

# **BILL NO. 15 OF 2019**

## **A BILL**

FOR AN ACT TO AMEND THE CUSTOMS TARIFF ACT 1986

ENACTED by the Parliament of the Republic of Fiji—

*Short title and commencement*

- 1.**—(1) This Act may be cited as the Customs Tariff (Budget Amendment) Act 2019.
- (2) This Act comes into force on 8 June 2019.
- (3) In this Act, the Customs Tariff Act 1986 is referred to as the “Principal Act”.

*Part 1 of Schedule 2 amended***2.** Part 1 of Schedule 2 to the Principal Act is amended by—

- (a) deleting the duty rates appearing in the third column and substituting the new duty rates in the fourth column specified in the table below for the following tariff items—

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
0207.11.00	4	“Free”	“10%”
0207.12.00	4	“Free”	“10%”
0207.13.00	4	“Free”	“10%”
0207.14.00	4	“Free”	“10%”
4011.40.00	3	“5%”	“Free”
4011.50.00	3	“5%”	“Free”
8426.11.10	4	“5%”	“Free”
8426.11.90	3	“15%”	“5%”
8426.11.90	4	“Free”	“5%”
8426.12.10	4	“5%”	“Free”
8426.12.90	3	“15%”	“5%”
8426.12.90	4	“Free”	“5%”
8426.19.10	4	“5%”	“Free”
8426.19.90	3	“15%”	“5%”
8426.19.90	4	“Free”	“5%”
8426.20.10	4	“5%”	“Free”
8426.20.90	3	“15%”	“5%”
8426.20.90	4	“Free”	“5%”
8426.30.10	4	“5%”	“Free”
8426.30.90	3	“15%”	“5%”
8426.30.90	4	“Free”	“5%”
8426.41.10	4	“5%”	“Free”
8426.41.90	3	“15%”	“5%”
8426.41.90	4	“Free”	“5%”
8426.49.10	4	“5%”	“Free”
8426.49.90	3	“15%”	“5%”
8426.49.90	4	“Free”	“5%”
8426.91.10	4	“5%”	“Free”

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
8426.91.90	3	“15%”	“5%”
8426.91.90	4	“Free”	“5%”
8426.99.10	4	“5%”	“Free”
8426.99.90	3	“15%”	“5%”
8426.99.90	4	“Free”	“5%”
8427.10.10	4	“5%”	“Free”
8427.10.90	3	“15%”	“5%”
8427.10.90	4	“Free”	“5%”
8427.20.10	4	“5%”	“Free”
8427.20.90	3	“15%”	“5%”
8427.20.90	4	“Free”	“5%”
8427.90.10	4	“5%”	“Free”
8427.90.90	3	“15%”	“5%”
8427.90.90	4	“Free”	“5%”
8429.11.10	4	“5%”	“Free”
8429.11.90	3	“15%”	“5%”
8429.11.90	4	“Free”	“5%”
8429.19.10	4	“5%”	“Free”
8429.19.90	3	“15%”	“5%”
8429.19.90	4	“Free”	“5%”
8429.20.10	4	“5%”	“Free”
8429.20.90	3	“15%”	“5%”
8429.20.90	4	“Free”	“5%”
8429.30.10	4	“5%”	“Free”
8429.30.90	3	“15%”	“5%”
8429.30.90	4	“Free”	“5%”
8429.40.10	4	“5%”	“Free”
8429.40.90	3	“15%”	“5%”
8429.40.90	4	“Free”	“5%”
8429.51.10	4	“5%”	“Free”
8429.51.90	3	“15%”	“5%”
8429.51.90	4	“Free”	“5%”

