

BILL NO. 15 OF 2018

A BILL

FOR AN ACT TO AMEND THE ENVIRONMENT AND CLIMATE ADAPTATION LEVY ACT 2015

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

1.—(1) This Act may be cited as the Environment and Climate Adaptation Levy (Budget Amendment) Act 2018.

(2) This Act comes into force on 1 August 2018.

(3) In this Act, the Environment and Climate Adaptation Levy Act 2015 is referred to as the “Principal Act”.

Section 2 amended

2. Section 2 of the Principal Act is amended by deleting the definition of “prescribed service” and substituting the following—

““prescribed service” means a service listed in Schedule 1 where the annual gross turnover for the provision of such service exceeds \$1.25 million; and”.

2 *Environment and Climate Adaptation Levy (Budget Amendment)*— of 2018

Section 5 amended

3. Section 5 of the Principal Act is amended by—

- (a) in subsection (6), deleting “the amount specified in paragraphs 10 and 11 of Schedule 1” and substituting “\$1.25 million”; and
- (b) deleting subsection (7) and substituting the following—

“(7) Subject to this Act, any accountable person registered under subsection (6) that has been registered for 12 consecutive months may notify the CEO if the annual gross turnover of the prescribed service during the period of 12 months is not more than \$1.25 million and if the CEO is satisfied that the annual gross turnover of the prescribed service during the period of 12 months is not more than \$1.25 million the CEO shall deregister the accountable person.”.

Section 6 amended

4. Section 6(2) of the Principal Act is amended by deleting “\$0.10c” and substituting “\$0.20”.

Schedule 1 amended

5. Schedule 1 to the Principal Act is amended by—

- (a) in paragraph 10, deleting “and their annual gross turnover is over \$1.25 million”; and
- (b) in paragraph 11, deleting “with an annual gross turnover of over \$1.25 million”.

June 2018

**ENVIRONMENT AND CLIMATE ADAPTATION LEVY
(BUDGET AMENDMENT) BILL 2018**

EXPLANATORY NOTE

(This note is not part of the Bill and is intended only to indicate its general effect)

1.0 BACKGROUND

- 1.1 The Environment and Climate Adaptation Levy Act 2015 (**‘Act’**) imposes the Environment and Climate Adaptation Levy (**‘ECAL’**) on prescribed services, items, imports and income.
- 1.2 The Environment and Climate Adaptation Levy (Budget Amendment) Bill 2018 (**‘Bill’**) seeks to amend the Act to increase the ECAL charged on plastic bags from 10 cents to 20 cents and to extend the minimum annual gross turnover threshold to all prescribed services.

2.0 CLAUSES

- 2.1 Clause 1 of the Bill provides for the short title and commencement. If passed by Parliament, the amending legislation will come into force on 1 August 2018.
- 2.2 Clause 2 of the Bill amends section 2 of the Act by amending the definition of “prescribed service” to include an annual gross turnover of more than \$1.25 million.
- 2.3 Clause 3 of the Bill amends section 5 of the Act to make subsection (6) consistent with the change made to the definition of “prescribed service” in clause 2 of the Bill.
- 2.4 Clause 3 of the Bill also amends section 5 of the Act by replacing subsection (7) to shift the onus of facilitating the deregistration of an accountable person to the accountable person if the prescribed service no longer meets the \$1.25 million threshold.
- 2.5 Clause 4 of the Bill amends section 6 of the Act to increase the ECAL charged on plastic bags from 10 cents to 20 cents.

4

2.6 Clause 5 of the Bill amends Schedule 1 to the Act to make paragraphs 10 and 11 consistent with the change made to the definition of “prescribed service” in clause 2 of the Bill.

3.0 MINISTERIAL RESPONSIBILITY

3.1 The Act comes under the responsibility of the Minister responsible for finance.

A. SAYED-KHAIYUM
Attorney-General