

BILL NO. 11 OF 2024

A BILL

FOR AN ACT TO AMEND THE CUSTOMS ACT 1986

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

- 1.—(1) This Act may be cited as the Customs (Budget Amendment) Act 2024.
- (2) This Act comes into force on 1 August 2024.
- (3) In this Act, the Customs Act 1986 is referred to as the “Principal Act”.

Section 2 amended

2. Section 2(1) of the Principal Act is amended by—

(a) inserting the following new definitions—

““mixing and blending” means the process of mixing and blending 2 or more local or imported products together to make the final product;”;
and

““sign” or “signature” includes an e-mail signature or other form of electronic signature;”;

- (b) deleting the definition of “manufacturer” and substituting the following—
 ““manufacturer” means a person or company that produces finished goods from raw materials by using various tools, equipment and processes that transform the materials into new products;”;
- (c) in the definition of “produce” after “beneath the seabed”, inserting “, or other natural resources”; and
- (d) deleting the definition of “producer” and substituting the following—
 ““producer” means the owner or entity that yields or causes to yield a tangible commodity through extraction, cultivation, or harvesting from the land, from the seas of Fiji, or other natural sources;”.

Section 32 amended

3. Section 32 of the Principal Act is amended by deleting subsection (2).

Section 66 amended

4. Section 66(2) of the Principal Act is amended by deleting “\$100” and substituting “\$115”.

Section 92 amended

5. Section 92 of the Principal Act is amended by deleting subsection (9A) and substituting the following—

“(9A) Where any such import duty is not paid by the approved petroleum company by the due date pursuant to subsection (7A), the Comptroller may, in his or her discretion—

- (a) suspend the approval;
- (b) withdraw the approval;
- (c) impose a 5% of the amount of duty unpaid as a late payment fee; or
- (d) vary the condition under the approval.”.

Section 173A amended

6. Section 173A of the Principal Act is amended by—
 - (a) in subsection (1), deleting “20 working days” and substituting “20 consecutive days”; and
 - (b) in subsection (8), deleting “20 working days” wherever it appears and substituting “90 consecutive days”.

June 2024

CUSTOMS (BUDGET AMENDMENT) BILL 2024

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 Customs (Budget Amendment) Bill 2024 (**‘Bill’**) seeks to amend the Customs Act 1986 (**‘Act’**) to address budgetary policy changes in the 2024-2025 Budget.

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 2024.
- 2.2 Clause 2 of the Bill amends section 2(1) of the Act by amending the definitions of “manufacturer”, “produce” and “producer” to allow local producers to receive the same concessionary benefits as other international producers. Clause 2 of the Bill further amends section 2 of the Act to insert the definitions of “mixing and blending” and ““sign” or “signatures”” for clarity.
- 2.3 Clause 3 of the Bill amends section 32 of the Act by deleting subsection (2) to remove the time to pay arrangement for the payment of duty for yacht imports above \$2 million, to ensure uniformity and prompt revenue collection upon importation.
- 2.4 Clause 4 of the Bill amends section 66(2) of the Act to increase the penalty for an owner of goods who fails to comply with an undertaking of furnishing the necessary entry of goods to the Comptroller.
- 2.5 Clause 5 of the Bill amends section 92(9A) of the Act to allow the Comptroller to impose a 5% penalty for approved petroleum companies that fail to pay import duty before the due date to deter non-payment from the approved petroleum companies.
- 2.6 Clause 6 of the Bill amends section 173A(8) of the Act to align the objection period in the Act to the Tax Administration Act 2009 in relation to a decision made by the Comptroller.

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3.0 MINISTERIAL RESPONSIBILITY

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

G. E. LEUNG
Attorney-General