



**FIJI REVENUE AND
CUSTOMS SERVICE**

2023-2024

**NATIONAL BUDGET
SUMMARY OF REVENUE POLICIES**

www.frcs.org.fj

(i) Income Tax Act

Policy	Description																																												
1. Corporate Income Tax Rate	<ul style="list-style-type: none"> The corporate income tax rate will increase from 20% to 25%. This policy will be effective from tax year 2023. 																																												
2. Corporate Income Tax Rate for South Pacific Stock Exchange Listed Companies	<ul style="list-style-type: none"> The corporate income tax rate of 10% available to companies listed on the South Pacific Stock Exchange will increase to 15%. This policy will be effective from tax year 2023. 																																												
3. Social Responsibility Tax (SRT)	<ul style="list-style-type: none"> SRT will be incorporated into the Pay As You Earn (PAYE) tax bracket. There will be a 5% reduction for PAYE income brackets above \$270,000. This policy will be effective from 01 January 2024. The new PAYE tax table is as follows. <p>Resident Individual</p> <table border="1"> <thead> <tr> <th>Chargeable Income (\$)</th> <th>Income Tax \$</th> </tr> </thead> <tbody> <tr> <td>0 - 30,000</td> <td>Nil</td> </tr> <tr> <td>30,001 - 50,000</td> <td>18% of excess over \$30,000</td> </tr> <tr> <td>50,001 - 270,000</td> <td>\$3,600 + 20% of excess over \$50,000</td> </tr> <tr> <td>270,001-300,000</td> <td>\$47,600 + 33% of excess over \$270,000</td> </tr> <tr> <td>300,001-350,000</td> <td>\$57,500 + 34% of excess over \$300,000</td> </tr> <tr> <td>350,001- 400,000</td> <td>\$74,500 + 35% of excess over \$350,000</td> </tr> <tr> <td>400,001- 450,000</td> <td>\$92,000 + 36% of excess over \$400,000</td> </tr> <tr> <td>450,001- 500,000</td> <td>\$110,000 + 37% of excess over \$450,000</td> </tr> <tr> <td>500,001 - 1,000,000</td> <td>\$128,500 + 38% of excess over \$500,000</td> </tr> <tr> <td>1,000,001 +</td> <td>\$318,500 + 39% of excess over \$1,000,000</td> </tr> </tbody> </table> <p>Non-Resident Individual</p> <table border="1"> <thead> <tr> <th>Chargeable Income (\$)</th> <th>Income Tax \$</th> </tr> </thead> <tbody> <tr> <td>0 - 30,000</td> <td>20% of excess over \$0</td> </tr> <tr> <td>30,000 - 50,000</td> <td>\$6,000 + 20% of excess over \$30,000</td> </tr> <tr> <td>50,001 - 270,000</td> <td>\$10,000 + 20% of excess over \$50,000</td> </tr> <tr> <td>270,001-300,000</td> <td>\$54,000 + 33% of excess over \$270,000</td> </tr> <tr> <td>300,001-350,000</td> <td>\$63,900 + 34% of excess over \$300,000</td> </tr> <tr> <td>350,001-400,000</td> <td>\$80,900 + 35% of excess over \$350,000</td> </tr> <tr> <td>400,001-450,000</td> <td>\$98,400 + 36% of excess over \$400,000</td> </tr> <tr> <td>450,001-500,000</td> <td>\$116,400 + 37% of excess over \$450,000</td> </tr> <tr> <td>500,001-1,000,000</td> <td>\$134,900 + 38% of excess over \$500,000</td> </tr> <tr> <td>1,000,001 +</td> <td>\$324,900 + 39% of excess over \$1,000,000</td> </tr> </tbody> </table>	Chargeable Income (\$)	Income Tax \$	0 - 30,000	Nil	30,001 - 50,000	18% of excess over \$30,000	50,001 - 270,000	