*Customs Tariff (Budget Amendment) — of 2019*

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
8429.52.10	4	“5%”	“Free”
8429.52.90	3	“15%”	“5%”
8429.52.90	4	“Free”	“5%”
8429.59.10	4	“5%”	“Free”
8429.59.90	3	“15%”	“5%”
8429.59.90	4	“Free”	“5%”
8430.10.10	4	“5%”	“Free”
8430.10.90	3	“15%”	“5%”
8430.10.90	4	“Free”	“5%”
8430.20.10	4	“5%”	“Free”
8430.20.90	3	“15%”	“5%”
8430.20.90	4	“Free”	“5%”
8430.31.10	4	“5%”	“Free”
8430.31.90	3	“15%”	“5%”
8430.31.90	4	“Free”	“5%”
8430.41.10	4	“5%”	“Free”
8430.41.90	3	“15%”	“5%”
8430.41.90	4	“Free”	“5%”
8430.49.10	4	“5%”	“Free”
8430.49.90	3	“15%”	“5%”
8430.49.90	4	“Free”	“5%”
8430.50.10	4	“5%”	“Free”
8430.50.90	3	“15%”	“5%”
8430.50.90	4	“Free”	“5%”
8430.61.10	4	“5%”	“Free”
8430.61.90	3	“15%”	“5%”
8430.61.90	4	“Free”	“5%”
8430.69.10	4	“5%”	“Free”
8430.69.90	3	“15%”	“5%”
8430.69.90	4	“Free”	“5%”
8701.20.90	3	“32% or \$10,542 per unit whichever is the greater”	“5%”
8701.20.90	4	“Free”	“5%”

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
8703.21.40	3	“5%”	“15%”
8703.21.40	4	“15%”	“5%”
8703.21.50	3	“\$3,550”	“\$7,000”
8703.21.50	4	“15%”	“5%”
8703.21.60	3	“5%”	“15%”
8703.21.60	4	“15%”	“5%”
8703.21.90	3	“3,550”	“\$7,000”
8703.21.90	4	“15%”	“5%”
8703.22.40	3	“5%”	“15%”
8703.22.40	4	“15%”	“5%”
8703.22.50	3	“\$7,500”	“\$11,500”
8703.22.50	4	“15%”	“5%”
8703.22.60	3	“5%”	“15%”
8703.22.60	4	“15%”	“5%”
8703.22.90	3	“\$7,500”	“\$11,500”
8703.22.90	4	“15%”	“5%”
8703.23.14	3	“5%”	“15%”
8703.23.14	4	“15%”	“5%”
8703.23.15	3	“\$11,500”	“\$16,000”
8703.23.15	4	“15%”	“5%”
8703.23.16	3	“5%”	“15%”
8703.23.16	4	“15%”	“5%”
8703.23.19	3	“\$11,500”	“\$16,000”
8703.23.19	4	“15%”	“5%”
8703.23.24	4	“15%”	“5%”
8703.23.25	3	“\$18,000”	“\$23,000”
8703.23.25	4	“15%”	“5%”
8703.23.26	4	“15%”	“5%”
8703.23.29	3	“\$18,000”	“\$23,000”
8703.23.29	4	“15%”	“5%”
8703.24.50	3	“\$23,000”	“\$28,500”
8703.24.90	3	“\$23,000”	“\$28,500”

*Customs Tariff (Budget Amendment) — of 2019*

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
8703.31.40	3	“5%”	“15%”
8703.31.40	4	“15%”	“5%”
8703.31.50	3	“\$7,500”	“\$11,500”
8703.31.50	4	“15%”	“5%”
8703.31.60	3	“5%”	“15%”
8703.31.60	4	“15%”	“5%”
8703.31.90	3	“\$7,500”	“\$11,500”
8703.31.90	4	“15%”	“5%”
8703.32.40	3	“5%”	“15%”
8703.32.40	4	“15%”	“5%”
8703.32.50	3	“\$11,500”	“\$16,000”
8703.32.50	4	“15%”	“5%”
8703.32.60	3	“5%”	“15%”
8703.32.60	4	“15%”	“5%”
8703.32.90	3	“\$11,500”	“\$16,000”
8703.32.90	4	“15%”	“5%”
8703.33.14	4	“15%”	“5%”
8703.33.15	3	“\$18,000”	“\$23,000”
8703.33.15	4	“15%”	“5%”
8703.33.16	4	“15%”	“5%”
8703.33.19	3	“\$18,000”	“\$23,000”
8703.33.19	4	“15%”	“5%”
8703.33.25	3	“\$23,000”	“\$28,500”
8703.33.29	3	“23,000”	“\$28,500”
8703.40.20	3	“\$2,000”	“\$4,000”
8703.40.40	3	“\$2,000”	“4,000”
8703.40.60	3	“\$2,500”	“\$5,000”
8703.40.80	3	“\$3,000”	“\$6,000”
8703.40.99	3	“\$6,500”	“\$13,000”
8703.50.20	3	“\$2,000”	“\$4,000”
8703.50.40	3	“\$2,000”	“\$4,000”
8703.50.60	3	“\$2,500”	“\$5,000”
8703.50.80	3	“\$3,000”	“\$6,000”

