



2020-2021

Fiji National Budget
Synopsis



pwc

2020-2021 Fiji National Budget

The 2020-2021 Fiji National Budget was today presented to the nation by the Attorney-General and Minister for Economy, Civil Service and Communications, Honourable Aiyaz Sayed-Khaiyum.

This Budget is for the 1 August 2020 to 31 July 2021 fiscal year and seeks to build on key measures introduced in the COVID-19 Response Budget to support economic recovery, private sector activity, protect jobs, assist the unemployed and overall macro-fiscal sustainability.

PricewaterhouseCoopers is pleased to provide this synopsis of the 2020-2021 Fiji National Budget. A more detailed report of the 2020-2021 Fiji National Budget will also be issued.

Should you have any queries on the Budget or our Synopsis, please do not hesitate to contact us.

2020-2021 Budget Estimates: Snapshot

2020-2021 Budget	
Estimated revenue (\$ million)	1,673.6
Estimated expenditure (\$ million)	3,674.6
Estimated Net Deficit (\$ million)	(2,001.0)
Debt repayments (\$ million)	(749.5)
Gross deficit (\$ million)	(2,750.5)
<i>Net deficit as a percentage of GDP</i>	-20.2%
Nominal GDP (\$ million)	9,905.3

Source: Supplement to the 2020-2021 Budget Address

The Fijian economy is estimated to have contracted by 1.3% in 2019. In 2020, the Fijian economy is projected to contract by 21.7%. The economy is projected to rebound in 2021 and 2022 by 14.1% and 6.5%, respectively.

The 2019 year-end annual inflation was -0.9%. Inflation in June 2020 stood at -3.5%. Year-end inflation for 2020 is expected to be 1.0%. Inflation for 2021 is forecast at around 1.4% and 2.0% in 2022.

In 2019, total exports grew by 2.7 percent to \$2,167.8 million. In 2020, total exports are projected to contract by 23.9%. In 2021, total exports are anticipated to recover by 14.4%. In 2022, total exports are projected to expand by 10.5%.

Total imports fell by 8.6 percent to \$5,075.8 million in 2019 and is projected to decrease by 30.1% to \$3,546.4 million in 2020. In 2021 and 2022, total imports (excluding aircraft) are estimated to grow by 13.8% and 10.0%, respectively.

Tax Measures

Unless otherwise specified, excise tax, fiscal import duty, import excise duty and Environment Climate Adaptation Levy (“ECAL”) changes are expected to be effective from 18 July 2020 and all other tax changes are expected to be effective from 1 August 2020, unless stated otherwise.

Direct Tax Measures

Policy	Description																								
1. Social Responsibility Tax (“SRT”) and Environment & Climate Adaptation Levy (“ECAL”)	<ul style="list-style-type: none"> The ECAL component of SRT will be reduced from 10% to 5%. The new SRT and ECAL structure will be as follows: <table border="1"> <thead> <tr> <th>Chargeable Income</th> <th>SRT</th> <th>ECAL¹</th> </tr> </thead> <tbody> <tr> <td>270,001 – 300,000</td> <td>13% of excess over \$270,000</td> <td>5% of excess over \$270,000</td> </tr> <tr> <td>300,001 – 350,000</td> <td>5,400 + 14% of excess over \$300,000</td> <td>5% of excess over \$300,000</td> </tr> <tr> <td>350,001 – 400,000</td> <td>14,900 + 15% of excess over \$350,000</td> <td>5% of excess over \$350,000</td> </tr> <tr> <td>400,001 – 450,000</td> <td>24,900 + 16% of excess over \$400,000</td> <td>5% of excess over \$400,000</td> </tr> <tr> <td>450,001 – 500,000</td> <td>35,400 + 17% of excess over \$450,000</td> <td>5% of excess over \$450,000</td> </tr> <tr> <td>500,001 – 1,000,000</td> <td>46,400 + 18% of excess over \$500,000</td> <td>5% of excess over \$500,000</td> </tr> <tr> <td>1,000,000 +</td> <td>161,400 + 19% of excess over \$1,000,000</td> <td>5% of excess over \$1,000,000</td> </tr> </tbody> </table>	Chargeable Income	SRT	ECAL ¹	270,001 – 300,000	13% of excess over \$270,000	5% of excess over \$270,000	300,001 – 350,000	5,400 + 14% of excess over \$300,000	5% of excess over \$300,000	350,001 – 400,000	14,900 + 15% of excess over \$350,000	5% of excess over \$350,000	400,001 – 450,000	24,900 + 16% of excess over \$400,000	5% of excess over \$400,000	450,001 – 500,000	35,400 + 17% of excess over \$450,000	5% of excess over \$450,000	500,001 – 1,000,000	46,400 + 18% of excess over \$500,000	5% of excess over \$500,000	1,000,000 +	161,400 + 19% of excess over \$1,000,000	5% of excess over \$1,000,000
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2. Advance Payments of Tax	<ul style="list-style-type: none"> The rules for advance tax payments as amended in the COVID-19 Response Budget will be made permanent. Companies will be required to make advance tax payments in 9 instalments at the rate of 11¹/₉%. Additionally, the application of penalties was removed in the COVID-19 Response Budget and was valid until 31 December 2020. This waiver continues to apply for the next 3 years. 																								
3. Debt Forgiveness	<ul style="list-style-type: none"> As announced in the COVID-19 Response Budget, debt forgiveness is not subject to income tax for all debt outstanding forgiven from 1 April 2020 up to 31 December 2020. The existing policy and the forgiveness period for the new debt is extended until 31 December 2021. In addition, debts created between 1 April 2020 to 31 December 2021 (and forgiven) will also be eligible for income tax exemption under the debt forgiveness provisions. 																								
4. Thin Capitalisation	<ul style="list-style-type: none"> The debt-to-equity ratio will be increased from the current 2:1 to 3:1. Therefore, a higher amount of tax deductibility in relation interest will be allowed for a foreign controlled Fiji company. 																								

