

BILL NO. 15 OF 2023

A BILL

FOR AN ACT TO AMEND THE LAND SALES ACT 1974

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

- 1.—(1) This Act may be cited as the Land Sales (Budget Amendment) Act 2023.
- (2) This Act comes into force on 1 August 2023.
- (3) In this Act, the Land Sales Act 1974 is referred to as the “Principal Act”.

Section 7A amended

2. Section 7A(6)(a) of the Principle Act is amended by deleting “24 months” and substituting “5 years”.

Transitional

3.—(1) Any non-resident liable to a penalty under section 7A of the Principal Act before the commencement of this Act must pay the appropriate penalty.

(2) At the commencement of this Act, the 24-month period for the construction of a new residential dwelling under section 7A of the Principal Act that has not lapsed, is extended by 5 years.

LAND SALES (BUDGET AMENDMENT) BILL 2023

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 Land Sales Act 1974 ('**Act**') provides for *inter alia* the regulation of dealings in land matters.
- 1.2 Under the Act, a non-resident must obtain the prior written consent from the Minister responsible for land matters when purchasing or leasing land that is more than one acre as well as in the disposition of land in favour of another non-residents.
- 1.3 In 2014, the Act was amended by the Land Sales (Amendment) Act 2014 to specify limitations on the sale, transfer or lease of State land and freehold land, to non-residents for residential purposes within town or city boundaries. While the amendment did not prohibit the sale, transfer or lease to a non-resident beyond the boundary of any town or city declared or extended under the Local Government Act 1972, this was only on the condition that the non-resident commences construction of a new residential dwelling within 24 months of the date of sale, transfer or lease.
- 1.4 Under the Land Sales (Amendment) Act 2014, an existing non-resident who owned land had to construct a new residential dwelling within 24 months from 31 December 2014.
- 1.5 Given the time limitations, this period has proven to be problematic for the purposes of construction in addition to the penalty attached for non-completion of construction i.e. a non-resident is liable to pay the State a fixed penalty of the price for which the State land or freehold land is sold or leased, or 10% of the value of the land, as applicable, until construction is complete.
- 1.6 Therefore, the Land Sales (Budget Amendment) Bill 2023 ('**Bill**') seeks to amend the Act to extend the prescribed period for construction of a new residential dwelling to 5 years.

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 2023.
- 2.2 Clause 2 of the Bill amends section 7A(6)(a) of the Act by extending the period for a non-resident to construct a new residential dwelling from 24 months to 5 years.
- 2.3 Clause 3 of the Bill provides for the transitional provisions. Any non-resident liable to pay a penalty before the commencement of the amending legislation must pay the appropriate penalty. Further, clause 3 of the Bill provides that the 24-month period for the construction of a new residential dwelling that has not lapsed, is extended by 5 years.

3.0 MINISTERIAL RESPONSIBILITY

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

S. TURAGA
Attorney-General