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
8703.50.99	3	“\$6,500”	“\$13,000”
8704.10.10	4	“5%”	“Free”
8704.10.90	3	“32% or \$13,158 per unit whichever is the greater”	“5%”
8704.10.90	4	“15%”	“5%”
8704.10.90	4	“15%”	“Free”
8704.21.11	4	“5%”	“Free”
8704.21.12	3	“32% or \$6,000 per unit whichever is the greater”	“5%”
8704.21.12	4	“15%”	“5%”
8704.21.13	4	“5%”	“Free”
8704.21.19	3	“32% or \$6,450 per unit whichever is the greater”	“5%”
8704.21.19	4	“15%”	“Free”
8704.21.20	3	“15%”	“5%”
8704.21.71	3	“15%”	“5%”
8704.21.71	4	“15%”	“Free”
8704.21.72	3	“32% or \$5,100 per unit whichever is the greater”	“5%”
8704.21.72	4	“15%”	“5%”
8704.21.73	3	“15%”	“5%”
8704.21.73	4	“15%”	“Free”
8704.21.79	3	“32% or \$6,000 per unit whichever is the greater”	“5%”
8704.21.79	4	“15%”	“5%”
8704.21.91	4	“5%”	“Free”
8704.21.99	3	“32% or \$6,450 per unit whichever is the greater”	“5%”
8704.21.99	4	“15%”	“5%”
8704.22.11	4	“5%”	“Free”
8704.22.12	4	“5%”	“Free”
8704.22.13	3	“32% or \$13,555 per unit whichever is the greater”	“5%”
8704.22.13	4	“15%”	“5%”
8704.22.19	3	“32% or \$10,513 per unit whichever is the greater”	“5%”
8704.22.19	4	“15%”	“5%”

*Customs Tariff (Budget Amendment) — of 2019*

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
8704.22.20	4	“5%”	“Free”
8704.22.30	3	“32% or \$9,554 per unit whichever is the greater”	“5%”
8704.22.30	4	“15%”	“5%”
8704.22.91	4	“5%”	“Free”
8704.22.99	3	“32% or \$5,469 per unit whichever is the greater”	“5%”
8704.22.99	4	“15%”	“5%”
8704.23.10	4	“5%”	“Free”
8704.23.20	3	“32% or \$9,560 per unit whichever is the greater”	“5%”
8704.23.20	4	“15%”	“5%”
8704.23.30	4	“5%”	“Free”
8704.23.40	3	“32% or \$9,560 per unit whichever is the greater”	“5%”
8704.23.40	4	“15%”	“5%”
8704.23.91	4	“5%”	“Free”
8704.23.99	3	“32% or \$9,527 per unit whichever is the greater”	“5%”
8704.23.99	4	“15%”	“5%”
8704.31.11	4	“5%”	“Free”
8704.31.12	3	“32% or \$6,000 per unit whichever is the greater”	“5%”
8704.31.12	4	“15%”	“5%”
8704.31.13	4	“5%”	“Free”
8704.31.19	3	“32% or \$6,450 per unit whichever is the greater”	“5%”
8704.31.19	4	“15%”	“5%”
8704.31.20	4	“5%”	“Free”
8704.31.71	3	“15%”	“5%”
8704.31.71	4	“15%”	“Free”
8704.31.72	3	“32% or \$5,100 per unit whichever is the greater”	“5%”
8704.31.72	4	“15%”	“5%”
8704.31.73	3	“15%”	“5%”

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
8704.31.73	4	“15%”	“Free”
8704.31.79	3	“32% or \$6,000 per unit whichever is the greater”	“5%”
8704.31.79	4	“15%”	“5%”
8704.31.91	4	“5%”	“Free”
8704.31.99	3	“32% or \$6,450 per unit whichever is the greater”	“5%”
8704.31.99	4	“15%”	“5%”
8704.32.11	4	“5%”	“Free”
8704.32.12	3	“32% or \$13,070 per unit whichever is the greater”	“5%”
8704.32.12	4	“15%”	“5%”
8704.32.13	4	“5%”	“Free”
8704.32.19	3	“32% or \$9,731 per unit whichever is the greater”	“5%”
8704.32.19	4	“15%”	“5%”
8704.32.20	4	“5%”	“Free”
8704.32.30	3	“32% or \$10,215 per unit whichever is the greater”	“5%”
8704.32.30	4	“15%”	“5%”
8704.32.40	4	“5%”	“Free”
8704.32.50	3	“32% or \$8,927 per unit whichever is the greater”	“5%”
8704.32.50	4	“15%”	“5%”
8704.32.60	4	“5%”	“Free”
8704.32.90	3	“32% or \$11,444 per unit whichever is the greater”	“5%”
8704.32.90	4	“15%”	“Free”
8705.10.90	3	“32% or \$6,057 per unit whichever is the greater”	“5%”
8705.10.90	4	“Free”	“5%”
8705.20.90	3	“32% or \$6,057 per unit whichever is the greater”	“5%”
8705.20.90	4	“Free”	“5%”
8705.30.90	3	“32% or \$6,057 per unit whichever is the greater”	“5%”

