022 and 2023 is projected to increase further to 2.4% and 3.4%, respectively.

In 2020, total exports fell by 19.0% to \$1,755.4 million. In 2021, total exports are projected to contract by 5.4% (to \$1,661.5 million). In 2022, total exports are anticipated to rebound by 16.1% to \$1,929.5 million.

Total imports fell sharply by 26.4% to \$3,738.1 million in 2020 and is projected to fall by 2.0% to \$3,663.6 million in 2021. In 2022, total imports are expected to grow by 11.7% to \$4,090.5 million.

Tax Measures

Unless otherwise specified, excise tax, fiscal import duty, import excise duty and Environment Climate Adaptation Levy (**ECAL**) changes are expected to be effective from 17 July 2021 and all other tax changes are expected to be effective from 1 August 2021, unless stated otherwise.

Direct Tax Measures

Policy	Description								
1. Investment in Infrastructure for Information Communications Technology (ICT) purposes.	<ul style="list-style-type: none"> Any new investment in the infrastructure for businesses engaged in the ICT Sector will be granted a tax holiday and a duty concession package, provided that 90% of the income for the investor shall be derived from the ICT business. <ol style="list-style-type: none"> <u>Tax Exemption Structure</u> <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Holiday</th> </tr> </thead> <tbody> <tr> <td>\$2,000,000 to \$5,000,000</td> <td>10 years</td> </tr> <tr> <td>\$5,000,001 to \$10,000,000</td> <td>15 years</td> </tr> <tr> <td>In excess of \$10,000,000</td> <td>20 years</td> </tr> </tbody> </table> If the investor is also involved in developing strata titles and selling it to ICT/Business Process Outsourcing (BPO) companies, the sale proceeds will also be exempt from income tax. <u>Customs Exemption</u> Customs import duty exemption for the establishment of the business will be available on the importation of raw materials, machinery and equipment including spare parts. The same tax holiday period will also be extended to existing ICT/BPO companies. 	Capital Investment (\$)	Tax Holiday	\$2,000,000 to \$5,000,000	10 years	\$5,000,001 to \$10,000,000	15 years	In excess of \$10,000,000	20 years
Capital Investment (\$)	Tax Holiday								
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2. Incentive for Investment in ICT Park	<p>Any new investment in an ICT Park (including data storage services) will be granted a tax holiday and a duty concession package.</p> <ol style="list-style-type: none"> <u>Tax Exemption Structure</u> <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Holiday</th> </tr> </thead> <tbody> <tr> <td>\$10,000,000 to \$30,000,000</td> <td>20 years</td> </tr> <tr> <td>In excess of \$30,000,000</td> <td>25 years</td> </tr> </tbody> </table> <u>Customs Exemption</u> Customs import duty exemption for the establishment of the business will be available on the importation of raw materials, machinery and equipment including spare parts. 	Capital Investment (\$)	Tax Holiday	\$10,000,000 to \$30,000,000	20 years	In excess of \$30,000,000	25 years		
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Policy	Description												
3. Incentive for investment in Cable Landing and Infrastructure	<p>Any company who wishes to invest in network cable (submarine cable) and associated infrastructure development will be provided a tax holiday and duty concession package. The cable should land in Fiji.</p> <p>1. <u>Tax Exemption Structure</u></p> <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Holiday</th> </tr> </thead> <tbody> <tr> <td>Investment above \$40,000,000</td> <td>30 years</td> </tr> </tbody> </table> <p>2. <u>Customs Exemption</u></p> <p>Customs import duty exemption for the establishment of the business will be available on the importation of raw materials, machinery and equipment including spare parts.</p>	Capital Investment (\$)	Tax Holiday	Investment above \$40,000,000	30 years								
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4. Hotel Investment Incentive	<p>1. Extend Short Life Investment Package (SLIP) to renovations and refurbishments of existing hotels or resorts:</p> <ul style="list-style-type: none"> 5 year tax holiday for investments more than \$2,000,000. The incentive will be available effective from 1 August 2021 until 31 December 2022. This incentive can be claimed only once. <p>2. SLIP for new hotels</p> <ul style="list-style-type: none"> For new hotels, increased income tax exemption is available for substantial investments of more than \$40,000,000. The revised tier will be as follows: <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Holiday</th> </tr> </thead> <tbody> <tr> <td>\$250,000 - \$1,000,000</td> <td>5 years</td> </tr> <tr> <td>\$1,000,001 - \$2,000,000</td> <td>7 years</td> </tr> <tr> <td>\$2,000,001 - \$40,000,000</td> <td>13 years</td> </tr> <tr> <td>In excess of \$40,000,000</td> <td>25 years</td> </tr> </tbody> </table> <p>3. Standard Allowance will be increased to 50% from 25%.</p> <p>4. Duty free importation for all hotels and resorts will be available from 1 August 2021 until 31 December 2022. 5% ECAL will also be waived on all imports.</p>	Capital Investment (\$)	Tax Holiday	\$250,000 - \$1,000,000	5 years	\$1,000,001 - \$2,000,000	7 years	\$2,000,001 - \$40,000,000	13 years	In excess of \$40,000,000	25 years		
