

INTERIM GOVERNMENT OF THE REPUBLIC OF THE FIJI ISLANDS

VALUE ADDED TAX (AMENDMENT) (No. 1) (PROMULGATION 2009
(PROMULGATION No. 11 OF 2009))

IN EXERCISE of the powers conferred upon the Interim Government, and upon the exercise of my own deliberate judgment as President of the Republic of the Fiji Islands as to what is best and good for the people of Fiji, and by the executive authority of the State in accordance with section 85 of the Constitution and such other powers as may appertain, and with the advice of Cabinet, I, Josefa Iloiloivatu Uluivuda, make this Promulgation—

TO AMEND THE VALUE ADDED TAX DECREE 1991

Short title and commencement

1.—(1) This Act may be cited as the Value Added Tax (Amendment) (No. 1) Promulgation 2009 and comes into force on 1 March 2009.

Second Schedule amended

2. The Second Schedule of the Value Added Tax Decree 1991 (“the Decree”) is amended in paragraph 14(1) by adding after (g) a new sub-paragraph “(h)”—

“(h) services of an Information Communication Technology as defined in section 17(63) of the Income Tax Act, Cap 201.”

GIVEN UNDER MY HAND this 18th day of March 2009.

J. I. ULUIVUDA
President of the Republic of Fiji Islands

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EXPLANATORY NOTE

(This Note is not part of the Promulgation and is only intended to explain its general effect and implications)

1.0 BACKGROUND

1.1 By the Income Tax (Budget Amendment) Promulgation 2007 and other legislation, extended tax incentives have been given to Information Communication Technology (ICT) businesses wishing to set up in business in Fiji. However it is necessary to ensure that ICT businesses engaging in exports of services are permitted to zero-rate for VAT purposes their supplies to non-residents of Fiji. This necessitates an amendment to the VAT Decree by including ICT businesses among those exporters of services who may zero-rate their supplies for this purpose.

2.0 CLAUSES

Clause 1 — confers a short title, sets 1 March 2009 as the date the Promulgation is deemed to come into force and defines the Value Added Tax Decree as the principal legislation.

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Clause 2 Amends the Second schedule of the Decree for the purposes set out in paragraph 1.1 above by inserting the words "and the services of an Information Communication Technology business as defined in s.17(63) of the Income Tax Act".

3.0 RESPONSIBILITY

3.1 The Promulgation comes under the responsibility of the Minister for Finance and National Planning.