



# 2010 Revised Budget

Newsletter

FIJI ISLANDS

2 July 2010

**The Prime Minister and Minister for Finance and National Planning, Commodore Josai Voreqe Bainimarama, presented his 2010 Revised Budget on Friday, 2 July 2010.**

This flash report summarises the tax measures announced in the revised budget:

#### **Income Tax (Direct tax measures)**

- the distribution of dividends by companies listed on South Pacific Stock Exchange (SPSE) to its shareholders will be treated as deemed tax paid.

#### **Value Added Tax (Indirect tax measures)**

- 12.5 percent VAT will apply on general insurances with the exception of medical, term life and workers compensation.

#### **Customs Act**

- decrease age limit on the import of used and reconditioned motor vehicles from eight to five years.

#### **Customs Tariff (effective 2 July 2010)**

##### *Fiscal duty*

- new buses for transportation of 23 persons or more and jet ski - reduced from 32 percent to 5 percent.
- new passenger motor cars and other passenger vehicles with cylinder engine capacity not exceeding 1500cc and new goods vehicles with gross vehicle weight not exceeding three tonnes - reduced from 32 percent to 15 percent.
- shelled peas - reduced from 5 percent to 0 percent.
- all fresh and chilled vegetables - increased from 5 percent to 15 percent.

##### *Import excise*

- new buses for transportation of 23 persons or more - reduced from 15 percent to 5 percent.

##### *Airport departure tax*

- increased from F\$75 to F\$100.

#### **Other compliance measures**

- it is mandatory for all employees to provide tax identification numbers to employers.

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