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5. Incentive for Investment in Recycling Business	<ul style="list-style-type: none"> Any new investment in the recycling business will be granted a tax holiday and a duty concession package. <u>Tax Exemption Structure</u> <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Holiday</th> </tr> </thead> <tbody> <tr> <td>\$250,000 to \$500,000</td> <td>3 years</td> </tr> <tr> <td>\$500,001 to \$2,000,000</td> <td>5 years</td> </tr> <tr> <td>\$2,000,001 to \$5,000,000</td> <td>10 years</td> </tr> <tr> <td>\$5,000,001 to \$10,000,000</td> <td>15 years</td> </tr> <tr> <td>In excess of \$10,000,000</td> <td>20 years</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <u>Customs Exemption</u> <p>Customs import duty exemption for the establishment of the business will be available on the importation of raw materials, machinery and equipment including spare parts.</p>	Capital Investment (\$)	Tax Holiday	\$250,000 to \$500,000	3 years	\$500,001 to \$2,000,000	5 years	\$2,000,001 to \$5,000,000	10 years	\$5,000,001 to \$10,000,000	15 years	In excess of \$10,000,000	20 years
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Policy	Description										
6. Agriculture Incentive	<ul style="list-style-type: none"> In the bid to encourage investment in the agriculture sector, the Government has further incentivised the agriculture industry, whereby any new activity in commercial agricultural farming and agro-processing qualify for income tax exemption based on the following capital investment levels: <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Holiday</th> </tr> </thead> <tbody> <tr> <td>\$100,000 - \$250,000</td> <td>5 years</td> </tr> <tr> <td>\$250,001 - \$1,000,000</td> <td>10 years</td> </tr> <tr> <td>\$1,000,001 - \$2,000,000</td> <td>15 years</td> </tr> <tr> <td>More than \$2,000,000</td> <td>20 years</td> </tr> </tbody> </table> Duty free importation of all machinery, plants, equipment and tools will continue for the agriculture sector. 	Capital Investment (\$)	Tax Holiday	\$100,000 - \$250,000	5 years	\$250,001 - \$1,000,000	10 years	\$1,000,001 - \$2,000,000	15 years	More than \$2,000,000	20 years
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More than \$2,000,000	20 years										
7. Natural Disaster Reserve Fund	<ul style="list-style-type: none"> Funds kept in the Natural Disaster Reserve Fund as at 30 June 2021 can be also utilised for current pandemic purposes. A new Reserve Fund for business continuity during pandemics will be set-up for future use. 										
8. Export Income Deduction Incentive	<ul style="list-style-type: none"> As announced in the COVID-19 Response Budget, the Export Income Deduction was increased from 50% to 60% and the rate is valid till 2022. The 60% Export Income Deduction has been extended until 31 December 2024. Agriculture and fisheries sector will qualify for an increased Export Income Deduction of 90%. This deduction will be available until 31 December 2024. 										
9. Taxation of the mining sector	The taxation on mining sector as stipulated under Part 6 of the Income Tax Act 2015 will be made effective from 1 August 2021.										
10. Income Tax Exemption for Unit Trusts	All Unit Trusts will be exempted from Income Tax.										
11. Tax deduction for development or upgrade of online shopping websites with integrated payment platforms	A 200% tax deduction will be allowed on the development or upgrade of online shopping websites with integrated payment platforms.										
12. Tax deduction for investment in fogging machines	A 200% tax deduction will be allowed for investment in fogging machines specifically used for decontamination and sanitizing purposes.										
13. Debt Forgiveness	<p>As announced in the COVID-19 Response Budget and the 2020-2021 National Budget, debt forgiveness is not subject to income tax for all debt outstanding forgiven from 1 April 2020 up to 31 December 2021. This policy will now be further extended.</p> <p>Debt creation period will be extended from 31 December 2020 to 31 December 2021.</p> <p>Debt forgiveness period will be extended from 31 December 2021 to 31 December 2022.</p>										
14. Exempt interest income	Income Tax Act will be amended to simplify the rules to allow interest income earned to be exempted on income less than \$30,000.										

