



STANDARD INTERPRETATION GUIDELINE 2018 - 07

CUSTOMS CONCESSION – CODE 215

REGISTERED CHARITABLE AND RELIGIOUS ORGANISATIONS

This Standard Interpretation Guideline ('SIG') sets out Fiji Revenue and Customs Service's ("FRCS") policy and operational practice in relation to the Customs Concessions granted to the Registered Charitable and Religious Organizations under Code 215 and 215A.

It is issued with the authority of the Chief Executive Officer ("CEO") of FRCS.

All legislative references in this SIG are to the *Customs Tariff Act ("CTA") 1986* (unless otherwise stated).

This SIG is in effect from 13th June, 2018 and may need to be reviewed in the event of any relevant legislative amendments.

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EXECUTIVE SUMMARY

1. Provisions of cash grants and subsidies are usually made by the Government in periods of emergencies such as natural disasters. There are however instances whereby additional support may be required such as foreign assistance. These assistances mostly come in the form of donations and customs import duty concessions provide a means through which foreign assistance can be facilitated easily with no administrative barrier. Such incentives also encourage the private public partnership towards public support and care during these times of emergency. This approach also frees up resources and allows the Government to strategize on other areas of concern.
2. Customs Concession Code 215 and 215A under the Customs Tariff Act provides import duty concessions to Registered Charitable and Religious Organizations.
3. While the legislative provisions are set out in the Customs Tariff Act, the industry needs to be very clear in terms of the administration and the application of the law.
4. This SIG therefore, sets out the CEO's official position on the application of Customs Concession Code 215 and Code 215A.
5. The standard relates to the list of goods, persons and bodies that can qualify for duty concession under Code 215 and Code 215A to Part III of the Customs Tariff.

INTRODUCTION

6. The purpose of this SIG is to provide clarity and certainty to the application of the provisions under Code 215. The pre-requisites to qualify, test rules and the entitlements under the code are discussed.
7. This SIG will also serve as a checklist to the applicants to self-assess their eligibility.
8. Furthermore, it will ensure that there is a uniformed approach to the processing of applications under this provision.

LEGISLATIVE PROVISION

| Code | Owner | Goods Eligible | Fiscal | Import Excise | Vat | Conditions | Authority |
|------|--|---|--------|---------------|------|--|---------------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| 215 | Registered Charitable and Registered Religious Organizations | Goods as approved by the CEO. | Free | Free | Free | (a) That the goods are a gift to or are imported by or on behalf of an organization specified in Column (2). (b) The goods are distributed free to hospital patients and persons in need of support, or are used for the free treatment, assistance or education of such persons. | The person approved by the CEO. |
| 215A | Approved entities and individuals | Any goods, materials or equipment as determined by the Minister for Economy as necessary for purposes of humanitarian aid, natural disaster relief and recovery from a natural disaster declared in accordance with Section 17 of the Natural Disaster Management Act 1998. | Free | Free | Free | (a) That the goods are a donation to or are imported by an organisation or individuals approved under column (2). (b) That the goods are distributed free to the persons in need of support and assistance. (c) That the goods are not for re-sale and are exclusively for the purposes concession is granted. | |

GOVERNING CONDITIONS

9. The concession is to be claimed at the time of importation or at the time of clearance from the bonded warehouses by the person or body specified in column (2).
10. The goods are of a kind relating to a name or description specified in column (3).
11. All conditions specified in column (7) and any other conditions that may be specified by the CEO are to be fulfilled.
12. When any conditions affecting the goods are not fulfilled after the goods leave Customs Control, the CEO may disallow the concession and collect the duty applicable under Part 1. Further action may also be taken such as penalties and/or compounding.

QUALIFYING CRITERIA AND CONDITIONS

13. Charitable organizations include those that operate exclusively for religious, charitable, or educational purposes.
14. For the purpose of this concession, charitable and religious organizations must be registered under the Charitable Trust Act and the Certificate of Incorporation must be furnished to FRCS along with the concession application.
15. This concession shall be limited to goods regarded as basic needs such as clothes, shoes, beddings/pillows/mattresses, essential food items and medicines only for free distribution.
16. The Single Administrative Document (SAD) is to be lodged along with other mandatory documentation documents such as the Invoice, Bill of Lading/Air Way Bill, Packing List (where required) and other documents relevant to the consignment (concession declaration, charitable trust certificate etc.).
17. If the Customs Officer ('Officer') is not satisfied that the imported goods are eligible for concessions under the provisions of Code 215, the application may be declined and the goods be subject to the normal rates of duty.
18. If the description of the goods fulfills the conditions of Code 215 but the applicant is not registered charitable or religious organization, the CEO on a case by case basis may recommend to the Minister for Economy for the goods to be directed towards the Prime Ministers Natural Disaster and Relief fund for free distribution. The concession will then be facilitated under Section 10 (1) (c) of the Customs Tariff Act. This entire process will be undertaken if approval is obtained from the owner of the goods.
19. Approved goods shall be eligible for duty concession when a state of natural disaster has been declared as per the Natural Disaster Management Act 2008. The eligibility of the duty concession under Code 215A shall be based on the time frames approved by the Minister for Economy.
20. If goods are still received after the state of natural period has expired, the goods may be accommodated under Concession Code 215 on a case by case basis. The goods that will be accommodated are the once that were shipped prior to the state of natural disaster period had ended.
21. For any other clarifications you may contact the Tariff and Trade team on FICS-SuvaTariff&Trade@frcs.org.fj.