

EXTRAORDINARY



GOVERNMENT OF FIJI GAZETTE

PUBLISHED BY AUTHORITY OF THE FIJI GOVERNMENT

Vol. 14

FRIDAY, 22nd NOVEMBER 2013

No. 107

[1440]

GOVERNMENT OF FIJI

INCOME TAX (AMENDMENT) (NO. 3) DECREE 2013
(DECREE NO. 36 OF 2013)

IN exercise of the powers vested in me pursuant to section 4 of the Office of the Vice-President and Succession Decree 2009 and section 165(4) of the Constitution of the Republic of Fiji, I hereby make the following Decree—

A DECREE TO AMEND THE INCOME TAX ACT (CAP. 201)

Short title and commencement

1.—(1) This Decree may be cited as the Income Tax (Amendment) (No. 3) Decree 2013, and shall come into force on 1 January 2014.

(2) The Income Tax Act (Cap. 201) shall be referred to as the “Act”.

Section 9A amended

2. Section 9A of the Act is amended—

(a) in subsection (3) by—

- (i) deleting “or” in paragraph (d);
- (ii) deleting “.” and substituting “; or” in paragraph (e);
- (iii) inserting the following new paragraph after paragraph (e)—

“(f) the interest derived from a financial institution licensed under the Banking Act 1995, by a senior citizen (55 years old or above) or a pensioner in a year,—

- (i) does not exceed \$16,000; and
 - (ii) the Commissioner is satisfied that the interest income is their only source of income.”;
- and

(b) by inserting the following new subsection after subsection (3)—

“(3A) Any senior citizen (55 years old or above) or a pensioner who earns a pension income paid by the Government, the Fiji National Provident Fund or any approved fund and also earns an interest income as specified in subsection (3)(f), shall be entitled to the exemption under subsection (3).”

Section 17 amended

3. Section 17 of the Act is amended—

(a) in subsection (68) by deleting “\$300,000” and substituting “\$500,000”;

(b) by inserting the following new subsections after subsection (81)—

“(82) the income of a shipping company derived from servicing Rotuma and the Lau Group as approved by the Commissioner, shall be exempt for a period of 7 years;

(83) the income of any taxpayer who is a Fiji Citizen and derived from local backpacker operation that is wholly owned by a Fiji Citizen, with an annual gross turnover not exceeding \$1,000,000;

(84)—(a) subject to sub-paragraph (b), the income including any gain from the sale of shares that may arise from reorganisation, reconstruction or amalgamation of private company for the purposes of listing or as part of a listing process on the South Pacific Stock Exchange, prior to listing, or after listing on the South Pacific Stock Exchange;

(b) the private company shall be listed with the South Pacific Stock Exchange within 24 months from the date of commencement of reorganisation, reconstruction or amalgamation of the private company;

(c) if the private company is not listed with the South Pacific Stock Exchange in accordance with sub-paragraph (b), the income from the reorganisation, reconstruction or amalgamation of the private company shall be taxable under this Act;

(85) the net gain derived by a resident during the tax year from the trading of shares in a company listed with the South Pacific Stock Exchange;

(86) any dividend paid to or credited in favour of a resident from any other Unit Trust company approved by the Commissioner;”

Section 21 amended

4. Section 21 of the Act is amended in subsection (1)—

(a) in paragraph (r) by—

- (i) deleting “2014” and substituting “2018” in sub-paragraph (i);
- (ii) inserting “including apprentices and trainees” between “person” and “;” in sub-paragraph (ii);

(b) in paragraph (v) by—

- (i) deleting “taxpayer” and substituting “business”;
- (ii) deleting “\$100,000” and substituting “\$50,000”;

(c) by inserting the following new paragraphs after paragraph (zr)—

- “(zs) one and half times the amount of cash donation with a minimum of \$10,000 and a maximum of \$100,000, made by any business towards the Disaster Rehabilitation Fund;
- (zt) one and half times the cash sponsorship exceeding \$100,000 and not exceeding \$200,000, made by a company towards the hiring of international sporting coaches;
- (zu) one and half times the amount of cash donation not exceeding \$50,000 made by a business towards any approved housing project by the Government, for squatters;

For the purpose of paragraphs (v), (zs) and (zu), “business” means a sole trader or company.”

Section 21B amended

5. Section 21B of the Act is amended in subsection (2)—

<i>Year of assessment</i>	<i>Percentage of export income to be deducted</i>	
2014	delete “20%”	substitute “40%”

Fourth Schedule amended

6. The Fourth Schedule to the Act is amended—

- (a) by deleting Table A8 and Table B6;
- (b) in Table A9 by deleting “2013” between “Assessment” and “and” and substituting “2012”;
- (c) in Table B7 by deleting “2013” between “Assessment” and “and” and substituting “2012”; and

(d) inserting the following new table after Table C8—

“Table C9 – Year of assessment 2014 and subsequent year

- | | |
|---|-------|
| (a) Every company, other than companies to which paragraph (b), (c) or (d) applies | 20% |
| (b) Non-resident shipping companies | 2% |
| (c) Any non-resident company that establishes or relocates their headquarters to Fiji | 17% |
| (d) Any company listed on the South Pacific Stock Exchange | 10%”. |

Twelfth Schedule amended

7. The Twelfth Schedule to the Act is amended in paragraph 12(1) by deleting sub-paragraphs (iii) and (iv) and substituting the following—

“(iii) any new commercial activity approved and established between 1st January, 2014 and 31st December, 2018 in the Tax Free Region from Korovou to Tavua shall be exempt from tax if the capital investment is from—

- | |
|--|
| (a) \$250,000 to \$1,000,000, for a period of 5 consecutive fiscal years; |
| (b) \$1,000,000 to \$2,000,000, for a period of 7 consecutive fiscal years; or |
| (c) \$2,000,000 and above, for a period of 13 consecutive fiscal years.” |

GIVEN under my hand this 21st day of November 2013.

A. H. C. T. GATES
Chief Justice