\$3,600 + 20% of excess over \$50,000	270,001-300,000	\$47,600 + 33% of excess over \$270,000	300,001-350,000	\$57,500 + 34% of excess over \$300,000	350,001- 400,000	\$74,500 + 35% of excess over \$350,000	400,001- 450,000	\$92,000 + 36% of excess over \$400,000	450,001- 500,000	\$110,000 + 37% of excess over \$450,000	500,001 - 1,000,000	\$128,500 + 38% of excess over \$500,000	1,000,001 +	\$318,500 + 39% of excess over \$1,000,000	Chargeable Income (\$)	Income Tax \$	0 - 30,000	20% of excess over \$0	30,000 - 50,000	\$6,000 + 20% of excess over \$30,000	50,001 - 270,000	\$10,000 + 20% of excess over \$50,000	270,001-300,000	\$54,000 + 33% of excess over \$270,000	300,001-350,000	\$63,900 + 34% of excess over \$300,000	350,001-400,000	\$80,900 + 35% of excess over \$350,000	400,001-450,000	\$98,400 + 36% of excess over \$400,000	450,001-500,000	\$116,400 + 37% of excess over \$450,000	500,001-1,000,000	\$134,900 + 38% of excess over \$500,000	1,000,001 +	\$324,900 + 39% of excess over \$1,000,000
Chargeable Income (\$)	Income Tax \$																																												
0 - 30,000	Nil																																												
30,001 - 50,000	18% of excess over \$30,000																																												
50,001 - 270,000	\$3,600 + 20% of excess over \$50,000																																												
270,001-300,000	\$47,600 + 33% of excess over \$270,000																																												
300,001-350,000	\$57,500 + 34% of excess over \$300,000																																												
350,001- 400,000	\$74,500 + 35% of excess over \$350,000																																												
400,001- 450,000	\$92,000 + 36% of excess over \$400,000																																												
450,001- 500,000	\$110,000 + 37% of excess over \$450,000																																												
500,001 - 1,000,000	\$128,500 + 38% of excess over \$500,000																																												
1,000,001 +	\$318,500 + 39% of excess over \$1,000,000																																												
Chargeable Income (\$)	Income Tax \$																																												
0 - 30,000	20% of excess over \$0																																												
30,000 - 50,000	\$6,000 + 20% of excess over \$30,000																																												
50,001 - 270,000	\$10,000 + 20% of excess over \$50,000																																												
270,001-300,000	\$54,000 + 33% of excess over \$270,000																																												
300,001-350,000	\$63,900 + 34% of excess over \$300,000																																												
350,001-400,000	\$80,900 + 35% of excess over \$350,000																																												
400,001-450,000	\$98,400 + 36% of excess over \$400,000																																												
450,001-500,000	\$116,400 + 37% of excess over \$450,000																																												
500,001-1,000,000	\$134,900 + 38% of excess over \$500,000																																												
1,000,001 +	\$324,900 + 39% of excess over \$1,000,000																																												