Policy	Description
15. Re-organization	<ul style="list-style-type: none"> Section 88 of the Income Tax Act 2015 will extend the scope to cover partnership structure. Furthermore, the definition of group companies will be expanded to include transfer of assets between companies that have common shareholders.
16. Tax deduction for salaries and wages	<ul style="list-style-type: none"> The 300% deduction allowed on salaries and wages paid to an employee quarantined and/or tested positive for COVID19 will be further extended from 31 December 2020 to 31 December 2022. A letter from the Ministry of Health and Medical Services will be required for verification.
17. Tax deduction for reduction of commercial rent	<ul style="list-style-type: none"> The tax deduction given to landlords for the amount of reduction of commercial rent will be increased from 100% to 200%. The tax deduction will be further extended until 31 July 2022.
18. Fiji National Provident Fund (FNPF) Contribution	<ul style="list-style-type: none"> The mandatory employer and employee FNPF contribution will be increased from 5% to 6% effective from 1 January 2022 till 31 December 2022. Employer contribution exceeding the 6% mandatory FNPF contribution up until 10% will be allowed a tax deduction of 300%.

Tax Administration Act

Policy	Description
1. Withholding Tax on professional service fees	<ul style="list-style-type: none"> Consistent with Double Taxation Agreement (DTAs) and domestic law provisions, FRCS will facilitate refund of withholding tax collected on professional service fees. <ul style="list-style-type: none"> Withholding tax directly paid to non-residents will be refunded through discussions with the respective competent authorities using Mutual Agreement Process article in the DTAs. Tax Administration Act will be amended to explicitly provide for this; Withholding tax paid by Fiji residents on behalf of nonresidents will be paid using the section 33(5) of the Tax Administration Act after verifying documents and assessments.
2. Section 11 – Amendment of Tax Assessments	FRCS will only go back 3 years to amend tax returns of companies that have a gross turnover of less than \$1.25 million. Section 11 of the Tax Administration Act will be amended accordingly.
3. Dishonored cheques	In an effort to deter taxpayers from presenting dishonored cheques, a fine of \$500 will be imposed.
4. Tax write-off threshold	The tax write-off threshold will be increased from \$500 to \$100,000.
5. Tax amnesty	<ul style="list-style-type: none"> Tax amnesty will be granted to taxpayers with tax arrears to obtain waiver for all penalties upon payment of real taxes. To qualify for the amnesty, taxpayers must make payment arrangements within 3 months from 1 August 2021 and make payments before 30 June 2022.
6. Tax refunds to offset customs debt and customs refund to offset tax debt	Taxpayers will be allowed to use excess credit in VAT/Income Tax or any other tax type to offset against customs debt. This policy will not be applicable for disputed tax. Similarly, taxpayers will be allowed to use excess customs credit to offset against any tax debt.
7. Rulings	The ruling legislation will be implemented from 1 August 2021.

Policy	Description
8. Any court of competent jurisdiction may remit the matter to the CEO	Section 86 of the Tax Administration Act will be amended to allow matters to be referred to the CEO by any court of competent jurisdiction.
9. VAT Monitoring System (VMS)	<ul style="list-style-type: none"> The implementation of the VMS as captured in the Electronic Fiscal Device (EFD) Regulations will be further deferred until 31 December 2023. Implementation will be made compulsory on businesses from 1 January 2024. Furthermore, businesses who wish to implement VMS on a voluntary basis until 31 December 2023, will qualify for a tax deduction of 300% based on the expenditure incurred in the implementation process.

