

EXTRAORDINARY



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CORRIGENDUM

THIS CORRIGENDUM IS TO CORRECT THE FIJI GOVERNMENT GAZETTE NOTICE NO. 2256 FOR THE VALUE ADDED TAX (BUDGET AMENDMENT) DECREE 2010 (DECREE NO. 66) PUBLISHED ON FRIDAY 31ST DECEMBER, 2010.

Title

1. This Corrigendum is to correct the Value Added Tax (Budget Amendment) Decree 2010 (Decree No. 66).

Transitional Provision amended

2. The Transitional Provision for the Value Added Tax (Budget Amendment) Decree 2010 (Decree No. 66 of 2010) is amended by deleting the whole provision and inserting the following—

*“Transitional**Supplies prior to 1st January 2010*

6.—(1) *This section applies to the change in the positive rate of tax on taxable supplies under section 15 of the Value Added Tax Decree 1991.*

(2) *Subject to this section, where, under section 18 of the Value Added Tax Decree 1991, a supply of goods or services takes place after December 31, 2010 and the value of the supply is ascertainable, the supply is subject to a value added tax rate of 15%.*

(3) *In the case of a contract for the supply of goods or services entered into before January 1, 2011, unless the contract otherwise provides, there shall be added to the consideration for the supply due under the contract an amount equal to the change in the value added tax imposed by this Decree.*

(4) *If a supply, governed by section 18, subsection 2 (c) of the Value Added Tax Decree 1991, is a supply of goods successively supplied under an agreement for hire, or a supply of services successively supplied under an agreement or enactment which provides for periodic payments, the 15% rate applies to any payment that becomes due or is received, after December 31, 2010.*

(5) *Subject to subsection (6) of this section, if construction, major reconstruction, manufacture or extension of a building or civil engineering work is supplied directly under a written agreement or enactment that is described in section 18, subsection 2 (e) of the Value Added Tax Decree 1991 and such agreement or enactment—*

- (a) *provides for work to be performed both before and on or after January 1, 2011 and*
- (b) *consideration is to become due and payable in installments or periodically,*

value added tax is imposed at the 15% rate on each installments or periodic payment in respect of that supply that, becomes due or is received after December 31, 2010, or in respect of which a tax invoice is issued after December 31, 2010.

(6) *Notwithstanding subsection (5), value added tax is imposed at the 12.5% rate on the portion of an installment or periodic payment described in subsection (5), that relates—*

- (a) *to the value of the work performed before January 1, 2011, and*
- (b) *only to the value of the work under (a) that is determined in a manner approved by the Commissioner of Inland Revenue and is submitted to the Commissioner of Inland Revenue by the end of the registered supplier's first VAT period after December 31, 2010.*

(7) *If real property supplied under a rental agreement--*

(a) *is subject to a positive rate of value added tax, and*

(b) *is provided for a period that commences before January 1, 2011 and ends after December 31, 2010.*

the 15% value added tax rate applies to the portion of the supply that covers the period after December 31, 2010.

(8) *Any reference in this section to a change in the rate of value added tax charged on a supply under section 15 of the Value Added Tax Decree 1991, includes a reference to a change from an exemption or zero-rating of the supply to a charge at a positive rate of value added tax.*

(9) *Starting with supplies made on and after January 1, 2011, all references to a value added tax rate in forms and documents used for value added tax purposes shall be a references to the 15% value added tax rate imposed by this Decree.*

(10) *The Minister may make regulations for other transitional measures relating to the change in the value added tax rate from 12.5% to 15%."*

R. MILLER
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(This Corrigendum corrects and must be read together with the Value Added Tax (Budget Amendment) Decree 2010 (Decree No. 66) Gazette Notice No. 2256 issued on Friday the 31st of December, 2010).