Part 1 | Direct Tax Measures

(i) Income Tax Act

4. First Residential Property – Capital Gains Tax (CGT) Exemption	<p>The CGT exemption on a gain made on the disposal of the first residential property which is limited to sole ownership or co-ownership with his or her spouse including a spouse living in a de-facto relationship, will be extended to include ownership with siblings, parents, children, grandchildren, and grandparents.</p>															
5. Capital Gains Tax (CGT) on Sale of Shares	<ul style="list-style-type: none"> The CGT exemption on gains made on the disposal of shares if the shares were held by the person before 1 May 2011 will be repealed. This policy will be effective from 01 July 2023. All applications still under consideration as at 01 July 2023, will be treated in accordance with the new law. 															
6. Warehouse Incentive Package	<ul style="list-style-type: none"> The Warehouse Incentive Package will be repealed. This policy will be effective from 01 July 2023 and any applications received before 01 July 2023 will be accepted. 															
7. ICT Incentive	<ul style="list-style-type: none"> The ICT Incentive Regulations will be amended with new definitions of the ICT business with qualifying conditions such as minimum investment levels and the minimum number of employees. The conditions are summarized below: <table border="1" data-bbox="571 1037 1508 1317"> <thead> <tr> <th>Capital Investment</th> <th>Tax Holiday</th> <th>Minimum Employees</th> </tr> </thead> <tbody> <tr> <td>\$100,000 to \$250,000</td> <td>5-year tax holiday</td> <td>25</td> </tr> <tr> <td>\$250,001 to \$500,000</td> <td>7-year tax holiday</td> <td>50</td> </tr> <tr> <td>\$500,001 to \$1,000,000</td> <td>10-year tax holiday</td> <td>75</td> </tr> <tr> <td>greater than \$1,000,000</td> <td>13-year tax holiday</td> <td>100</td> </tr> </tbody> </table> This policy will be effective from 01 July 2023. 	Capital Investment	Tax Holiday	Minimum Employees	\$100,000 to \$250,000	5-year tax holiday	25	\$250,001 to \$500,000	7-year tax holiday	50	\$500,001 to \$1,000,000	10-year tax holiday	75	greater than \$1,000,000	13-year tax holiday	100
Capital Investment	Tax Holiday	Minimum Employees														
\$100,000 to \$250,000	5-year tax holiday	25														
\$250,001 to \$500,000	7-year tax holiday	50														
\$500,001 to \$1,000,000	10-year tax holiday	75														
greater than \$1,000,000	13-year tax holiday	100														
8. Resident Interest Withholding Tax (RIWT) Exemption	<ul style="list-style-type: none"> To improve the ease of doing business for the banking sector, the Resident Interest Withholding Tax exemption on interest income less than \$1,000 will be removed. The RIWT exemption which is available to senior citizens, pensioners, or individuals with a gross annual income of \$30,000 will still be available. This policy will be effective from 01 January 2024. 															
9. Employment Taxation Scheme (ETS)	<ul style="list-style-type: none"> The 300% tax deduction available for wages or salaries paid for hiring of first-time employees will be removed. The remaining incentives under the ETS scheme such as the incentive for work placements, apprenticeships, hiring of part-time workers and hiring of persons with disabilities will be maintained 															
10. Tax Deduction for Companies Sponsoring Tertiary Education	<p>The 100% tax deduction available to companies on the amount of tuition and living expenses paid for student(s) at a higher education institution will be removed.</p>															
11. Income Tax Exemption for Water Extraction & Bottling Business	<p>The income of entities involved in the extraction and bottling of water will be exempt from Income Tax for 7 years. This will be applicable to existing and new businesses.</p>															

Part 1 | Direct Tax Measures

(i) Income Tax Act

12. Film Rebate	To promote transparency in government revenue and expenditure reporting, the film rebates will now be issued as part of government expenditure initiatives and not through government tax revenue refunds.
13. Application of Non-Resident Withholding Taxes	To discourage treaty shopping, Section 10(8) of the Income Tax Act will be deleted.
14. Definition of 'SLIP'	The definition of Short Life Investment Package (SLIP) under the Hotel Incentives Regulations will be amended to limit newly incorporated entities to qualify for the incentive only.
15. Filing of Withholding Tax Certificate	Due to the automation of the FRCS tax system, Regulation 18 (2) of the Income Tax Withholding Tax Regulations will be amended to remove the requirement for employers to file a manual copy of the withholding certificate to the CEO.

(ii) Tax Administration Act (TAA)

Policy	Description
1. Tax Agents Board (TAB)	<ul style="list-style-type: none"> To ensure tax agents' ongoing professional development, the qualifying criteria for a new tax agents license, TAA will be amended to include the following: <ul style="list-style-type: none"> The applicant must be a chartered accountant (CA) of the Fiji Institute of Charter Accountants (FICA) or Hold membership in a similar recognized body. The new criteria will not apply to existing tax agents. TAB will be empowered to conduct verification such as additional reference checks, qualification or any other verification deemed necessary. The fees for applications and renewals of Tax Agents license will be increased which will come into effect from 01 January 2024. The new rates are as follows: <ul style="list-style-type: none"> New applications: \$436 to \$500 Renewals: \$218 to \$350 The term "Prescribed fee" will be removed and replaced with "Approved fee." which would allow TAB to set the fees.
2. Alternative Dispute Resolution (ADR)	A new provision will be introduced to allow the taxpayers and FRCS to seek resolution for matters under dispute through an Alternative Dispute Resolution (ADR) process.
3. Arrival Alert	TAA will be amended to allow FRCS to place arrival alerts at the border for returning taxpayers who have outstanding tax obligations.

