



Bill Summary

Tax Administration (Budget Amendment) Bill 2016

Bill No. 41 of 2016

Introduction

The Bill covers amendments to the *Tax Administration Decree 2009* ('Decree') a law that 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 by the Fiji Revenue and Customs Authority (FRCA). The crux of the Bill deals with amendments relating to administrative matters and the inclusion of a new section – "Electronic systems". It also gives the Minister the power to make regulations regarding the implementation of electronic systems for tax administration and monitoring by FRCA.

In the table below are the various amendments over the years to the Decree and most were part of the Budget consequential Bills relating to changes in tax administration laws and regulations.

Year	Legislation
2010	<i>Tax Administration (Amendment) Decree 2010</i> [Decree No.55 of 2010]
2010	<i>Tax Administration (Budget Amendment) Decree 2010</i> [Decree No. 69 of 2010]
2012	<i>Tax Administration (Amendment)(No.2) Decree 2012</i> [Decree No. 38 of 2012]
2012	<i>Tax Administration (Amendment) (No.3) Decree 2012</i> [Decree No. 83 of 2012]
2012	<i>Tax Administration (Amendment) Decree 2012</i> [Decree No.9 of 2012]
2013	<i>Tax Administration (Amendment) Decree 2013</i> [Decree No.29 of 2013]
2014	<i>Tax Administration (Budget Amendment) Act 2014</i> [Act No.3 of 2014]
2015	<i>Tax Administration (Amendment) Act 2015</i> [Act No.12 of 2015]
2015	<i>Tax Administration (Budget Amendment) Act 2015</i> [Act No.18 of 2015]

Objectives, scope and intent of the Bill

The Bill aims to:

- amend Section 36 (Administrative Summons) of the Decree to give power to FRCA CEO to specify the time for which information or evidence to be produced (for the purposes of administering any tax law);
- amend Section 109(3) of the Decree (Appeals to Court of Appeal) to change the appeal period from 28 days to 42 days, the Bill's explanatory notes says this is "... to align the period with the requirement in the Court of Appeal Rules."
- amend Section 116 (Offences Relating to Tax Agent's Registration) of the Decree so that this Section relate to Part 4 rather than "just this section".
- insert a new section 118A to provide for the implementation of an electronic systems to ensure FRCA obtains and monitors accurate records in relation to a tax, and provides powers to the Minister to make regulations for the implementation of such electronic systems.



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Summary of provisions

Short title and commencement

Clause 1(1) – the new Act may be cited as the *Tax Administration (Budget Amendment) Act 2016*.

Clause 1(2) – the law comes into force on 1 August 2016.

Clause 1(3) – this Act, the *Tax Administration Decree 2009* is referred to as the “Decree”.

Section 36 amended

Clause 2(a) – Section 36 of the Decree is amended by— in subsection (1), inserting “the CEO may,” after “law.”

Decree, Section 36. — (1) For the purposes of administering any tax law **the CEO may**, by notice in writing, require any person—

Clause 2(b)(i) – in subsection 4 (of Section 36), in paragraph (a), inserting “, or verified by a statutory declaration or otherwise” after “the oath.”

Clause 2(b)(ii) – deleting paragraph (b) and substituting the following— “(b) furnished or given within such reasonable time as specified by the CEO.”

Decree, S36 (4)

(4) The CEO may require that the information or evidence referred to in subsection (1) is –

(a) given on oath, verbally or in writing, and, for that purpose, the CEO may administer the oath, **or verified by a statutory declaration or otherwise**; or

~~(b) verified by statutory declaration or otherwise.~~

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

Section 109 amended

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

S109 (3) An appeal from the Tax Court must be filed within ~~28~~ **42** days of the delivery of the decision or judgment.

Section 116 amended

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

Offences Relating to Tax Agent’s Registration

116. A person who fails to comply with ~~this section~~ **this Part** commits an offence and is liable for a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 6 months or to both a fine and imprisonment.

New section 118A inserted

Clause 5 – the Bill amends the Decree by **inserting a 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;



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- (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.”

Further information

- *Tax Administration Decree 2009*, Decree No. 50 of 2009.
- Available at: http://www.paclii.org/fj/promu/promu_dec/tad2009228/ [Accessed 28 June 2016]
- *Tax Administration (Amendment) Decree 2010*. Available at: www.paclii.org/fj/promu/promu_dec/tad2010308/
- *Tax Administration (Budget Amendment) Decree 2010*. Available at: www.paclii.org/fj/promu/promu_dec/taad2010361/
- *Tax Administration (Amendment) (No.2) Decree 2012*. Available at: www.paclii.org/fj/promu/promu_dec/ta2d2012335/
- *Tax Administration (Amendment) (No.3) Decree 2012*. Available at: www.paclii.org/fj/promu/promu_dec/ta3d2012335/
- *Tax Administration (Amendment) Decree 2012*. Available at: www.paclii.org/fj/promu/promu_dec/tad2012308/
- *Tax Administration (Amendment) Decree 2013*. Available at: www.paclii.org/fj/promu/promu_dec/tad2013308/
- *Tax Administration (Budget Amendment) Act 2014*. Available at: www.paclii.org/fj/legis/num_act/taaa2014348/
- *Tax Administration (Amendment) Act 2015*. Available at: www.paclii.org/fj/legis/num_act/taa2015295/
- *Tax Administration (Budget Amendment) Act 2015*. Available at: www.paclii.org/fj/legis/num_act/taaa2015348/

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