¹ We understand ECAL will apply at 5% on income exceeding \$270,000 and not as noted in this table. This needs to be appropriately clarified.

Policy	Description																												
5. Depreciation write-off incentive	<ul style="list-style-type: none"> A 100% write-off on purchase of fixed assets of up to \$10,000 used for business purposes was announced in the COVID-19 Response Budget. In light of the current economic situation, this policy will be made permanent. 																												
6. Accelerated Depreciation	<ul style="list-style-type: none"> A 100% write-off for the construction of a new commercial and industrial building, provided that approvals are obtained prior to 31 December 2020, was made available in the COVID-19 Response Budget. This incentive will be made permanent. 																												
7. Tax deduction for reduction of commercial rent	<ul style="list-style-type: none"> As part of the government assistance package to businesses, a tax deduction was accorded to landlords for reduction of commercial rent. The deduction applied to existing rental contracts whereby landlords need to provide record of rental income received for the past 6 months. The reduction refers to the rent payable after 01 April 2020 to 31 December 2020. This tax deduction will be further extended until 31 December 2021. 																												
8. New Medical Investment Incentive	<p>The existing package will be repealed and replaced with the following:</p> <p>i. Private Hospital</p> <ul style="list-style-type: none"> Income tax exemption for the establishment of a new hospital based on the following capital investment levels: <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Holiday</th> </tr> </thead> <tbody> <tr> <td>\$2,500,000 - \$5,000,000</td> <td>7 years</td> </tr> <tr> <td>\$5,000,001 - \$10,000,000</td> <td>13 years</td> </tr> <tr> <td>More than \$10,000,000</td> <td>20 years</td> </tr> </tbody> </table> <p>An investment allowance will be available for the refurbishment, renovation and extension of a hospital based on the following capital investment levels:</p> <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Deduction</th> </tr> </thead> <tbody> <tr> <td>\$500,000 - \$1,000,000</td> <td>30%</td> </tr> <tr> <td>More than \$1,000,000</td> <td>60%</td> </tr> </tbody> </table> <p>ii Ancillary Medical Services</p> <ul style="list-style-type: none"> Income tax exemption for the establishment of a new ancillary medical service centre based on the following capital investment levels: <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Holiday</th> </tr> </thead> <tbody> <tr> <td>\$500,000 - \$3,000,000</td> <td>7 years</td> </tr> <tr> <td>\$3,000,001 - \$10,000,000</td> <td>13 years</td> </tr> <tr> <td>More than \$10,000,000</td> <td>20 years</td> </tr> </tbody> </table> <ul style="list-style-type: none"> An investment allowance will be available for the refurbishment, renovation and extension of an ancillary medical service centre based on the following capital investment levels: <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Deduction</th> </tr> </thead> <tbody> <tr> <td>\$500,000 - \$1,000,000</td> <td>30%</td> </tr> <tr> <td>More than \$1,000,000</td> <td>60%</td> </tr> </tbody> </table>	Capital Investment (\$)	Tax Holiday	\$2,500,000 - \$5,000,000	7 years	\$5,000,001 - \$10,000,000	13 years	More than \$10,000,000	20 years	Capital Investment (\$)	Tax Deduction	\$500,000 - \$1,000,000	30%	More than \$1,000,000	60%	Capital Investment (\$)	Tax Holiday	\$500,000 - \$3,000,000	7 years	\$3,000,001 - \$10,000,000	13 years	More than \$10,000,000	20 years	Capital Investment (\$)	Tax Deduction	\$500,000 - \$1,000,000	30%	More than \$1,000,000	60%
