

Fiji Revenue and Customs Service Updates

9 August 2021

In brief

This Bulletin includes brief details in relation to Public Notices dated 30 July 2021 issued by the Fiji Revenue and Customs Service (**FRCS**):

- Implementation of new services on the Taxpayer Online Services Portal (**TPOS**);
- Refund of non-resident withholding tax (**NRWHT**) relating to professional fees as announced in the 2021-2022 National Budget;
- Tax amnesty for payment of taxes as announced in the 2021-2022 National Budget; and
- Penalty for dishonoured cheques.

In detail

1. Update on Implementation of the New Services on TPOS

The **FRCS** has issued a Public Notice dated 30 July 2021 advising of the services that have been implemented on TPOS during July 2021 and the services that are expected to be implemented during August and September 2021. These are as follows:

Month	Process
July 2021	Objections Taxpayer Request – Extension of Time to Object Taxpayer Request – Stay on Recovery of Disputed Tax
August 2021	Manage Clerk Tax Clearance Capital Gains Tax (CGT) Return Filing Student Loan
September 2021	Corporate Income Tax (CIT) Return Filing Personal Income Tax (PIT) Return Filing Taxpayer Request – Advance Payment Reduction

The Public Notice further indicates the following:

- The FRCS will accept manually filed PIT (commonly referred to as Form S and Form B) and CIT (commonly referred to as Form C) returns for tax years 2021 and prior until further notice.
- The Statement of Employment Income will be implemented on the TPOS together with PIT. However, if needed early, you should contact the FRCS Customer Service Centre for assistance.
- Education materials on TPOS processes can be accessed on [FRCS TPOS Tutorial Videos](#) and [FRCS TPOS User Guides](#).

2. Refund of NRWHT Relating to Professional Fees

The FRCS has issued a Public Notice dated 30 July 2021 indicating that effective from 1 August 2021, NRWHT paid in relation to professional fees contrary to the provisions of relevant Double Tax Agreement (**DTA**) would be refunded as follows:

- Non-resident persons – NRWHT paid by eligible non-resident persons on professional fees for prior years would be refunded. The refunds would be facilitated through the Mutual Agreement Procedure in the relevant DTA.
- Resident persons – NRWHT paid in prior years by eligible persons on professional fees using the gross up method would also be refunded and eligible persons may make an application to the FRCS for the refund with appropriate supporting documentation such as copies of invoices, receipts and relevant working papers.

The relevant legislative provisions for refunds are contained in section 33 of the Tax Administration Act and amendments to the same which now indicates that:

- “(1) If the CEO is required to pay a refund of overpaid tax to a taxpayer under a tax law, the CEO must—*
- (a) first apply the amount of the refund against any tax or duty owing by the taxpayer under any tax, customs or excise law; and then*
 - (b) refund the balance (if any) to the taxpayer,*
 - (c) notify the taxpayer, or his or her tax agent or representative, of his or her decision in writing.*
- (2) Notwithstanding anything in any other tax law, the CEO, may refrain from collecting or refunding tax if the amount of tax to be collected or refunded does not exceed \$10.*
- (3) The CEO must only pay a refund of overpaid tax to a taxpayer under a tax law to the taxpayer’s bank account held at a commercial trading bank.*
- (4) The CEO must issue a notice of assessment to the taxpayer.*
- (5) A claim for a refund under a tax law is not admissible if the person making the claim has failed to—*
- (a) file a tax return or lodge any other document as required under a tax law; and*
 - (b) make the claim within 3 years after the end of the year of assessment for which the refund is due unless the refund is attributable to an error made by the Fiji Revenue and Customs Service.*
- (6) Subsection (5) does not apply to a mission, international organisation or international body that is exempt from any tax in accordance with any written law.*
- (7) If a non-resident person derived a fee for the provision of a professional service and paid Non-resident Withholding Tax to the Fiji Revenue and Customs Service in respect of the provision of the professional service contrary to an international tax treaty to which Fiji is a party, the non-resident person may make a claim to the CEO for a refund of the Non-resident Withholding Tax and the CEO is required to facilitate and pay the refund in accordance with the Mutual Agreement Procedure under the international tax treaty to which Fiji is a party.”*

Each NRWHT refund case should be properly and appropriately considered. Please contact us if you need assistance with the same.

3. Tax Amnesty

The FRCS has issued a Public Notice dated 30 July 2021 indicating the following:

- As announced in the 2021/22 National Budget, taxpayers who pay their tax within the amnesty period, will be granted waiver of all penalties.

- To qualify for the amnesty, taxpayers must adhere to the following:
 - (a) Full payment of real taxes to be made within 3 months from 1 August 2021; or
 - (b) Taxpayers must make payment arrangements with the FRCS within 3 months from 1 August 2021 (i.e. before 31 October 2021) and make payments before 30 June 2022.

The relevant legislative provisions in relation to the above are contained in section 48E of the Tax Administration Act.

4. Penalties for dishonoured cheques

The FRCS has issued a Public Notice advising that effective from 1 August 2021, a penalty of \$500 would apply to taxpayers who present dishonoured cheques to the FRCS.

The relevant legislative provisions are contained in section 46B of the Tax Administration Act.

Please refer to the attached copies of the Public Notices for more details.

Let's talk

Please contact any of our following Partners or Directors, if you wish to discuss how the above or any other matters may impact your business.



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