

BILL NO. 11 OF 2022

A BILL

FOR AN ACT TO AMEND THE ENVIRONMENT AND CLIMATE ADAPTATION
LEVY ACT 2015

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

1.—(1) This Act may be cited as the Environment and Climate Adaptation Levy (Revised Budget Amendment) Bill 2022.

(2) This Act comes into force on 1 April 2022.

(3) In this Act, the Environment and Climate Adaptation Levy Act 2015 is referred to as the “Principal Act”.

Section 2 amended

2. Section 2 of the Principal Act is amended by—

- (a) deleting the definition of “Environment and Climate Adaptation Levy”;
- (b) in the definition of “precedent partner”, deleting “Fiji;” and substituting “Fiji; and”; and
- (c) deleting the definition of “prescribed service”.

Section 12 amended

3. Section 12(2) of the Principal Act is amended by—

- (a) deleting paragraph (a); and
- (b) after paragraph (a), inserting the following new paragraphs—
 - “(aa) a percentage of the Value Added Tax (VAT) on prescribed services as prescribed by regulations;
 - (ab) a percentage of the plastic levy as prescribed by regulations;
 - (ac) a percentage of the superyacht levy as prescribed by regulations;”.

Parts 2, 3, 4 and 6 deleted

4. Parts 2, 3, 4 and 6 of the Principal Act are deleted.

Schedules 1 and 2 deleted

5. Schedules 1 and 2 to the Principal Act are deleted.

Transitional

6.—(1) Any Environment and Climate Adaptation Levy imposed under the Environment and Climate Adaptation Levy Act 2015 continues to apply to transactions entered into and paid before 1 April 2022.

(2) The Chief Executive Officer of the Fiji Revenue and Customs Service continues to exercise the powers provided under section 4 of the Environment and Climate Adaptation Levy Act 2015 in relation to transactions entered into before 1 April 2022.

(3) An accountable person registered under the Environment and Climate Adaptation Levy Act 2015 before 1 April 2022 continues to be deemed as registered in accordance with the Environment and Climate Adaptation Levy Act 2015.

(4) The Environment and Climate Adaptation Levy payable before 1 April 2022 which is collected by an accountable person is held in trust for the State pursuant to section 22 of the Tax Administration Act 2009.

(5) The Environment and Climate Adaptation Levy payable under the Environment and Climate Adaptation Levy Act 2015 before 1 April 2022 must be recovered in accordance with the procedures and powers provided under the Tax Administration Act 2009 as though the Environment and Climate Adaptation Levy had not been removed.

Consequential amendments

7. The laws listed in the Schedule are amended as set out in that schedule.

SCHEDULE
(Section 7)

CONSEQUENTIAL AMENDMENTS

Income Tax Act 2015

1. Income Tax Act 2015 is amended by—

- (a) in section 2, in the definition of “Social Responsibility Tax” deleting “, a portion of which is the Environment and Climate Adaptation Levy payable under Part 4 of the Environment and Climate Adaptation Levy Act 2015”; and
- (b) after section 98, inserting the following new section—

“Plastic Levy

98A. A plastic levy shall be charged on plastic bags distributed by businesses prescribed by regulations.”.

Superyacht Charter Act 2010

2. Section 2 of the Superyacht Charter Act 2010 is amended by—

- (a) in section 2, in the definition of “Environment and Climate Adaptation Levy” deleting “and charged on the gross charter fee which is payable to the Government of the Republic of Fiji in Fijian dollars as set out in the Schedule”;
- (b) deleting section 8(3)(c);
- (c) deleting section 14; and
- (d) deleting the Schedule.

Tax Administration Act 2009

3. Section 2 of the Tax Administration Act 2009 is amended in the definition of “Environment and Climate Adaptation Levy” by deleting “and the Superyacht Charter Act 2010”.

Environment and Climate Adaptation Levy (Climate Relocation of Communities Trust Fund) Regulations 2019

4. The Environment and Climate Adaptation Levy (Climate Relocation of Communities Trust Fund) Regulations 2019 is amended by deleting “Environment and Climate Adaptation Levy” and substituting “VAT on prescribed services, plastic levy, superyacht levy and income tax”.

Environment and Climate Adaptation Levy (Plastic Bags) Regulations 2017

5. The Environment and Climate Adaptation Levy (Plastic Bags) Regulations 2017 is repealed.

March 2022

**ENVIRONMENT AND CLIMATE ADAPTATION LEVY (REVISED BUDGET
AMENDMENT) BILL 2022**

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 Environment and Climate Adaptation Levy (Revised Budget Amendment) Bill 2022 (**‘Bill’**) seeks to amend the Environment and Climate Adaptation Levy Act 2015 (**‘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 April 2022.

2.2 Clause 2 of the Bill amends section 2 of the Act to remove the imposition of the Environment and Climate Adaptation Levy (**‘Levy’**).

2.3 Clause 3 of the Bill amends section 12 of the Act to provide for a percentage of the Value Added Tax (VAT) on prescribed services to be prescribed by regulations, which will be paid into the Environment and Climate Adaptation Fund.

2.4 Clause 3 of the Bill also amends section 12 of the Act to provide for a percentage of the plastic levy as prescribed by regulations to be paid into the Environment and Climate Adaptation Fund.

2.5 Clause 3 of the Bill also amends section 12 of the Act to provide for a percentage of the superyacht levy as prescribed by regulations to be paid into the Environment and Climate Adaptation Fund.

2.6 Clause 4 of the Bill deletes Parts 2, 3, 4 and 6 to provide for the removal of the imposition of the Levy on prescribed services, prescribed items including plastic bags and imported goods, and prescribed income.

- 2.7 Clause 5 of the Bill deletes Schedule 1 and Schedule 2 to the Act to provide for the removal of the Levy on the prescribed services and imported goods.
- 2.8 Clause 6 of the Bill provides for the transitional provisions for the removal of the Levy.
- 2.9 Clause 7 of the Bill provides for consequential amendments to laws as listed in the Schedule to the Bill.

3.0 MINISTERIAL RESPONSIBILITY

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

A. SAYED-KHAIYUM
Attorney-General