Value Added Tax (VAT)

Policy	Description
1. VAT exemption on parametric insurance	<ul style="list-style-type: none"> Schedule 1 of the VAT Act will be amended to ensure that parametric insurance is an exempt supply. Indemnity pay-out will also be exempted from VAT.
2. Definition for omnibus	The definition of omnibus for VAT zero rating purposes will be amended to align with the definition contained in the LTA Act.
3. Disclosure of VAT registration status	The VAT Act will be amended to include the provision of disclosing or publishing of registration status of registered persons by the FRCS CEO.
4. VAT exemption on crew allowance	Section 14 will be amended to include concession code 218A for VAT exemption on crew allowance.
5. VAT exemption on unaccompanied luggage	Section 14 will be amended to include concession code 219A for VAT exemption on unaccompanied luggage for a travelling passenger.

Environment and Climate Adaptation Levy

Policy	Description
1. Refund of the Environment & Climate Adaptation Levy (ECAL)	Provision will be made to allow refund of ECAL for any errors and omissions, along with customs duty.
2. ECAL exemption on private importation	Schedule 2 of ECAL Act will be amended to include concession code 212 for exemption of ECAL on private importation.
3. ECAL exemption on passenger/ crew allowance	Schedule 2 of ECAL Act will be amended to include concession codes 218 and 218A for exemption of ECAL on crew allowance.
4. ECAL exemption on travelling passenger's unaccompanied luggage	Schedule 2 of ECAL Act will be amended to include concession codes 219A for exemption of ECAL on travelling passenger's unaccompanied luggage.
5. ECAL exemption on importation of goods for hotels and resorts	Schedule 2 of ECAL Act will be amended to include concession codes 235 and 235A for exemption of ECAL on importation of goods for hotels and resorts.

Gambling Turnover Tax Act

Policy	Description
1. Gambling Turnover Tax	The Gambling Turnover Tax rate will be applied at the rate of 15% on the value of ticket.

Fiji Revenue and Customs Service (Information Sharing) Regulations 2019

Policy	Description
1. Information Sharing	Information sharing will be extended between FRCS, authorised government agencies and statutory bodies.

Customs Act

Policy	Description
1. Dishonored cheques	A fine of \$500 will be imposed for both tax and customs revenue streams.
2. Advanced notification of arrival of a ship	Section 11A of the Customs Act will be amended to allow ships to provide advanced notification of arrival not less than 48 hours.
3. Importation of goods for commercial purposes	A maximum threshold of \$2,000 will be introduced for the registration of the Customs entry import value for commercial consignments for Gold Card Taxpayers.
4. Section 96	<ul style="list-style-type: none"> A new provision on re-lodgment of refund will be included in section 96 of the Customs Act 1986, whereby re-lodgment will be allowed for a maximum of 30 days. Furthermore, section 96(6) of the Customs Act 1986 will be amended to increase the minimum refund amount to \$50 from \$10.
5. Customs refunds to offset tax debt	Excess credit or overpayment of customs duties, bonds or fees will be used to offset against tax debt. This policy will not be applicable for disputed amounts.
6. New 100% Electric vehicles and quad bikes	Schedule 3 item 6 of the Customs Prohibited Imports and Exports Regulations (CPIER) will be amended to exempt new 100% electric vehicles and quad bikes from being Euro 4 compliant.
7. Arrival and Report of Aircraft and Ships	Section 36(1) of the Customs Regulations will be amended to reword and replace the words “excess or short” with “amendment”, to allow all forms of amendments to be made to the inward report.
8. Departure and Clearance of Aircraft and Ships	Regulation 94 of the Customs Regulations will be amended to reword and replace the words “excess or short” with “amendment”, to allow all forms of amendments to be made to the manifest.
9. Service of Notices	Section 188 of the Customs Act will be amended to include provision for serving notice by electronic means.
10. Penalty	Regulation 15 of the CPIER will be amended to increase the penalty from \$10,000 to \$25,000. This is to align to the other penalties for offences stipulated in the Custom laws.
11. Duty Deferment payment for Bonded Warehouse Operators	Section 92 of the Customs Act will be amended to allow removal of goods from Bonded Warehouse without customs duty being payable immediately, subject to certain conditions.
12. Notice of Claim on seizure of goods	<ul style="list-style-type: none"> Section 157(1) of the Customs Act will be amended to reduce the period of claim from 3 months to 14 days. Section 158 will also be amended to reduce the period for procedure after notice of claim from 2 months to 14 days.
13. Recovery of Duties	With the aim of harmonizing tax and customs legislations, section 95 of the Customs Act will be amended to include provisions where Directors/Shareholders will be personally liable for recovery of duties and penalties for companies that are in financial difficulty.
14. Offence for not maintaining Proper Records	Section 114B of the Customs Act will be amended to include an offence provision whereby businesses will be deemed accountable for failing to keep proper records.

