

# BILL NO. 23 OF 2017

## A BILL

### FOR AN ACT TO AMEND THE STAMP DUTIES ACT 1920

ENACTED by the Parliament of the Republic of Fiji—

*Short title and commencement*

- 1.—(1) This Act may be cited as the Stamp Duties (Budget Amendment) Act 2017.
- (2) This Act comes into force on 1 August 2017.
- (3) In this Act, the Stamp Duties Act 1920 is referred to as the “Principal Act”.

*Section 4A amended*

2. Section 4A of the Principal Act is amended by deleting “\$10,000” wherever it appears and substituting “\$25,000”.

*Section 17 amended*

3. Section 17 of the Principal Act is amended by deleting “\$100” and substituting “\$25,000”.

*Section 20 amended*

4. Section 20 of the Principal Act is amended by deleting “\$10” and substituting “\$25,000”.

*Section 21 amended*

**5.** Section 21(1) of the Principal Act is amended by deleting “of \$40” and substituting “not exceeding \$25,000”.

*Section 22 amended*

**6.** Section 22 of the Principal Act is amended by deleting “4 years” and substituting “10 years”.

*Section 23 amended*

**7.** Section 23 of the Principal Act is amended by deleting “3 months” and substituting “10 years”.

*Section 26 amended*

**8.** Section 26 of the Principal Act is amended by deleting “of \$100” and substituting “not exceeding \$25,000”.

*Section 33 amended*

**9.** Section 33 of the Principal Act is amended by deleting “of \$100” and substituting “not exceeding \$25,000”.

*Section 37 amended*

**10.** Section 37(1) of the Principal Act is amended by—

- (a) in subparagraph (a), deleting “\$2” and substituting “\$500”; and
- (b) in subparagraph (b), deleting “\$4” and substituting “\$1,000”.

*Section 47 amended*

**11.** Section 47(2) of the Principal Act is amended by deleting “\$100” and substituting “\$25,000”.

*Section 48 amended*

**12.** Section 48 of the Principal Act is amended by deleting “\$20” and substituting “\$25,000”.

*Section 51 amended*

**13.** Section 51 of the Principal Act is amended by deleting “\$20” and substituting “\$25,000”.

*Section 55 amended*

**14.** Section 55(1) of the Principal Act is amended by deleting “\$100” and substituting “\$25,000”.

*Section 61 amended*

**15.** Section 61(1) of the Principal Act is amended by deleting “\$100” and substituting “\$25,000”.

*Section 63 amended*

**16.** Section 63 of the Principal Act is amended by deleting “of \$40” and substituting “not exceeding \$25,000”.

*Part 3, Division 2, Subdivision C amended*

**17.** The Principal Act is amended in the heading of Part 3, Division 2, Subdivision C after “*Bills of Lading*” by inserting “*and Air Waybills*”.

*Section 64 amended*

**18.** Section 64(2) of the Principal Act is amended by deleting “\$100” and substituting “\$25,000”.

*Section 64A inserted*

**19.** The Principal Act is amended after section 64 by inserting the following new section—

*“Air waybills*

64A.—(1) An air waybill includes any receipt given *in lieu* thereof from the master or agent of an aircraft and is not to be stamped after execution.

(2) Every person shall be guilty of an offence and is liable to a fine not exceeding \$25,000 who makes or executes an air waybill not duly stamped.

(3) The duty on an air waybill may be denoted by an adhesive stamp.”.

*Section 65 amended*

**20.** Section 65 of the Principal Act is amended by deleting “\$40” and substituting “\$25,000”.

*Section 68 amended*

**21.** Section 68 of the Principal Act is amended by—

(a) in paragraph (a), deleting “of \$1” and substituting “not exceeding \$1,000”; and

(b) in paragraph (b), deleting “of \$20” and substituting “not exceeding \$2,000”.

*Section 78 amended*

**22.** Section 78(1) of the Principal Act is amended by deleting “of \$40” and substituting “not exceeding \$25,000”.

*Section 88 amended*

**23.** Section 88(2) of the Principal Act is amended by deleting “\$200” and substituting “\$25,000”.

*Section 103 amended*

**24.** Section 103 of the Principal Act is amended by deleting “\$40” and substituting “\$25,000”.

*Schedule amended*

**25.** Part 1 of the Schedule to the Principal Act is amended in the table by—

(a) in the first column of the tenth row, after “BILL OF LADING”, inserting “OR AIR WAYBILL”; and

- (b) in the first column of the last row—
- (i) in paragraph (c) after “stipulates”, inserting “;”; and
  - (ii) after paragraph (c), inserting the following new paragraphs—
    - “(d) Transmission of an asset to an executor or beneficiary on the death of a person;
    - (e) Transfer of a principal place of residence, first residential property, an interest in a capital asset, or shares in a company, by reason of love and affection between spouses, siblings, parents to children and vice versa, and grandchildren to grandparents and vice versa.
- For the avoidance of doubt, the terms used in paragraphs (d) and (e) have the same meaning as given to them under the Income Tax Act 2015.”.

June 2017

## STAMP DUTIES (BUDGET AMENDMENT) BILL 2017

### 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 Stamp Duties (Budget Amendment) Bill 2017 (**'Bill'**) seeks to amend the Stamp Duties Act 1920 (**'Act'**).

#### 2.0 CLAUSES

2.1 Clause 1 of the Bill provides the short title and commencement date. If passed by Parliament, the amending legislation will come into force on 1 August 2017.

2.2 Clause 2 of the Bill amends section 4A of the Act to increase the threshold for waiver or refund of stamp duties by the Chief Executive Officer of the Fiji Revenue and Customs Authority.

2.3 Clauses 3 to 16, 18 and 20 to 24 of the Bill amend sections 17, 20, 21, 22, 23, 26, 33, 37, 47, 48, 51, 55, 61, 63, 64, 65, 68, 78, 88 and 103 of the Act to increase the penalties for offences under the Act, making them consistent with the tax laws of Fiji.

2.4 Clause 17 of the Bill amends the heading of Part 3, Division 2, Subdivision C by, after "*Bills of Lading*", inserting "*and Air Waybills*". This is done to accommodate the extension of Subdivision C to include air waybills.

2.5 Clause 19 of the Bill provides for the insertion of section 64A titled "Air waybills". This new section stipulates that stamp duty must be charged on air waybills.

2.6 Clause 25 of the Bill amends the Schedule to the Act to provide for the stamp duty fee to be charged on air waybills.

2.7 Clause 25 of the Bill also amends the Schedule to the Act to provide for exemptions for the charging of stamp duty on a transfer through a will or the transfer of a principal place of residence, first residential property, an interest in a capital asset, or shares in a company between spouses, parents and children and grandparents and grandchildren where the transfer is done out of love and affection.

### **3.0 MINISTERIAL RESPONSIBILITY**

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

A. SAYED-KHAIYUM  
Attorney-General