



**PRACTICE  
STATEMENT No. 10  
(Revised 7/11/2012)**

<b>SUBJECT</b>	<b>FIJI REVENUE &amp; CUSTOMS AUTHORITY: AUTHORITY TO DEAL WITH TAXPAYERS</b>
<b>DATE OF EFFECT</b>	1 June 2003
<b>CONFIDENTIALITY STATUS</b>	May be released to the public
<b>LEGISLATIVE REFERENCES</b>	
<b>PRACTICE CO-ORDINATOR</b>	Chief Executive Officer (Commissioner of Inland Revenue)

1. The purpose of this Practice Statement is to delineate the boundaries of authority within the Revenue Collection, Debt Management and Risk & Compliance Divisions for the finalisation of tax cases with taxpayers, especially those involving the use of legal officers.
2. Officers of the Authority (herein referred to as tax officers) such as those within the technical and audit areas, Debt Management Service (DMS) and Lodgement enforcement Unit (LEU) often call upon officers of the FRCA Legal Unit to assist them in enforcing the provisions of the tax law. Some of these legal officers are located in the Legal Unit of FRCA Headquarters and some are out placed to the operative units.
3. In all cases, the role of the tax officer is to deal with the taxpayer and bring any case of non-compliance with the tax laws to a correct conclusion. The tax officer is the “case manager” of the taxpayer, and accountable for actioning the non-compliance (suspected or actual) of the taxpayer.
4. In some cases, the tax officer may call upon the legal officer to assist in this outcome. The role of the legal officer is to assist the tax officer by providing advice and, where appropriate, to carry out legal action and represent the Commissioner of Inland Revenue through the case manager in any legal proceedings.

5. At all times, the legal officer is acting on behalf of the “client”, being the tax officer (case manager). The legal officer should report to the case manager on a regular basis, provide appropriate advice, and carry out any legal proceeding authorised by the case manager.
6. The case manager is the only authorised decision-maker in relation to actions taken in regard to the taxpayer. The case manager should make decisions based on several factors, one of which includes the advice of the legal officer.
7. The legal officer has no authority to make decisions in relation to the taxpayer’s tax affairs, and must not convey to a taxpayer that they have such authority.
8. If a person other than the case manager, such as a legal officer, makes statements to a taxpayer that a legal action has been concluded, withdrawn or “negotiated”, without the permission of the case manager, that person is operating without authority.
9. The amount of tax is calculated per the tax laws, which have been passed by Parliament. Therefore, where an amount of tax is in dispute, the amount of tax is not capable of being negotiated by the case manager, the taxpayer or any other person.
10. The amount of tax, which is made up of an administrative penalty imposed under the tax laws, is also not capable of being negotiated. That penalty should be set in accordance with the rules in Practice Statement No. 1.
11. If a person acts outside the authority described above, and the revenue suffers a detrimental effect, the person will be surcharged for the amount of lost revenue.
12. All taxpayers and their representatives are placed on notice by way of this public Practice Statement. Any supposed negotiation with a taxpayer as a result of non-application of this Practice Statement by an officer of the Authority not authorised to do so, whether or not it involves collusion by the taxpayer, will **not** be honoured by the Commissioner of Inland Revenue.