Part 2 | Indirect Tax Measures

(i) Value Added Tax (VAT) Act

Policy	Description
1. VAT Rates	<ul style="list-style-type: none"> The three VAT rates will be replaced with a simplified two-VAT rate system. The new rates are as follows: <ol style="list-style-type: none"> 9% VAT will increase to 15%, and 0% will be maintained. The 21 zero-rated items will be increased to 22 items with the addition of prescribed medicine. This policy will be effective from 01 August 2023.
2. VAT Monitoring System	VMS Implementation will be put on hold.

(ii) Airport Departure Tax Act

Policy	Description
1. Airport Departure Tax	<ul style="list-style-type: none"> The Airport Departure Tax will increase to: <ol style="list-style-type: none"> \$125 effective from 01 August 2023 \$140 effective from 01 January 2024

(iii) Customs Tariff Act

Policy	Description																																																						
1. Fuel Rebate for Bus Companies operating in Vanua Levu and Taveuni	<ul style="list-style-type: none"> A 10 cents per liter fuel rebate will be provided to bus companies operating in Vanua Levu and Taveuni. The existing 2 cents per liter will be maintained for all other regions. 																																																						
2. Duty on Motor Vehicles	<ul style="list-style-type: none"> Import Excise Duty on new and used passenger motor vehicles will increase by 5%. <p>Motor Vehicle Duty Rate Changes - Hybrid</p> <table border="1"> <thead> <tr> <th rowspan="2">Cylinder Capacity</th> <th rowspan="2">Hybrid Category</th> <th colspan="2">Old Rates</th> <th colspan="2">New Rates</th> </tr> <tr> <th>Fiscal Duty</th> <th>Import Excise</th> <th>Fiscal Duty</th> <th>Import Excise</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Less than 1,500cc</td> <td>New</td> <td>5%</td> <td>Free</td> <td>5%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>\$2,000</td> <td>Free</td> <td>\$2,000</td> <td>5%</td> </tr> <tr> <td rowspan="2">1,500cc to 2,500cc</td> <td>New</td> <td>5%</td> <td>Free</td> <td>5%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>\$2,250</td> <td>Free</td> <td>\$2,250</td> <td>5%</td> </tr> <tr> <td rowspan="2">2,500cc to 3,000cc</td> <td>New</td> <td>5%</td> <td>Free</td> <td>5%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>\$2,500</td> <td>Free</td> <td>\$2,500</td> <td>5%</td> </tr> <tr> <td rowspan="2">Exceeding 3,000cc</td> <td>New</td> <td>5%</td> <td>Free</td> <td>5%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>\$4,250</td> <td>Free</td> <td>\$4,250</td> <td>5%</td> </tr> </tbody> </table>	Cylinder Capacity	Hybrid Category	Old Rates		New Rates		Fiscal Duty	Import Excise	Fiscal Duty	Import Excise	Less than 1,500cc	New	5%	Free	5%	5%	Used	\$2,000	Free	\$2,000	5%	1,500cc to 2,500cc	New	5%	Free	5%	5%	Used	\$2,250	Free	\$2,250	5%	2,500cc to 3,000cc	New	5%	Free	5%	5%	Used	\$2,500	Free	\$2,500	5%	Exceeding 3,000cc	New	5%	Free	5%	5%	Used	\$4,250	Free	\$4,250	5%
Cylinder Capacity	Hybrid Category			Old Rates		New Rates																																																	
		Fiscal Duty	Import Excise	Fiscal Duty	Import Excise																																																		
Less than 1,500cc	New	5%	Free	5%	5%																																																		
	Used	\$2,000	Free	\$2,000	5%																																																		
1,500cc to 2,500cc	New	5%	Free	5%	5%																																																		
	Used	\$2,250	Free	\$2,250	5%																																																		
2,500cc to 3,000cc	New	5%	Free	5%	5%																																																		
	Used	\$2,500	Free	\$2,500	5%																																																		
Exceeding 3,000cc	New	5%	Free	5%	5%																																																		
	Used	\$4,250	Free	\$4,250	5%																																																		