Policy	Description
15. Electronic Submission of documents	Regulation 107(3) of the Customs Regulations will be amended to allow taxpayers or customs agents to submit relevant documents electronically.
16. E-cigarettes	Schedule 2 – Item 16 of the CPEIR will be amended to include e-cigarettes as a restricted item for importation. A permit to import will be required prior to importation.
17. Definition of freight forwarders	To ensure compliance to customs laws, the Customs Act will be amended to include the definition of freight forwarders.
18. Licensing of freight forwarders	The Customs Act will be amended to include provision for licensing of freight forwarders.
19. Recovery of Duty as a result of Audit and Investigation	Section 101A of the Customs Act will be amended to include a timeline for recovery of duty as a result of audit or investigation. In the case of fraud, recovery can be made anytime, while for any other reason, recovery is to be made within 6 years.
20. Import VAT payments	Import VAT payments for Gold Card Taxpayers will be deferred for two months effective from 1 August 2021.
21. Importation of pasta, chips, noodles and biscuits	To ensure availability of unexpired quality products, the CPIER will be amended to include provision remaining shelf life on the importation of pasta, chips, noodles and biscuits to not less than 12 months.

Customs Tariff Act: Fiscal Duty and Import Excise Changes

Policy	Description
1. Increase fiscal duty on steel pipes, galvanized pipes, stainless steel pipes and rectangular tubing	Tariff on steel pipes, galvanized pipes, stainless steel pipes and rectangular tubing will be increased to fiscal duty of 32% or \$0.40 per kg whichever is greater and 10% import excise. The description will be aligned to include pipes with a wall thickness of 1.6mm to 2.3mm.
2. Reduction in fiscal duty on liquid milk, full cream milk, yogurt, butter and cheese	<ul style="list-style-type: none"> Fiscal duty on liquid milk, full cream powdered milk, yogurt, cheese and butter will be reduced to 5%. The new duty will be effective from 31 August 2022.
3. Reduction in fiscal duty on green tea	Fiscal duty on green tea will be further reduced from 5% to 0%.
4. Concession Code 221 – Shipping companies	Concession code 221 will be extended to include plastic seals, bolt seals and dangerous goods stickers.
5. Reduction in fiscal duty on spare parts for electrical equipment	Fiscal duty on spare parts for electrical equipment such as detector machines will be reduced to 0%.
6. Reduction in fiscal duty on cement	<ul style="list-style-type: none"> Given the current shortage of cement in the market, fiscal duty on cement will be reduced to 5% for a period of 6 months, from 1 August 2021 to 31 January 2022. Importation of cement will be facilitated under concession code 124.
7. Importation of egg trays and cup holders	Importation of egg trays and cup holders will be subject to fiscal duty of 32%, however orders placed prior to 16 July 2021 can be facilitated under concession code 231.
8. Concession code 124 – Concessions applicable to particular goods	Concession code 124 will be extended to include cement, timber, reinforcing bars, veneer plywood and nails in the event that there is unavailability of supply by local manufacturers.
9. Reduction in duty on fruit juices	Fiscal Duty will be reduced from 32% to 15% on fruit juices that are not manufactured locally or have no added sugar.