<i>Tariff Items</i>	<i>Column</i>	<i>Delete</i>	<i>Substitute</i>
8705.30.90	4	“Free”	“5%”
8705.40.90	3	“32% or \$6,057 per unit whichever is the greater”	“5%”
8705.40.90	4	“Free”	“5%”
8705.90.20	3	“32% or \$8,635 per unit whichever is the greater”	“5%”
8705.90.20	4	“Free”	“5%”
8705.90.99	3	“32% or \$8,635 per unit whichever is the greater”	“5%”
8705.90.99	4	“Free”	“5%”
8716.20.90	3	“32% or \$2,873 per unit whichever is the greater”	“15%”
8716.31.90	3	“32% or \$14,582 per unit whichever is the greater”	“15%”
8716.40.90	3	“32% or \$3,776 per unit whichever is the greater”	“15%”
8716.80.10	3	“15%”	“5%”

- (b) deleting tariff item 8703.31 and substituting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8703.31	-- Of a cylinder capacity exceeding 1000cc but not exceeding 1500cc						

- (c) deleting tariff items 8716.39.10 and 8716.39.90 and substituting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8716.39.10	--- New, for agricultural purposes	5%	Free	9%	Free	786.29	u
8716.39.90	---Used or reconditioned for agricultural purposes	15%	Free	9%	Free	786.29	u

- (d) deleting tariff item 7320.10.00 and 7320.20.00 and substituting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
7320.10	- Leaf-spring and leaves therefor						
7320.10.10	--- New	5%	Free	9%	Free	699.4	kg
7320.10.20	--- Used	15%	Free	9%	Free	699.4	kg
7320.20	- Helical springs						
7320.20.10	--- New	5%	Free	9%	Free	699.4	kg
7320.20.20	--- Used	15%	Free	9%	Free	699.4	kg

- (e) after tariff item 8516.10.10 inserting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8516.10.20	--- Electric kettle	15%	Free	9%	Free	775.81	u

- (f) deleting tariff items 8516.60.00 and substituting the following new tariff items—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8516.60	- Other ovens; cookers, cooking plates, boiling rings, grillers and roasters						
8516.60.10	--- Cooktops and stoves	15%	10%	9%	Free	775.87	u
8516.60.90.	--- Other ovens; cookers, cooking plates, boiling rings, grillers and roasters	15%	10%	9%	Free	775.87	u

- (g) deleting tariff items 8702.10.12 and 8702.10.19 and substituting the following new tariff item —

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8702.10.12	---- For transport of 16 persons or more including the driver	Free	Free	9%		783.11	u

- (h) deleting tariff items 8702.10.22 and 8702.10.29 and substituting the following new tariff item —

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8702.10.22	---- For transport of 16 persons or more including the driver	5%	Free	9%		783.11	u

- (i) deleting tariff items 8702.20.12 and 8702.20.19 and substituting the following new tariff item —

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8702.20.12	---- For transport of 16 persons or more including the driver	Free	Free	9%		783.11	u

- (j) deleting tariff items 8702.20.22 and 8702.20.29 and substituting the following new tariff item —

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8702.20.22	---- For transport of 16 persons or more including the driver	5%	Free	9%		783.11	u

- (k) deleting tariff items 8702.30.12 and 8702.30.19 and substituting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8702.30.12	---- For transport of 16 persons or more including the driver	Free	Free	9%		783.11	u

- (l) deleting tariff items 8702.30.22 and 8702.30.29 and substituting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8702.30.22	---- For transport of 16 persons or more including the driver	5%	Free	9%		783.11	u

- (m) deleting tariff items 8702.90.12 and 8702.90.19 and substituting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8702.90.12	---- For transport of 16 persons or more including the driver	Free	Free	9%		783.11	u

