

ACT NO. 5 OF 2014

I assent.

E. NAILATIKAU
President

[15 December 2014]

AN ACT**TO AMEND THE INCOME TAX ACT (CAP. 201)**

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

1.—(1) This Act may be cited as the Income Tax (Budget Amendment) Act 2014 and shall come into force on 1st January, 2015.

(2) The Income Tax Act (Cap. 201) shall be referred to as the “Principal Act”.

Section 9A amended

2. Section 9A of the Principal Act is amended in subsection (3) by inserting the following new paragraph after paragraph (f)—

“(g) the interest derived from a financial institution licensed under the Banking Act 1995, by a taxpayer earning \$16,000 or less in a year.”

Section 17 amended

3. Section 17 of the Principal Act is amended—

(a) by inserting the following new subsections after subsection (63)—

“(64) the income of Information Communications Technology startups involved in application design or software development for a period of 13 years from the date of approval by the Commissioner;

- (65) the income of an accredited Information Communications Technology training institution for a period of 13 years from the date of approval by the Commissioner;”;
- (b) in subsection (76) by inserting the following new paragraph after paragraph (iii)—
- “(iv) the income of a taxpayer derived from a new activity in commercial agricultural farming and agro-processing as approved by the Commissioner from 1st January, 2015 to 31st December, 2018—
- (a) \$250,000 to \$1,000,000, for a period of 5 consecutive fiscal years;
- (b) \$1,000,000 to \$2,000,000, for a period of 7 consecutive fiscal years; or
- (c) \$2,000,000 and above, for a period of 13 consecutive fiscal years.”; and
- (c) in subsection (77) by deleting “2014” and substituting “2018”.

*Section 21 amended***4.** Section 21 of the Principal Act is amended in subsection (1)—

- (a) in paragraph (b)(ii) by deleting “eight” and substituting “ten”; and
- (b) by inserting the following new paragraphs after paragraph (zu)—
- “(zv) two times the amount of contribution cash donations with a minimum of \$10,000, by taxpayers to the Farmers Disaster Relief Emergency Fund Account.
- (zw) one and half times the amount of expenses incurred in the Information Communications Technology startups involved in application design or software development.
- (zx) one and half times the amount of expenses incurred by an accredited Information Communications Technology training institution.”

*Section 21B amended***5.** Section 21B of the Principal Act is amended in subsection (2) in the following way—

<i>Year of Assessment</i>	<i>Percentage of export income to be deducted</i>
2015	Delete “10%” and substitute “50%”

Eleventh Schedule amended

6. The Eleventh Schedule to the Principal Act is amended in—

(a) paragraph (2) of Part 1—

- (i) in the definition of “project” by inserting “, buying and selling of residential units in a hotel or integrated tourism development or new apartments” after “renovation”; and
- (ii) by inserting the following new definition after the definition of “Minister”—

““new apartments” means any premises with a minimum capital investment of \$7,000,000 in which accommodation is supplied to or is available to be supplied to a person or persons in exchange for money or other valuable consideration and the apartment will provide accommodation for guests for hire or reward or for the owner or occupier, for a period of not more than 6 months;” and

- (b) Part 3 by inserting “or new apartments” after “integrated tourism development”, wherever it appears.

Passed by the Parliament of the Republic of Fiji this 11th day of December 2014.