Policy	Description
10. Increase in fiscal duty on non woven bags	<ul style="list-style-type: none"> Fiscal duty on nonwoven bags classified under chapter 63 will be increased to 32%. To provide protection for the domestic suppliers and align the tariff, the fiscal duty will be increased from 5% to 32% on sacks and bags falling under heading 6305 of the Customs Tariff Act.
11. Reduction in fiscal duty on automotive batteries	As a relief measure to bus companies and taxi operators, fiscal duty on all automotive batteries will be reduced from 32% to 15%.
12. Concession code 302 – broadcasting and network service provider	Duty concession at the rate of Free fiscal duty and Free import excise will be extended towards importation of transmission and graphic equipment and spare parts.
13. Reduction in fiscal duty on audio visual equipment	<p>Fiscal duty on audio visual equipment as stipulated below, will be reduced to 0%:</p> <ul style="list-style-type: none"> Television cameras, digital cameras and video camera recorders; Pocket-size radio cassette players; and Radio receivers.
14. Concession code 256 – Companies, entities and educational institutions	Concession code 256 applicable on companies, entities and educational institutions will be removed as fiscal duty for items classified under this code have already been reduced in the 2020-2021 National Budget.
15. Removal of Her Majesty Customs (HMC) License	To reduce the cost of doing business and modernize/ simplify business processes, the requirement to acquire a HMC license will be revoked.
16. Fiscal duty for vegemite	Fiscal duty on vegemite will be reduced from 32% to 5%.
17. Concession code 235 – Existing hotels and resorts	<ul style="list-style-type: none"> Concession code 235 will be extended to include outdoor equipment. In addition, duty concessions on heavy plant and machinery will be removed as fiscal duty has already been reduced in the 2020 – 2021 National Budget.
18. Concession code 219 – A bona fide passenger finally disembarking in Fiji	<ul style="list-style-type: none"> Concession code 219 will be extended to include provision for unaccompanied luggage. In addition, concession code 219 will be extended to include 219A to accommodate duty free allowance on unaccompanied luggage of a travelling passenger.
19. Concession code 218 – A bona fide passenger finally disembarking in Fiji	<ul style="list-style-type: none"> Concession code 218 will be amended to increase allowance for accompanied luggage from \$1,000 to \$2,000. The code will also be amended to include allowance for unaccompanied luggage of an accumulated value of \$2,000. In addition, concession code 218 will be extended to include 218A to legislate crew allowance for flight crew disembarking from an aircraft.
20. Concession code 115 – Concessions applicable to particular goods	<ul style="list-style-type: none"> Concession code 115 will be amended to remove vessels classified under headings 89.01, 89.02, 89.03, 89.04 and 89.05 as fiscal duty for these have already been reduced to 0% in the 2020-2021 National Budget. Furthermore, the code will be amended to include vessels classified under heading 8903.99.90 – other vessels.
21. Concession code 273 – Companies or entities	Concession code 273 will be extended to include equipment, accessories and chemicals related to desalination and sewerage treatment projects.

Policy	Description
22. Concession code 252 – Companies or entities involved in mining industry	Concession code 252 will be extended to include companies involved in mining exploration.
23. Concession code 301 – termidor chemicals	Duty concession on the importation of termidor chemicals to Free fiscal duty.
24. Concession code 117 - Concessions applicable to particular goods	<ul style="list-style-type: none"> • Concession code 117 applicable on shaped textile fabric or assembled fabrics will be removed as fiscal duty for items classified under this description have already been reduced to 5% in the 2020-2021 National Budget. • Additional Note 15 to Chapter 50 will also be deleted as it is an explanatory note for concession code 117.
25. Concession code 287 – Approved taxi operators	Concession code 287 (iv) will be amended to increase the age limit for used and reconditioned petrol and diesel vehicles from 2 years to 5 years from the year of manufacture.
26. Concession code 291 – Approved companies or entities	Concession code 291 applicable on approved companies or entities will be removed as fiscal duty on importation of ethyl alcohol classified under this code have already been reduced significantly in the 2020-2021 National Budget.

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This Fiji National Budget Synopsis has been prepared to provide a prompt overview of the general issues raised in the 2021-2022 Fiji National Budget. It does not exhaustively cover the subjects discussed. When specific issues occur in practice it may be necessary to refer to the laws and regulations and to obtain appropriate professional advice.

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