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9. New Incentive Package for Subdivision of lots	<ul style="list-style-type: none"> A new incentive package will be introduced for investment in the business of sub-division of lots for residential or commercial purpose. The following benefits will be available: <table border="1"> <thead> <tr> <th>Capital Investment (\$)</th> <th>Tax Deduction</th> </tr> </thead> <tbody> <tr> <td>Less than \$1,000,000</td> <td>20%</td> </tr> <tr> <td>\$1,000,001 - \$3,000,000</td> <td>30%</td> </tr> <tr> <td>\$3,000,001 - \$7,000,000</td> <td>40%</td> </tr> <tr> <td>More than \$7,000,000</td> <td>60%</td> </tr> </tbody> </table> Duty concession will be available on importation of raw materials, equipment and machinery for the establishment of the project. Income tax exemption will be available on developer profits for proceeds of sale. The new Incentive Package for Sub-division of lots will be applicable from 1 August 2020 to 31 July 2022. 	Capital Investment (\$)	Tax Deduction	Less than \$1,000,000	20%	\$1,000,001 - \$3,000,000	30%	\$3,000,001 - \$7,000,000	40%	More than \$7,000,000	60%
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10. New Incentive Package for Private sector investment in buildings	<ul style="list-style-type: none"> A new incentive package will be introduced for private companies investing in buildings to be used by government or entities approved by government. The following benefits will be available: <ul style="list-style-type: none"> Duty concession will be available on importation of raw materials, plant, machinery and equipment for the establishment of the project. Tax exemption will be available on rental income. 										
11. Residential Housing Development Incentive – Development of Housing for Public Rental	<ul style="list-style-type: none"> Regulation 12, Part 3 of the Income Tax (Residential Housing Development Package) Regulations 2016 will be extended to include duty concessions for the importation of raw materials, machinery and equipment for the establishment of the housing project. 										
12. Tax incentives for Corporate Bonds	<ul style="list-style-type: none"> To support post COVID-19 recovery through provision of additional avenues for corporate financing, the issuance of corporate bonds will be incentivized as follows: <ul style="list-style-type: none"> A 150% tax deduction will be allowed to companies for listing of corporate bonds with the South Pacific Stock Exchange (SPSE). This deduction will be applied on the cost of listing. A 150% tax deduction will be allowed on interest paid on corporate bonds. Interest income earned on corporate bonds will be exempt from tax. 										
13. Fiji National Provident Fund (“FNPF”) Contribution	<ul style="list-style-type: none"> To provide immediate financial support to employers during this time of financial hardship, the mandatory FNPF contribution was reduced to 5 percent in the COVID-19 Response Budget. This policy is further extended until 31 December 2021. Employer contribution exceeding the 5% mandatory FNPF contribution and up until 10%, will be allowed a tax deduction of 150% of the excess. The deduction will be applied retrospectively from 1 April 2020. 										
14. Capital Gains Tax (“CGT”)	<ul style="list-style-type: none"> CGT exemption threshold for capital gains made by a resident individual or Fijian citizen will be increased from \$16,000 to \$30,000. 										

