



STANDARD INTERPRETATION GUIDELINE 2018 - 08

CUSTOMS CONCESSION- CODE 222

HOSPITALS OR MEDICAL INSTITUTIONS

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 hospitals or medical institutions under Code 222.

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 14th June, 2018 and may need to be reviewed in the event of any relevant legislative amendments.

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EXECUTIVE SUMMARY

1. There is a well understood correlation between an economy and its health sector. A healthy population means economic prosperity and growth. A well-functioning health sector is also vital for people’s general well-being and their overall quality of life.
2. Despite the challenges, the Government is continuously investing to improve the health system in the country. Expenditure allocations towards the health sector are consistently increased and the tax provisions are also used to further assist the industry.
3. Customs Concession Code 222 under the Customs Tariff Act provides import duty concessions to hospitals or medical institutions.
4. 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.
5. This SIG therefore, sets out the CEO’s official position on the application of Customs Concession, Code 222.
6. The SIG relates to the list of goods, persons and bodies that can qualify for duty concession under Code 222 to Part III of the Customs Tariff.

INTRODUCTION

7. The purpose of this SIG is to provide clarity and certainty to the application of the provisions under Code 222. The pre-requisites to qualify, test rules and the entitlements under the code are discussed.
8. This SIG will also serve as a checklist to the applicants to self-assess their eligibility.
9. 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)
222	A hospital or medical institutions	Medical, surgical, hospital, dental, and other goods approved by the CEO.	Free	Free	Free	That the goods specified in column (3) are solely for medical, surgical, or dental purposes or for use in a hospital or medical institutions approved by the P.S for Health.	Hospitals – The Medical Superintendent or Medical institutions- The Financial Controller/Clinical doctor.

GOVERNING CONDITIONS

10. The concessions are 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).
11. The goods are of a kind relating to a name or description specified in column (3).
12. All conditions specified in column (7) and any other conditions that may be specified by the CEO are to be fulfilled.
13. When any of the conditions are not fulfilled after the goods are cleared from the 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

14. The following institutions are catered for in this concession:
 - A medical institution which provides medical or surgical care.
 - Eye clinic - a clinic where specialist care is provided for eyes and vision.
 - Health care institution (hospital) - a public or nonprofit organization that provides health care and related services, including but not limited to the provision of inpatient and outpatient care, diagnostic or therapeutic services, laboratory services, approved by the Permanent Secretary for Health.
15. The Single Administrative Document (SAD) has to be lodged along with other mandatory documentations such as the Invoice, Bill of Lading/Air Way Bill, C45 Form (Declaration of Sale Document), Packing List (where required) and other documents relevant to the consignment (concession declaration, import licence, endorsement by the medical superintendent, registration certificate for a newly established medical institution).
16. If the description of the goods fulfils the conditions of Code 222, the Customs Officer ('Officer') shall recommend approval for the goods under Concession Code 222 of the Customs Tariff Act.
17. If the Officer is not satisfied that the imported goods are eligible for concessions under the provisions of Code 222, the application may be declined and the goods be subject to the normal rates of duty.
18. Where the goods are imported by a third party and supplied to the medical institution in Fiji, a concession declaration must be signed by the Medical Superintendent and a purchase order details must be established. In the cases of medical clinics, the concession declaration must be signed by the Financial Controller or the Clinic Doctor.
19. If the goods cleared under this provision are used for purposes other than for which the duty concession was granted, the company/ institution shall be investigated and penalized accordingly.

20. If there is any element of doubt or suspicion, the Ministry of Health may be contacted for confirmation on the establishment of the company/ institution, the list of medical equipment and concession declarations or any other relevant information.
21. Furthermore, import data is to be obtained from the ASYCUDA system for confirmation.
22. For any other clarifications you may contact the Tariff and Trade team on FICS-SuvaTariff&Trade@frcs.org.fj