- (n) deleting tariff items 8702.90.92 and 8702.90.99 and substituting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8702.90.92	---- For transport of 16 persons or more including the driver	5%	Free	9%		783.11	u

- (o) deleting tariff item 9405.40.20;

- (p) after tariff item 3401.20.00, inserting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
3401.20.10	--- Soap noodles, soap chips and the like	Free	Free	9%		554.19	kg

(q) after tariff item 4202.99.20, inserting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
4202.99.30	--- Non-Woven Bag (Reusable)	32%	10%	9%		831.19	kg

(r) after tariff item 8211.93.00, inserting the following new tariff item—

<i>Item No</i>	<i>Description</i>	<i>Import Duty</i>			<i>Export Duty</i>	<i>Statistical</i>	
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		<i>Code</i>	<i>Unit</i>
8211.93.10	--- Knives having other than fixed blades used for agricultural purposes (cane knife)	Free	Free	9%		696.80	u

*Part 2 of Schedule 2 amended*

3. Part 2 of Schedule 2 to the Principal Act is amended by—

(a) in concession code 104 after paragraph (vii), inserting the following new paragraph—

<i>Code No.</i>	<i>Description and Part 1 Chapter Heading or Item No. Applicable</i>	<i>Import Duty</i>		
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>
(1)	(2)	(3)	(4)	(5)
“(viii)”	New ready-made clothing for children (global sizes in children’s category)	5%	Free	9%”

(b) in concession code 124 after paragraph (ix), inserting the following new paragraph—

<i>Code No.</i>	<i>Description and Part 1 Chapter Heading or Item No. Applicable</i>	<i>Import Duty</i>		
		<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>
(1)	(2)	(3)	(4)	(5)
“(x)”	Steel pipes, galvanised pipes, stainless steel pipes and rectangular tubing proved to the satisfaction of the Comptroller as not being manufactured in Fiji to a specification which he or she considers reasonable including the required standard for importation	5%	Free	9%”

(c) in concession code 135, deleting column 2 and substituting the following—

Code No.	Description and Part I Chapter Heading or Item No. Applicable	Import Duty		
		Fiscal	Excise	VAT
(1)	(2)	(3)	(4)	(5)
“135	(i) Hybrid accumulators (batteries or hybrid cells)	5%	Free	9%
	(ii) Batteries for laptops, tablets, cellular mobiles and other telephones	5%	Free	9%
	(iii) Power banks	5%	Free	9%”

(d) after concession code 136, inserting the following new concessions—

Code No.	Description and Part I Chapter Heading or Item No. Applicable	Import Duty		
		Fiscal	Excise	VAT
(1)	(2)	(3)	(4)	(5)
“137	Biodegradable tableware and kitchenware (plates, cups , knives, spoons, chop sticks, forks, bamboo straws, paper containers, paper cups, plates and the like)	Free	Free	9%”
138	Biodegradable and environmentally friendly detergents (detergents means any substance or mixture containing soaps and/or other surfactants intended for washing and cleaning processes)	Free	Free	9%
139	Wind-driven ventilators	Free	Free	9%
140	Light –Emitting Diodes (LED) lamps and lighting	Free	Free	9%
141	Hybrid and electric charging vessels	Free	Free	Free”

## Part 3 of Schedule 2 amended

## 4. Part 3 of Schedule 2 to the Principal Act is amended by—

- (a) deleting concession code 235 and inserting the following new concession codes—

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty Rates			Conditions	Certificate to be signed by
			Fiscal	Excise	VAT		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
235	Existing hotels and resorts	<p>(i) Building materials, furnishings and fittings, equipment including front office equipment, room amenities, kitchen and dining room equipment and utensils that are not manufactured and available in Fiji for goods having a fiscal duty rate of more than 10%;</p> <p>(ii) Building materials, furnishings and fittings, equipment including front office equipment, room amenities, kitchen and dining room equipment and utensils that are not manufactured and available in Fiji for goods having a fiscal duty rate of 5%;</p> <p>(iii) Heavy plant and machinery for project development work provided such plant and machinery is re-exported after completion of the project.</p>	5%	Free	9%	<p>(a) That the hotel/resort is registered as a hotel/resort in Fiji</p> <p>(b) That the hotel/resort renovation/refurbishment project is approved by the Comptroller</p> <p>(c) That the hotel/resort seeking duty concession makes a written submission to the Comptroller with the details of works to be carried out with other relevant particulars</p> <p>(d) That the Comptroller grants a written approval for approved goods to be cleared under duty concession</p> <p>(e) That the goods will be used for the construction or equipping of the hotel/resort and which are proved to the satisfaction of the Comptroller as not being manufactured in Fiji to a specification which he or she considers reasonable</p> <p>(f) Any other conditions as the Comptroller may require from time to time</p> <p>(g) That the goods are specifically for the purposes concession is granted</p> <p>(h) That the goods are not for re-sale</p> <p>(i) That the disposal or use of the goods for the purpose other than that for which concession is granted be subject to the provisions of section 17 of the Customs Tariff Act 1986</p>	The person approved by the Comptroller

