



STANDARD INTERPRETATION GUIDELINE 2018-25

CUSTOMS CONCESSION – CODE 136

IMPORTATION OF USED VEHICLES TWO YEARS OR LESS FROM THE YEAR OF MANUFACTURE

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 Companies, entities and individuals importing used motor vehicles under Code 136.

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 15th June, 2018 and may need to be reviewed in the event of any relevant legislative amendments.

CONTENTS

Executive Summary.....	2
Introduction	2
Legislative Provision.....	2
Governing Conditions	2
Qualifying Criteria and Conditions.....	3

EXECUTIVE SUMMARY

1. This concession has been developed to aid in the importation of used motor vehicles for both companies and individuals which are two years or less from the year of manufacture. This will ensure that Fiji citizens have access to affordable, quality and durable used motor vehicles.
2. 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.
3. This SIG therefore, sets out the CEO's official position on the application of Customs Concession, Code 136.
4. The SIG relates to the list of goods, persons and bodies that can qualify for duty concession under Code 136 to Part III of the Customs Tariff.

INTRODUCTION

1. The purpose of this SIG is to provide clarity and certainty to the application of the provisions under Code 136. The pre-requisites to qualify test rules and the entitlements under the code are discussed.
2. This SIG will also serve as a checklist to the applicants to self-assess their eligibility.
3. Furthermore, it will ensure that there is a uniformed approach to the processing of applications under this provision.

LEGISLATIVE PROVISION

Code	Description and Part 1 Chapter, Heading or Item No. Applicable	Fiscal	Import Excise	Vat
(1)	(2)	(3)	(4)	(5)
136	Used or reconditioned motor vehicle under tariff items 8701-8705, Chapter 87 of Part 1 of Schedule 2 to the Act, 2 years or less from the year of manufacture.	15% or half the existing specific rate of duty, whichever is greater	15%	9%

GOVERNING CONDITIONS

4. The concession is to be claimed on the imported goods and goods cleared from ex-bond warehouses.
5. The goods are of a kind relating to a name or description specified in column (2).

6. All conditions specified in column (2) and any other conditions that may be specified by the CEO are to be fulfilled.
7. When any conditions affecting the goods is 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

5. In order to qualify for concession under Code 136, the company or individual must first obtain an import licence confirming the year of manufacture of the imported vehicles.
6. The goods eligible for this concession includes the following classification of vehicles:
 - 8701 – Tractors (other than tractors of heading 87.09)
 - 8702 – Motor vehicle for the transport of 10 or more persons, including the driver
 - 8703 – Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars.
 - 8704 – Motor vehicle for the transport of goods
 - 8705 – Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire fighting vehicles, concrete mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological units)
7. It is mandatory for importers to obtain licence before importation or shipment of the used vehicles. If the used vehicles are imported PRIOR to the import licence being obtained from FRCS, the importer shall bear the costs arising due to the delay or non-issuance of the import licence.
8. To apply for an import licence the following documents are to be submitted to the Tariff and Trade Section:
 - Application letter
 - Export Certificates or Deregistration Documents
 - Invoice
 - ID
 - Any other documents that may be required to confirm the year of manufacture
9. To qualify for issuance of an import licence, the age criteria for importation of used vehicles are as follows:
 - a. Diesel/Petrol – five years or less from the year of manufacture and EURO 4 compliant
 - b. Hybrid/Solar/LPG/CNG/Electric – 8 years or less from the year of manufacture and EURO 4 compliant
10. The eligibility of the applicant for any duty concession shall be assessed using the import licence and inspection report from Inspection Officers.
11. Once the import licence is approved, the Single Administrative Document (SAD) has to be lodged along with other mandatory documentations such as the Invoice, Bill of Lading/Air Way Bill and

other documents relevant to the consignment (concession declaration) as the assessment officer may require for processing of the Customs entry and clearance of the goods.

12. For any other clarifications you may contact the Tariff and Trade team on FICS-SuvaTariff&Trade@frcs.org.fj.