Policy	Description
15. Income Tax Act – Section 2: Definition of Capital Asset	<ul style="list-style-type: none"> • Depreciable Assets will now be taxed under Capitals Gains Tax rules and not income tax rules • Therefore, the definition of Capital Asset in Section 2 of the Income Tax Act 2015 will be extended to include depreciable assets and section 34 will be amended to clarify rules on disposal of depreciable assets.
16. Fringe Benefit Tax (“FBT”)	<ul style="list-style-type: none"> • A tax deduction will be allowed to the employer for FBT. Consequently, Section 22 of the Income Tax Act will be amended.
17. Non-Resident Withholding Tax	<ul style="list-style-type: none"> • Section 10 will be amended to exclude accommodation provided or reimbursed, airfare, transport and allowances from the application of Non-Resident Withholding Tax.
18. Permanent Establishment	<ul style="list-style-type: none"> • The Permanent Establishment Rules will be amended to allow consistent application with international taxation rules.
19. Tax deduction on loans taken for medical purposes	<ul style="list-style-type: none"> • A tax deduction will be allowed on loan (inclusive of both principal amount and interest accrued) taken from a licensed financial institution for medical treatment. • The applicant will be required to provide medical certificate, details of the loan facility and receipts to confirm expenses. • The following expenses are eligible: <ul style="list-style-type: none"> - hospital expenses; - food and accommodation if part of the package with the hospital; - international air fares; and - interest expenses incurred with the loan (in case of consolidated loan), interest deduction will be allowed proportionately.
20. Corporate Reorganization	<ul style="list-style-type: none"> • Deferral rules for company incorporation will be introduced. • Transfer of assets by an individual shareholder to a company at the point of incorporation will not be subject to tax. • Subsequently, disposal of assets will be subject to normal tax.
21. Donation to the Sports Fund	<ul style="list-style-type: none"> • The threshold to qualify for the 150% tax deduction available for donations to the Sports Fund will be removed. • The recipient of the donation must be registered with the Fiji National Sports Commission.
22. Tax deduction to hire local artists	<ul style="list-style-type: none"> • A 150% tax deduction will be allowed to hotels and resorts that hire local artists such as craftsmen, dancers and musicians.

Tax Administration Act

Policy	Description
1. Audit Penalty	<ul style="list-style-type: none"> • 300% VAT evasion penalty and 75% income tax audit penalty will be replaced with a low, harmonized and progressive audit penalty regime. • Audit penalty rates for tax shortfall for Income Tax, VAT and Other Taxes will be 15% per annum and will be computed using the simple interest formula. The same rate and methodology will be applied for tax benefits obtained through overestimation of tax losses. • Consequently, section 46 and Section 46A will be amended and section 46B will be removed.

Stamp Duty Act

Policy	Description
1. Stamp Duty	<ul style="list-style-type: none">Stamp Duty Act will be repealed.

Airport Departure Tax Act

Policy	Description
1. Review of Airport Departure Tax	<ul style="list-style-type: none">The Airport Departure Tax will be reduced from \$200 to \$100.

Service Turnover Tax Act

Policy	Description
1. Service Turnover Tax ("STT")	<ul style="list-style-type: none">The 6% STT on all prescribed services will be removed.

Value Added Tax ("VAT") Act

Policy	Description
1. VAT Monitoring System ("VMS")	<ul style="list-style-type: none">The implementation of the VMS as captured in the Electronic Fiscal Device ("EFD") Regulations will be further deferred to 01 January 2022.
2. VAT Reverse Charge	<ul style="list-style-type: none">The provisions of VAT Reverse Charge applicable on supplies received from abroad will be repealed.
3. VAT on Residential Rents	<ul style="list-style-type: none">A person engaged in the supply of residential accommodation, irrespective of the annual gross turnover will be exempted from VAT.

Environment and Climate Adaptation Levy Act

Policy	Description
1. ECAL	<ul style="list-style-type: none">The ECAL will be reduced from 10% to 5%.The threshold for application of ECAL will be increased from \$1.25m to \$3m for all prescribed services.
2. ECAL on Superyacht Charter.	<ul style="list-style-type: none">ECAL on Superyacht charter will be reduced from 10% to 5%.
3. ECAL on White Goods	<ul style="list-style-type: none">ECAL on white goods will be reduced from the current 10% to 5%. The goods are as follows:<ul style="list-style-type: none">Smart phones;Air conditioners;Refrigerators and Freezers;Televisions;Washing Machines;Dryers;Dishwashers;Electric Stoves;Microwaves;Electric Lawn Mowers;Toasters;Electric Jugs; andHair Dryers.