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty Rates			Conditions	Certificate to be signed by
			Fiscal	Excise	VAT		
235A	New hotels and resorts granted approval under Short Life Investment Package (SLIP) as per the Income Tax (Hotel Investment Incentives) Regulations 2016	Building materials, furnishings and fittings equipment including front office equipment, room amenities, kitchen and dining room equipment and utensils, specialised water sports equipment eg. water bikes and other similar goods that are not manufactured and available in Fiji	Free	Free	9%	<p>(a) That the hotel and resort is approved under SLIP</p> <p>(b) That the actual commencement is within 2 years from approval issued by Comptroller</p> <p>(c) That the goods will be used for the establishment of the project as per Income Tax (Hotel Investment Incentives) Regulations 2016 and which are proved to the satisfaction of the Comptroller as not being manufactured in Fiji to a specification which he or she considers reasonable</p> <p>(d) That the goods are used exclusively for the purpose of which the concession is granted</p> <p>(e) That the goods are not for re-sale</p> <p>(f) That the disposal or use of the goods for the purpose other than that for which concession is granted be subject to the provisions of section 17 of the Customs Tariff Act 1986</p>	The person approved by the Comptroller.

(b) after concession code 236A, inserting the following new concession code—

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty Rates			Conditions	Certificate to be signed by
			Fiscal	Excise	VAT		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
236B	Manufacturer or producer approved by the Comptroller for the processing of finished goods through assembly, mixing or blending. (excluding alcoholic beverages under chapter 22 and motor vehicles under chapter 87)	Goods approved for assembly, mixing or blending.	3%	Free	9%	<p>(a) That there is sufficient processing of the goods in Fiji.</p> <p>(b) That the finished goods obtained must meet the value added criteria of not less than 25% of the factory cost of the final good (represented by qualifying criteria)</p> <p>(c) That the finished goods must meet the industry standards for use in Fiji.</p> <p>(d) That the goods imported for the assembly, mixing or blending are to be used exclusively for the purpose for which concession is granted and not for re-sale.</p> <p>(e) That the disposal or use of the goods for the purpose other than that for which concession is granted be subject to the provisions of section 17 of the Customs Tariff Act 1986</p>	The person approved by the Comptroller.

(c) deleting concession code 249;

(d) deleting concession code 277 and inserting the following —

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty Rates			Conditions	Certificate to be signed by
			Fiscal	Excise	VAT		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
277	Companies or entities involved in film productions or the establishment of editing and post production studios as per the Income Tax (Film-making and Audio-visual Incentives) Regulations 2016	Film, editing, post production and camera equipment including other goods as may be approved by the Comptroller	Free	Free	9%	<p>(a) The company or the entity is to be approved by Film Fiji.</p> <p>(b) The goods are not for sale and are to be exclusively for the purposes for which the concession is granted.</p> <p>(c) That the disposal or use of the goods for purposes other than that for which concessions are granted will be subject to the conditions laid down in section 17 of the Customs Tariff Act 1986</p>	The person approved by the Comptroller.

