

BILL NO. 16 OF 2020

A BILL

FOR AN ACT TO AMEND THE VALUE ADDED TAX ACT 1991

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

- 1.—(1) This Act may be cited as the Value Added Tax (Budget Amendment) Act 2020.
- (2) This Act comes into force on 1 August 2020.
- (3) In this Act, the Value Added Tax 1991 is referred to as the “Principal Act”.

Section 21 amended

2. The Principal Act is amended by deleting section 21.

Section 22 amended

3. Section 22 of the Principal Act is amended by deleting subsections (4A) and (4B).

Section 23 amended

4. Section 23 of the Principal Act is amended by deleting subsections (9) to (12).

Section 27A deleted

5. The Principal Act is amended by deleting section 27A.

Section 39 amended

6. Section 39(10) of the Principal Act is amended by deleting—

- (a) “section 22(4B) and (5)” and substituting “section 22(5)”; and
- (b) “including the construction of the residential property for rental”.

Schedule 1 amended

7. Schedule 1 to the Principal Act is amended by—

- (a) in paragraph 2, deleting “excluding residential dwelling as specified in paragraph 2A”; and
- (b) deleting paragraph 2A.

July 2020

VALUE ADDED TAX (BUDGET AMENDMENT) BILL 2020

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 Value Added Tax (Budget Amendment) Bill 2020 (**‘Bill’**) seeks to amend the Value Added Tax Act 1991 (**‘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 1 August 2020.

2.2 Clause 2 of the Bill amends the Act by deleting section 21 to remove value added tax (**‘VAT’**) reverse charges on supplies received from abroad.

2.3 Clause 3 of the Bill amends section 22 of the Act to exempt VAT on the supply of residential accommodation.

2.4 Clause 4 of the Bill amends section 23 of the Act by removing provisions relating to the cancellation of registration of a person who supplies residential accommodation to align with the proposed amendment to section 22 of the Act.

2.5 Clause 5 of the Bill amends the Act by deleting section 27A of the Act as this section becomes obsolete as a result of the proposed amendment to section 22 of the Act.

2.6 Clause 6 of the Bill amends section 39(10) of the Act to remove reference to the construction of residential property for rent as this becomes obsolete as a result of the proposed amendment to section 22 of the Act.

2.7 Clause 7 of the Bill amends Schedule 1 to the Act to exempt VAT on any supply of residential accommodation.

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3.0 MINISTERIAL RESPONSIBILITY

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

A. SAYED-KHAIYUM
Attorney-General