

**ACT NO. 22 OF 2015**

I assent.

J. K. KONROTE  
President

[23 November 2015]

**AN ACT**

TO AMEND THE VALUE ADDED TAX DECREE 1991

ENACTED by the Parliament of the Republic of Fiji—

*Short title and commencement*

- 1.—(1) This Act may be cited as the Value Added Tax (Budget Amendment) Act 2015.
- (2) This Act shall come into force on 1 January 2016.
- (3) In this Act, the Value Added Tax Decree 1991 shall be referred to as the “Decree”.

*Section 14 amended*

2. Section 14 of the Decree is amended in—

- (a) subsection (1) by deleting “fifteen” and substituting “nine”; and
- (b) subsection (4A) by—
  - (i) inserting in paragraph (a) “111 (Artificial parts of a body, corrective glasses, invalid carriages, etc.)” after “110 (goods imported for disabled persons)” and deleting “;” and substituting “.”; and
  - (ii) deleting paragraph (b).

*Section 15 amended*

3. Section 15 of the Decree is amended by deleting “fifteen” and substituting “nine”.

*Insertion of section 70C*

4. The Decree is amended by inserting the following new section after section 70B—

*“VAT refund for film production company*

70C. Notwithstanding anything in this Decree, a film production company issued with a certificate under paragraph 69 of the Sixth Schedule to the Income Tax Act (Cap. 201) is entitled to a Value Added Tax refund in respect of its qualifying expenses under the Sixth Schedule to the Income Tax Act (Cap. 201).”

*Insertion of section 72A*

5. The Decree is amended by inserting the following new section after section 72—

*“Prices to reflect VAT decrease*

72A.—(1) If the percentage of VAT decreases, a registered person must sell goods and services at a price which reflects the actual percentage VAT decrease.

(2) The onus of proving that the price at which the goods or services are sold by the registered person reflects the actual percentage VAT decrease shall be on the registered person.

(3) A registered person who fails to comply with subsection (1) shall be liable to a fine not exceeding \$50,000 which must be payable by that registered person within 21 days of notification by the Chief Executive Officer.

(4) A registered person who fails to pay the fine as prescribed in subsection (3) within the time period prescribed in subsection (3), shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding \$100,000 or to a term of imprisonment not exceeding 10 years.

(5) The Minister may make regulations prescribing fines for the purpose of subsection (3).”

*Section 88 amended*

6. Section 88 of the Act is amended—

(a) in subsections (3) and (4) by inserting “or decreased” after “increased”.

(b) by inserting the following new subsection after subsection (6)—

“(7) Where there is an increase or decrease in the percentage of VAT under this Decree, such increase in the percentage of VAT shall apply in respect of any VAT inclusive fee, charge or other amount prescribed under any other written law.”

*First Schedule amended*

7. The First Schedule to the Decree is amended in paragraph 2 by inserting “excluding residential apartments which provide hotel-like accommodation and facilities” after “abode”.

*Second Schedule amended*

8. The Second Schedule to the Decree is amended by deleting paragraphs 17, 24, 25 and 30.

*Fourth Schedule amended*

9. The Fourth Schedule to the Decree is amended in paragraph 4 by inserting the following sub-paragraph after sub-paragraph (4)—

“(5) A licence approved under this paragraph shall expire on 31 December in each year.

(6) The annual licence fee payable under sub-paragraph (3) must be paid by 7 January in any year following the year in which such licence was first granted.

(7) The Comptroller may refuse to allow any transaction to take place in respect of which the fee may be due, until such fee has been paid.

(8) Where a new licence for a VAT refund scheme is issued under this paragraph during the second, third or fourth quarter of any year, the fee payable shall be respectively three quarters, one half or one quarter of the annual fee.”

Passed by the Parliament of the Republic of Fiji this 20th day of November 2015.