(iii) Customs Tariff Act

		Motor Vehicle Duty Rate Changes - Non-Hybrid				
		Non-Hybrid	Old Rates		New Rates	
Cylinder Capacity	Category	Fiscal Duty	Import Excise	Fiscal Duty	Import Excise	
Less than 1,000cc	New	5%	5%	5%	10%	
	Used	15% or \$2,750/unit	Free	15% or \$2,750/unit	5%	
1,000 to 1,500cc	New	5%	5%	5%	10%	
	Used	15% or \$3,875/unit	Free	15% or \$3,875/unit	5%	
1,500cc to 2,500cc	New	5%	5%	5%	10%	
	Used	5% or \$5,000/unit	Free	5% or \$5,000/unit	5%	
2,500cc to 3,000cc	New	5%	5%	5%	10%	
	Used	5% or \$6,750/unit	Free	5% or \$6,750/unit	5%	
Exceeding 3,000cc	New	5%	5%	5%	10%	
	Used	5% or \$8,125/unit	Free	5% or \$8,125/unit	5%	

<p>3. Fiscal Duty on Concession codes 231, 231A, 231B, 235, 235A, 236, 236A and 236B</p>	<p>A 3% fiscal duty will be imposed on all goods imported under the following concession codes:</p> <ol style="list-style-type: none"> Concession code 231, applicable for Packaging materials for a Producer or manufacturer. Concession code 231A, applicable for an approved exporter of local fresh produce. Concession code 231B, applicable for an approved importer or exporter of locally manufactured/produced goods. Concession code 235, applicable to existing hotels and resorts. Concession code 235A applicable for new hotels and resorts granted approval under Short Life Investment Package (SLIP) as per the Income Tax (Hotel Investment Incentives) Regulations 2016. Concession code 236, applicable to a manufacturer or producer approved by the comptroller. Concession code 236A applicable to a manufacturer or producer approved by the Comptroller importing food-grade plastic pallets. Concession code 236B, applicable to a manufacturer or producer approved by the Comptroller for the processing of finished goods through assembly, mixing or blending.
<p>4. Removal of Concession Codes 137, 138, 140, 117, 272 and 302.</p>	<p>The following concession codes will be removed:</p> <ol style="list-style-type: none"> Concession code 137, which provides for duty-free importation of kitchenware and tableware products. Concession code 138, which provides for duty-free importation of biodegradable and environmentally friendly detergents. Concession code 140, which provides for duty-free importation of Led lights and lightning. Concession code 117, which offers fuel concessions for resorts, manufacturers, cruise vessels and mining industries. Concession code 272, which provides for duty-free importation of smartphones. Concession code 302, which provides for duty-free importation to companies involved in broadcasting and internet services.

Part 2 | Indirect Tax Measures

(iii) Customs Tariff Act

5. Reduction in Fiscal Duty	<p>The following concession codes will be removed:</p> <ol style="list-style-type: none"> The fiscal duty on the importation of sheep/lamb meat will be reduced from 5% to 0%. The fiscal duty on the importation of beef will be reduced from 32% to 15%. The fiscal duty on the importation of prawns will be reduced from 32% to 15%. The fiscal duty on the importation of ducks will be reduced from 32% to 15%. The fiscal duty on the importation of corned meat of lamb/sheep will be reduced from 32% to 15%. The fiscal duty on the importation of corned meat of beef will be reduced from 32% to 15%. The fiscal duty on the importation of canned mackerel will be reduced from 32% to 15%. The fiscal duty on the importation of canned tomatoes will be reduced from 15% to 5%.
6. Reduction in Import Excise Duty	<p>The Import Excise Duty on the importation of chicken portions will be reduced from 10% to 0%.</p>
7. Sugar Classification`	<p>Alignment of sugar classification rates to capture sugar imports above 99.5 degrees at 32% fiscal duty.</p>

