



# STANDARD INTERPRETATION GUIDELINE 2018 - 10

## CUSTOMS CONCESSION – CODE 287

### APPROVED TAXI OPERATORS

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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 Approved Taxi Operators under Code 287.

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

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## EXECUTIVE SUMMARY

1. The transportation sector plays a vital role in the economic development of any country. Given its importance, the Fijian government announced import duty concessions to the industry in the 2016/2017 National Budget. The intention is to improve quality of service delivery and minimize the cost of doing business.
2. Customs Concession Code 287 under the Customs Tariff Act provides import duty concessions to approved taxi operators.
3. While the legislative provisions are set out in the Customs Tariff Act, the players in the industry need 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 287.
5. The SIG relates to the list of goods, persons and bodies that can qualify for duty concession under Code 287 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 287. 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)
287	Approved taxi operators.	(i) New vehicles (less than 2500cc) for use as public service vehicles for taxi owners.	5%	Free	9%	(a) The applicant has been issued with a Public Service Vehicle permit by LTA (copy permit required).  (b) Any disposal of the vehicle within the stipulated time period of 5 years, provisions of Section 17 of Act will apply.  (c) The applicant is issued with a Public Service Vehicle Permit by LTA (Copy	The person approved by the CEO.
		(ii) New Vehicles (above 2500cc) for use as public service vehicles for taxi owners.	5%	5%	9%		

		(iii) Used or reconditioned hybrid vehicles for use as public service vehicles for taxi owners who own only 1 taxi.	Half the subsisting specific rate.	Free	9%	permit required). (d) For used or reconditioned hybrid, any disposal of the vehicle within the stipulated time period of 3 years.
		(iv) Used or reconditioned vehicles (petrol/diesel) 2 years or less from the year of manufacture for use as public service vehicles for taxi owners who own only one taxi	7.5% or quarter of the existing specific rate of duty whichever is greater	15%	9%	

### GOVERNING CONDITIONS

9. The concession is to be claimed on the imported goods and goods cleared from ex-bond 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 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

13. This concession can only be applied by persons who are approved taxi operators.
14. This code is only applicable for the following specification of vehicles:
  - New vehicles (less than 2.5 cc)
  - New vehicles (above 2.5 cc)
  - Used or reconditioned hybrid vehicles
  - Used or reconditioned diesel or petrol vehicles 2 years or less from the year of manufacture
15. To apply for this concession, the following documents should be submitted:
  - Application Letter

- Confirmation from LTA stating that the applicant only has 1 taxi permit
  - ID Copy of the Taxi Permit and ID of the applicant
  - Quotation of the vehicle from car dealer
  - Import License (if the vehicle is imported by the applicant)
16. If the used vehicles are purchased ex-bond from a local car dealer, the car dealer should already have obtained the necessary import licences from FRCS.
  17. For applicants importing the vehicles themselves (not through a local car dealer), the import license must be obtained before applying for concession under Code 287. The Single Administrative Document (SAD) should 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) for formal clearance purposes.
  18. If the Inspection Officer is not satisfied that the imported goods are eligible under the provisions of Code 287, the application may be declined and the goods be subject to normal rates of duty.
  19. Upon receiving formal approval under Code 287, the applicant shall complete the linking templates, so the concession can be linked to the ASYCUDA system to enable customs clearance.
  20. Where there is an element of doubt or suspicion, import data is to be obtained from the ASYCUDA system for confirmation or the Lands Transport Authority of Fiji can be contacted for clarification.
  21. If the goods cleared under this incentive are used for the purpose other than for which duty concession was granted, the individuals or institutions shall be investigated and prosecuted accordingly.
  22. For any other clarifications you may contact the Tariff and Trade team on [FICS-SuvaTariff&Trade@frcs.org.fj](mailto:FICS-SuvaTariff&Trade@frcs.org.fj)