(e) deleting concession code 288;

(f) inserting the following new concession codes after concession code 293—

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty Rates			Condition	Certificate to be signed by
			Fiscal	Excise	VAT		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
294	Companies or entities engaged in the manufacture of pharmaceutical products	<p>(i) Ethanol</p> <p>(ii) All raw materials used to manufacture approved pharmaceutical products</p> <p>(iii) Machinery equipment and accessories used in the manufacture of pharmaceutical products</p>	Free	Free	9%	<p>(a) That the company or entity is approved by the Fiji Pharmacy Profession Board.</p> <p>(b) That the Comptroller grants a written approval for approved goods to be cleared under duty concession.</p> <p>(c) That the ethanol, raw materials, machinery, equipment and accessories are to be used exclusively by the approved pharmaceutical company or entity for purposes for which the concession is granted.</p> <p>(d) That the ethanol, raw materials, machinery, equipment and accessories is not for re-sale or used for other commercial purposes.</p> <p>(e) That the disposal or use of the goods for the purpose other than that for which concession is granted be subject to the provisions of section 17 of the Customs Tariff Act 1986.</p>	The person approved by the Comptroller

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty Rates			Condition	Certificate to be signed by
			Fiscal	Excise	VAT		
295	Companies or entities establishing waste recycling plants	Raw materials, plant, machinery and equipment (including parts and materials) for the initial establishment of the business	Free	Free	9%	<p>(a) That the company or entity is approved by the Minister.</p> <p>(b) That the company or entity has a valid tax free region provisional licence.</p> <p>(c) That the duty exemption will cease immediately within 2 years of the establishment of the waste recycling plant unless the concession is extended by the Minister.</p> <p>(d) That the goods are used for the purposes for which the concession is granted.</p> <p>(e) That the disposal or use of the goods for the purpose other than that for which concession is granted be subject to the provisions of section 17 of the Customs Tariff Act 1986.</p>	The person approved by the Comptroller

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty Rates			Condition	Certificate to be signed by
			Fiscal	Excise	VAT		
296	Companies or entities for construction of warehouses	Raw materials, machinery and equipment (including parts and materials) for the initial establishment of the warehouse	Free	Free	9%	<p>(a) That the company or entity is approved by the Comptroller.</p> <p>(b) That the warehouse is to be used exclusively as a storage facility.</p> <p>(c) That this is a new or initial construction</p> <p>(d) That the goods are to be used specifically for the initial establishment of the warehouse.</p> <p>(e) That the duty exemption will cease immediately within 2 years of the establishment of the warehouse unless the concession is extended by the Comptroller.</p> <p>(f) That the disposal or use of the goods for the purpose other than that for which concession is granted be subject to the provisions of section 17 of the Customs Tariff Act 1986.</p>	The person approved by the Comptroller

<i>Code No.</i>	<i>Persons or Bodies</i>	<i>Goods Eligible for Duty Concession</i>	<i>Import Duty Rates</i>			<i>Condition</i>	<i>Certificate to be signed by</i>
			<i>Fiscal</i>	<i>Excise</i>	<i>VAT</i>		
297	Companies or entities involved in the establishment of retirement villages and age care facilities as per the regulations under the Income Tax Act 2015	Raw materials, machinery and equipment (including parts and materials) for the initial establishment of the facility	Free	Free	9%	<p>(a) That the company or entity is approved by the Comptroller.</p> <p>(b) That the goods are to be used specifically for the initial establishment of the facility.</p> <p>(c) That the duty exemption will cease immediately upon the establishment of the facility.</p> <p>(d) That the disposal or use of the goods for the purpose other than that for which concession is granted be subject to the provisions of section 17 of the Customs Tariff Act 1986.</p>	The person approved by the Comptroller

June 2019

## **CUSTOMS TARIFF (BUDGET AMENDMENT) BILL 2019**

### **EXPLANATORY NOTE**

*(This note is not part of the Bill and is intended only to indicate its general effect)*

#### **1.0 BACKGROUND**

1.1 The Customs Tariff (Budget Amendment) Bill 2019 seeks to amend the Customs Tariff Act 1986 ('Act').

#### **2.0 CLAUSES**

2.1 Clause 1 of the Bill provides for the short title and commencement. If passed by Parliament, the amending legislation will come into force on 8 June 2019.

2.2 Clause 2 of the Bill amends Part 1 of Schedule 2 to the Act to provide for the following changes to the tariff rates applicable under that Part—

- (a) reducing fiscal duty on new ready-made clothing for children from 32% to 5%. The reduced rate will be based on global sizes in children's category;
- (b) increasing import duty on passenger motor vehicles to encourage people to use more public transport and to contribute towards our national efforts in the reduction of carbon emission for a more climate friendly transport sector;
- (c) providing for a concessionary duty incentive for public transportation which will be extended for another 2 years (until 30 June 2023). The concessionary duty regime includes taxis and inter-island shipping vessels;
- (d) reducing fiscal duty on new buses (with not less than 16 seats) to 0% fiscal duty;
- (e) reducing fiscal duty on used buses (with not less than 16 seats) to 5% fiscal duty;
- (f) reducing import duty on heavy machinery by 5% under chapter 84 of the Act given the increased civil and road construction work, import duty

on heavy machinery. Other heavy machinery included in this reduction are derricks and cranes, fork-lift trucks, bulldozers, graders, levellers, excavators, shovel loaders, road rollers and scrapers;