(iv) Excise Act

Policy	Description
1. Excise Duty	<ul style="list-style-type: none"> In line with the government's direction to control Non-Communicable Diseases (NCDs), the following changes will be implemented: <ol style="list-style-type: none"> Domestic Excise Duty on alcohol will be increased by 5%. Domestic Excise Duty on tobacco will be increased by 5%. Domestic Excise Duty on carbonated or sugar-sweetened beverages will be increased from 35 cents per liter to 40 cents per liter. A corresponding increase to the import excise on the above products will also be imposed.
2. New Excise Duty on snacks and drinks	<ul style="list-style-type: none"> A 40 cents per kg/liter domestic excise duty or 15% import excise duty will be imposed on the following products: <ol style="list-style-type: none"> Sweet biscuits Imported fruit juices Ice cream Snacks obtained by roasting, frying, baking, swelling, etc. Sugar confectioneries This policy will be effective from 01 January 2024.

Part 2 | Indirect Tax Measures

(iv) Excise Act

3. Certificate Fees under the Excise Act	The fees for certificates under the Excise Act will be increased to \$50 effective from 1 Aug 2023. The details are as follows:		
	No.	Document	Fee
	1	Certificate of weight for each consignment	\$50
	2	Any other certificate issued by the Comptroller	\$50
3	Certified copy of any document (for each 100 words or part of 100 words)	\$50	

(v) Water Resource Tax Act

Policy	Description
Increase in the Water Resource Tax Rate	The water resource tax rate for extraction above 10 million liters per month will increase from 18 cents per liter to 19.5 cents per liter.

(vi) Customs Act

Policy	Description
1. Goods Warehousing Period	<ul style="list-style-type: none"> The goods warehousing period will revert to pre-COVID practice. The warehousing period for items under Chapter 84 (machinery & mechanical appliances) and Chapter 87 (motor vehicles) will only be for 1 year and with no extensions. Other goods can be warehoused for 1 year with an extension of 6 months.
2. Import VAT Deferral	Section 92 of the Custom Act will be amended to remove the policy on Import VAT deferral for 60 days available to Gold Card Companies. This was a measure introduced during the pandemic to assist businesses with cash flow issues.
3. Customs Entry Post Modification Fee	A \$15 post-modification fee will be imposed on all post-customs post-entry modifications.
4. Definition of "Cargo Reporter"	<p>A new definition of "cargo reporter" will be incorporated into the Customs Act. The new definition has been provided below:</p> <p>"cargo reporter" in relation to a ship or aircraft and in relation to a particular voyage or flight means the operator of the ship or the aircraft; a Shipping Agent in respect of the ship; or a freight forwarder in respect of the ship or aircraft; for the voyage or flight."</p>
5. Advance Notification of Cargo Information	<ul style="list-style-type: none"> A new provision will be made for the advance notification of cargo information. This provision will provide for the requirement of cargo reporters to produce the advance cargo information on cargoes prior to the ship or aircraft arriving in Fiji

(vi) Customs Act

6. Electronic Data Access	Section 111 of the Customs Act will be amended to enable FRCS to access electronic data under the 'Power of Search' provisions.
7. Remittance of Court Matters	The Customs Act will be amended to allow the court to remit matters to the Comptroller.
8. Objections and Appeals Provisions	The Customs Act will be amended to allow FRCS to recover disputed duty despite the matter being in court.

Contact Us



Mark Dixon

Chief Executive Officer,
Executive Office

☎ +679 3243001
✉ mdixon@frcs.org.fj



Shavindra Nath

Chief of Staff

☎ +679 3243033
✉ snath@frcs.org.fj



Shelini Sangeeta Kumar
A/Director Border

☎ +679 3243350
✉ skumar003@frcs.org.fj



Momina Beg
Director Taxation

☎ +679 3243501
✉ mbeg@frcs.org.fj

2023-2024

NATIONAL BUDGET

SUMMARY OF REVENUE POLICIES



**FIJI REVENUE AND
CUSTOMS SERVICE**



Headquarter

Revenue & Customs Service Complex,
Lot 1 Corner of Queen Elizabeth Drive
& Ratu Sukuna Road, Nasese, Suva.

3243000 or 1326 ✉ info@frcs.org.fj
www.frcs.org.fj

follow us on

