

BILL NO. 41 OF 2016

A BILL

FOR AN ACT TO AMEND THE TAX ADMINISTRATION DECREE 2009

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

1.—(1) This Act may be cited as the Tax Administration (Budget Amendment) Act 2016.

(2) This Act comes into force on 1 August 2016.

(3) In this Act, the Tax Administration Decree 2009 is referred to as the “Decree”.

Section 36 amended

2. Section 36 of the Decree is amended by—

(a) in subsection (1), inserting “the CEO may,” after “law,”; and

(b) in subsection (4)—

(i) in paragraph (a), inserting “, or verified by a statutory declaration or otherwise” after “the oath”; and

(ii) deleting paragraph (b) and substituting the following—

“(b) furnished or given within such reasonable time as specified by the CEO.”

Section 109 amended

3. Section 109(3) of the Decree is amended by deleting “28” and substituting “42”.

Section 116 amended

4. Section 116 of the Decree is amended by deleting “this section” and substituting “this Part”.

New section 118A inserted

5. The Decree is amended by inserting the following new section after section 118—

“Electronic systems

118A.—(1) The Authority shall implement electronic systems to obtain and monitor accurate records relating to the imposition of a tax.

(2) The Minister may make regulations prescribing matters that are required to be prescribed or are necessary or convenient to be prescribed for the implementation of electronic systems established under subsection (1), including but not limited to—

- (a) terms or conditions issued by the Authority;
- (b) procedures or guidelines for the collection and verification of data;
- (c) offences for failure to comply with any term or condition issued by the Authority or any requirement relating to the electronic systems;
- (d) penalties for offences committed under any regulations prescribed under this section, with fines not exceeding \$200,000 or imprisonment for terms not exceeding 10 years, or both.”

TAX ADMINISTRATION (BUDGET AMENDMENT) BILL 2016

EXPLANATORY NOTE

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

1.0 BACKGROUND

- 1.1 The Tax Administration Decree 2009 (**'Decree'**) was introduced in 2009 to harmonise the rules relating to the administration of tax laws in Fiji and to ensure the efficient collection of taxes.
- 1.2 Section 36 of the Decree deals with an administrative summons by the Chief Executive Officer (**'CEO'**) of the Fiji Revenue and Customs Authority (**'FRCA'**). This is a notice in writing for a person to produce information or evidence, including any documentation, to the CEO.
- 1.3 Section 109 of the Decree deals with appeals from the Tax Court to the Court of Appeal. This section states that an appeal from the Tax Court must be filed within 28 days of the delivery of the decision or judgment.
- 1.4 Section 116 of the Decree deals with offences relating to the registration of a tax agent.
- 1.5 The Tax Administration (Budget Amendment) Bill 2016 (**'Bill'**) seeks to amend the Decree.

2.0 CLAUSES

- 2.1 Clause 1 of the Bill provides the short title and commencement provisions. If the Bill is passed by Parliament, the new Act will be cited as the Tax Administration (Budget Amendment) Act 2016 and the new Act will come into force on 1 August 2016.
- 2.2 Clause 2 of the Bill amends section 36 of the Decree to empower the CEO to specify the time for such information or evidence to be produced.

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2.3 Clause 3 of the Bill amends section 109(3) of the Decree by deleting “28” and substituting “42” to align the period with the requirement in the Court of Appeal Rules.

2.4 Clause 4 of the Bill amends section 116 of the Decree by deleting “this section” and substituting “this Part” so that section 116 relates to Part 4.

2.5 Clause 5 of the Bill inserts a new section 118A to provide for the implementation of electronic systems to ensure that FRCA obtains and monitors accurate records relating to the imposition of a tax. The Minister is also empowered to make regulations that are necessary for the implementation of the electronic systems.

3.0 MINISTERIAL RESPONSIBILITY

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

A. SAYED-KHAIYUM
Attorney-General