Policy	Description																						
4. Exemption of ECAL on concession codes 232, 284 and 285	<ul style="list-style-type: none"> The ECAL Act will be amended to include concession code 232, 284, and 285 for exemption of ECAL on vehicles and white goods imported under duty concession. 																						
5. Refund of ECAL in line with the duty drawback provisions of Customs Act	<ul style="list-style-type: none"> The ECAL Act will be amended to include provisions of refund for ECAL paid on customs declaration in instances of a re-export. 																						
6. ECAL on Motor Vehicles	<ul style="list-style-type: none"> ECAL on motor vehicles will be reduced from the current 10% to 5%. ECAL Structure on Hybrid Vehicles <table border="1"> <thead> <tr> <th>Cylinder Capacity</th> <th>Description</th> <th>Current ECAL</th> <th>New ECAL</th> </tr> </thead> <tbody> <tr> <td rowspan="2">All</td> <td>New</td> <td>10%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>10%</td> <td>5%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ECAL Structure on Non-Hybrid Vehicles <table border="1"> <thead> <tr> <th>Cylinder Capacity</th> <th>Description</th> <th>Current ECAL</th> <th>New ECAL</th> </tr> </thead> <tbody> <tr> <td rowspan="2">All</td> <td>New</td> <td>10%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>10%</td> <td>5%</td> </tr> </tbody> </table>	Cylinder Capacity	Description	Current ECAL	New ECAL	All	New	10%	5%	Used	10%	5%	Cylinder Capacity	Description	Current ECAL	New ECAL	All	New	10%	5%	Used	10%	5%
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Customs Act

Policy	Description
1. Age limit on passenger motor vehicles	<ul style="list-style-type: none"> The age limit requirement on non-hybrid passenger motor vehicles will be removed. Vehicles are still required to be Euro 4 compliant. The age limit requirement for hybrid passenger motor vehicles remains at 5 years.
2. Luxury Vehicle Levy	<ul style="list-style-type: none"> Luxury vehicle levy imposed on passenger motor vehicles will be removed.
3. Objection to Tax Decision	<ul style="list-style-type: none"> Customs Act will be amended to allow a taxpayer or importer dissatisfied with a tax decision to lodge an objection with the CEO, FRCS.
4. Trans-shipment Levy (Fish Levy)	<ul style="list-style-type: none"> The Fish Levy of \$450 per ton will be removed.
5. Importation of mobile plant, machinery and cranes	<ul style="list-style-type: none"> A restriction will be imposed on the importation of mobile plant, machinery and cranes exceeding 32 tonnes as per Section 80 Land Transport Authority Regulations

Local Excise Duty

Policy	Description
1. Decrease in Local Excise Duty on Alcohol	<ul style="list-style-type: none"> The Local Excise Rate on Alcohol will be reduced by 50%.

New Local Excise Rates for Alcohol

Description	2019-2020 Rates	2020-2021 Rates
Ale, Beer, Stout and other fermented liquors of an alcoholic strength of 3% or less	\$3.43/litre	\$1.72/litre
Ale, Beer, Stout and other fermented liquors of an alcoholic strength of 3% or more	\$3.99/litre	\$2.00/litre
Potable Spirit Not Exceeding 57.12 GL	\$75.47/litre	\$37.74/litre
Potable Spirit Exceeding 57.12 GL	\$132.17/litre	\$66.09/litre
Still Wine	\$5.32/litre	\$2.66/litre
Sparkling Wine	\$6.07/litre	\$3.04/litre
Other fermented beverages: Still	\$5.32/litre	\$2.66/litre
Other fermented beverages: Sparkling	\$6.07/litre	\$3.04/litre
Ready to Drink Mixtures of any Alcohol and non-alcoholic beverages of an alcoholic strength by volume of 11.49% or less	\$2.45/litre	\$1.23/litre

