



Fiji

This guide covers only the taxation of digital services. If you sell goods, this guide does not apply.

VAT Standard rate

Starting from January 1, 2016, a value-added tax is levied in Fiji.

The standard VAT rate in Fiji in 2024 is 15%.

Thresholds

A person must apply for VAT registration if they have exceeded or are expected to exceed within 12 months the threshold of FJD \$100,000.

E-services list

“Remote services” means services that, at the time of the supply of the services, there is no necessary connection between:

- The place where the services are physically performed;
- The location of the recipient of the services.

A more detailed list has not yet been established. But it will probably include the following services:

- Online training;
- E-books;
- Audio, visual, and audiovisual content;
- Streaming services;

Cloud services such as SaaS, PaaS, IaaS...

Pieces of evidence

A Buyer of a supply of digital services is treated as a resident of Fiji if at least two of the following criteria support the conclusion that the person is a resident of Fiji:

- The Buyer's billing address;
- The IP address of the device used by the recipient or another geolocation method;
- The Buyer's bank details, including the account the recipient, uses for payment or the billing address held by the bank;
- The mobile country code of the international mobile subscriber identity is stored on the subscriber identity module card used by the recipient;
- The location of the recipient's fixed landline through which the service is supplied to the recipient;
- Any other commercially relevant information.

Registration procedure

After the adoption of the bill, the registration rules will probably remain similar.

Now, to register as an Individual entrepreneur, you need to submit the following set of documents for consideration:

- A completed application form for registration of an individual entrepreneur (IRS001);
- Additional VAT Registration Form (IRS018 form);
- Identity documents (such documents are considered driver's license, foreign passport, and voter registration card).

For companies, the list is slightly different:

- Application for Registration of Companies, Partnerships, or Trusts (IRS003);
- Additional VAT Registration Form (IRS Form 018);
- A copy of the Registration Certificate and Memorandum/The charter.

Tax representative

Tax agencies may require a person who is required to apply for registration who does not conduct a taxable activity through a fixed place of business in Fiji to do either or both of the following:

- To appoint a VAT representative in Fiji;
- Provide a guarantee.

VAT filing and payment

A registered person must file a VAT return for each taxable period on or before the last day of the month following the end of the period.

The net VAT payable by a registered person for a taxable period is due and payable by the due date for filing the VAT return for that period.

At the moment, quarterly and annual tax filing periods are applied in Fiji. The choice of the period depends on the turnover.

After the new VAT rules come into force, the periods may be changed.

Penalties

The following penalties are applied in accordance with the Law on Tax Administration:

- Penalties for late payment – 25% of any tax remaining unpaid;
- An additional 5% for each month of delay on the balance of unpaid tax;
- Penalties for late submission – 20% of the amount of any unpaid tax;
- An additional 5% for each month of delay on the balance of unpaid tax;
- In the case of VAT evasion, a fine of 300% of the tax payable is applied;
- Any person registered as a VAT payer who does not comply with the new VAT rate to be reflected in the prices of goods and services is subject to a fine of no more than US \$50,000 or, if convicted, to a fine of no more than US \$100,000 or ten years in prison;
- Additional coercive measures for failure to submit a declaration within the prescribed period may include a court fine of up to \$25,000 or imprisonment for up to 10 years, or a fine and imprisonment at the same time.