- (g) reducing fiscal duty on trucks and trailer primarily used for the transport and delivery of goods, to assist businesses in the agriculture, wholesale and retail sector;
- (h) reducing fiscal duty rate and the specific duty rate by 50% for trucks of chapter 8704 of the Act, this will exclude dual purpose (twin cab) vehicles;
- (i) the age limit requirement on used vehicles under chapter 8704 for transport of goods has been removed. The vehicles only will have to be Euro 4 compliant;
- (j) reducing fiscal duty to 0% on the importation of ethanol by manufacturers of pharmaceutical supplies;
- (k) reducing fiscal duty on biodegradable tableware and kitchenware (including plates, cups, knives, spoons, chop sticks, forks, bamboo straws, paper containers, paper cups, plates) and the like from 32% to 0%;
- (l) reducing fiscal duty on biodegradable and environmentally friendly cleaning chemicals and detergents from 32% to 0%;
- (m) reducing fiscal duty on wheeled trolleys from 15% to 5%;
- (n) reducing fiscal duty on bicycle and motor cycle tyres from 5% to 0%;
- (o) reducing fiscal duty from 32% to 5% on batteries for laptops, tablets, cellular mobile phones and power banks;
- (p) reducing fiscal duty on wind ventilators from 15% to 0%;
- (q) increasing fiscal duty on non-woven plastic bags from 15% to 32%;
- (r) reducing fiscal duty on soap noodles to 0%;
- (s) reducing from 15% to 5% and a 10% ECAL on all motor vehicles of chapter 8703, the tax burden will remain the same;
- (t) fiscal duty and import excise duty for new and used special purpose vehicles will be reduced for vehicles such as crane lorries, firefighting vehicles, concrete mixer lorries, road sweeper lorries, spraying lorries, mobile workshops and mobile radiological units;
- (u) increasing import excise on chicken from 0% to 10%; and
- (v) reducing import excise on heavy machinery by 5% under chapter 84 of the Act.

2.3 Clauses 3 and 4 of the Bill inserts the following concessions applicable under Parts 2 and 3 of Schedule 2 of the Act—

- (a) duty concession for the hotel industry for all hotels and resorts under the Short Life Investment Package, where fiscal duty on the importation of capital equipment, plant, machinery, building materials, furnishings and fittings, equipment, room amenities, kitchen and dining room equipment and utensils, specialised water sports equipment will be reduced to free fiscal at 0%;
- (b) duty concession for existing hotels and resorts where fiscal duty on the importation of capital equipment, plant, machinery, building materials, furnishings and fittings, equipment, room amenities, kitchen and dining room equipment and utensils, specialised water sports equipment will be reduced to 5% fiscal duty for all items with a fiscal duty more than 10% and a reduction to 3% fiscal duty for all items which had 5% fiscal duty;
- (c) fiscal duty on steel pipes, galvanized pipes, stainless steel pipes and rectangular tubing not manufactured in Fiji will be granted a concessionary duty rate of 5%;
- (d) film-making and audio-visual tax incentives such as a concession which will apply to film, editing, post production and camera equipment including other goods as may be approved by the Comptroller at rate of free fiscal duty and free import excise;
- (e) tax incentives such as a concession for retirement villages and aged care facilities will be available to investments in retirement villages and aged care facilities;
- (f) to promote safer and environmentally friendlier waste management initiatives, incentives will be granted to companies engaged in waste recycling;
- (g) Government will be encouraging investment in the business of warehousing and storage facilities given the increasing business needs. Storage facilities require significant set up and operation costs. Therefore, a new incentive package is granted to companies investing in warehouses and storage facilities; and
- (h) in order to promote investment in the pharmaceutical manufacturing sector import excise is being reduced to 0% on the importation of ethanol by manufacturers of pharmaceutical supplies, other goods including equipment and raw materials will also be zero rated.

**3.0 MINISTERIAL RESPONSIBILITY**

3.1 The Act comes under the responsibility of the Minister responsible for finance.

A. SAYED-KHAIYUM  
Attorney-General