Customs Tariff Act

Policy	Description																																
1. Reduction in Fiscal Duty on passenger motor vehicles	<ul style="list-style-type: none"> Import duty on used passenger motor vehicles will be reduced by 75%. The new import duty structure will be as follows: <p><u>Tariff Structure on Hybrid Vehicles</u></p> <table border="1"> <thead> <tr> <th>Cylinder Capacity</th> <th>Description</th> <th>Current Fiscal Duty</th> <th>New Duty Rates</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Less than 1,500 cc</td> <td>New</td> <td>Free</td> <td>Free</td> </tr> <tr> <td>Used</td> <td>\$4,000 per unit</td> <td>\$1,000 per unit</td> </tr> <tr> <td rowspan="2">1,500 cc to 2,500 cc</td> <td>New</td> <td>Free</td> <td>Free</td> </tr> <tr> <td>Used</td> <td>\$5,000 per unit</td> <td>\$1,250 per unit</td> </tr> <tr> <td rowspan="2">2,500 cc to 3,000 cc</td> <td>New</td> <td>Free</td> <td>Free</td> </tr> <tr> <td>Used</td> <td>\$6,000 per unit</td> <td>\$1,500 per unit</td> </tr> <tr> <td rowspan="2">Exceeding 3,000 cc</td> <td>New</td> <td>Free</td> <td>Free</td> </tr> <tr> <td>Used</td> <td>\$13,000 per unit</td> <td>\$3,250 per unit</td> </tr> </tbody> </table>	Cylinder Capacity	Description	Current Fiscal Duty	New Duty Rates	Less than 1,500 cc	New	Free	Free	Used	\$4,000 per unit	\$1,000 per unit	1,500 cc to 2,500 cc	New	Free	Free	Used	\$5,000 per unit	\$1,250 per unit	2,500 cc to 3,000 cc	New	Free	Free	Used	\$6,000 per unit	\$1,500 per unit	Exceeding 3,000 cc	New	Free	Free	Used	\$13,000 per unit	\$3,250 per unit
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	<p>Tariff Structure on Non-Hybrid Vehicles</p> <table border="1"> <thead> <tr> <th>Cylinder Capacity</th> <th>Description</th> <th>Current Fiscal Duty</th> <th>New Duty Rates</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Less than 1,000 cc</td> <td>New</td> <td>15%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>32% or \$7,000/unit</td> <td>15% or \$1,750/unit</td> </tr> <tr> <td rowspan="2">1,000 cc to 1,500 cc</td> <td>New</td> <td>15%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>32% or \$11,500/unit</td> <td>15% or \$2,875unit</td> </tr> <tr> <td rowspan="2">1,500 cc to 2,500 cc</td> <td>New</td> <td>15%</td> <td>5%</td> </tr> <tr> <td>Used</td> <td>32% or \$16,000/unit</td> <td>15% or \$4,000/unit</td> </tr> <tr> <td rowspan="2">2,500 cc to 3,000 cc</td> <td>New</td> <td>32%</td> <td>15%</td> </tr> <tr> <td>Used</td> <td>32% or \$23,000/unit</td> <td>15% or \$5,750/unit</td> </tr> <tr> <td rowspan="2">Exceeding 3,000 cc</td> <td>New</td> <td>32%</td> <td>15%</td> </tr> <tr> <td>Used</td> <td>32% or \$28,500/unit</td> <td>15% or \$7,125/unit</td> </tr> </tbody> </table>	Cylinder Capacity	Description	Current Fiscal Duty	New Duty Rates	Less than 1,000 cc	New	15%	5%	Used	32% or \$7,000/unit	15% or \$1,750/unit	1,000 cc to 1,500 cc	New	15%	5%	Used	32% or \$11,500/unit	15% or \$2,875unit	1,500 cc to 2,500 cc	New	15%	5%	Used	32% or \$16,000/unit	15% or \$4,000/unit	2,500 cc to 3,000 cc	New	32%	15%	Used	32% or \$23,000/unit	15% or \$5,750/unit	Exceeding 3,000 cc	New	32%	15%	Used	32% or \$28,500/unit	15% or \$7,125/unit																																																																	
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3. Concession for importation by Private Individual	<ul style="list-style-type: none"> Concession for importation by a private individual will be extended to importation by sea freight in addition to the current air freight. The concession is further extended by increasing the maximum threshold of goods imported from \$400 to \$2,000.
4. Concession code 241 – concession for bus operators	<ul style="list-style-type: none"> Concession code 241 will be extended to include tickets rolls in addition to new chassis, engines, identifiable fixtures and components, ticketing machines and ticketing machine parts. Additionally, the fiscal duty on identifiable fixtures and components will be reduced from 5% to zero.
5. Concession code 223B – concession university, school and other educational institution	<ul style="list-style-type: none"> Concession code 223B will be introduced to allow the importation of educational materials imported by Fiji Airways Aviation Academy (FJAA) for training purposes at Free Fiscal, Free Import Excise and 9% VAT.
6. Concession code 231	<ul style="list-style-type: none"> Concession code 231 will be extended to include the importation of innovative packaging materials at the rate of Free Fiscal, Free Import Excise and 9% VAT.
7. Concession code 257	<ul style="list-style-type: none"> Concession code 257 will be expanded to include the importation of hydroponic and greenhouse goods at the rate of Free Fiscal and Free Import Excise and 9% VAT.

Customs Tariff Act: Import Duty Rate Changes

Please refer to the separate attachment for details of the import duty rate changes.

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This Fiji National Budget Synopsis has been prepared to provide a prompt overview of the general issues raised in the 2020-2021 Fiji National Budget. It does not exhaustively cover the subjects discussed. When specific issues occur in practice it may be necessary to refer to the laws and regulations and to obtain appropriate professional advice.

Whilst every care has been taken in the preparation of this publication, no warranty is given as to the correctness of the information it contains and no liability is accepted for any statement or opinion, nor for any error or omission.

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