



Tax Talk: Commercial Importation

What is Commercial Importation?

Commercial importation generally is the importation of goods not intended for personal use but for commercial use by the importer. The imported goods are intended for commercial use of retail and whole sale purpose to generate revenue for the business. Please note that commercial import does not include importation by charitable and religious bodies for non-profitable use, example donations in kind to the underprivileged, people in need of support and assistance and those affected by a natural disaster.

How to clear commercial goods?

A person should engage a Licensed Customs agent for clearing commercial imported goods from Customs on their behalf. When clearing the commercial goods, Customs will work with the Licensed Customs agent however where required, the owner of the goods may be directly contacted for clarifications. The Customs Agent will lodge a completed Customs Entry/SAD together with supplier's tax invoice, packing list bill of lading and C45 form confirming the transaction between the exporter and importer and other supporting documents including import permit/license from other law enforcement agencies. It is important that the importer/owner provide the correct documents to the licensed Customs Agent to avoid any disruption or delay in the process of clearance of goods.

Importing commercial sample through Airfreight

Commercial samples to a value not exceeding \$400 FJD can be cleared at duty free rates provided that the examine officer is satisfied that the samples will be used to place orders of the goods representing the sample. Furthermore, consumable and non-consumable goods presented as samples must be sample of any one line of goods (including sample of a set) or one sample of each of the same line but imported in different sizes.

Responsibility of commercial importers

It is very important for the commercial importers to be honest in their declaration and that they produce full information to FRCS. We certainly encourage importers to provide all information to their agents to avoid delay in clearance and further non-compliance notices.

It is always important that importers submit timely bill of lading, invoices, evidence of payment, packing list and any other documents that may be necessary for the clearance of the goods.

We encourage facilitation of trade with voluntary compliance and seek partnership with Importers, Exporters and Traders to assist in the processing of the clearance so that delays and additional costs are avoided. Importers also need to maintain their records of Customs transactions including imports for a period of five years. Possible fraudulent practices and breaching of Customs Regulations, Excise Act and Customs Act by any traders will be deemed to be an offence and may be liable for penalty and compounding provisions as stated under the relevant legislations.

Prohibited Goods Equipment's

There are certain goods that are restricted and prohibited under the Customs (Prohibited Import and Export) Regulation. Prohibited goods are those that are completely not allowed to be imported into the country whilst the restricted goods will require the relevant licenses and permits from relevant Ministries and Department before the goods can be cleared from Customs Control.

Examples of prohibited goods include counterfeit coins or bank notes, illicit and narcotic drugs, precursor's, pornographic materials & movies etc. Examples of restricted goods include smart phones, iodized salts, roofing Screws & Coils, whale's tooth or tabua, personal refrigerator, second hand vehicles etc. While used vehicle importation requires import license from Revenue and Customs, smart phone importation requires import permit from the Telecommunications Authority of Fiji. Similarly, the importation of plants, plant material items and food items requires clearance from the Biosecurity Authority of Fiji

Concessions to Returning Residents –Used Motor Vehicle

To qualify for duty concession on motor vehicle as a returning resident, the returning resident will be required to lodge formal written application to Revenue and Customs. The person should prove to the satisfaction of the comptroller that he is returning to Fiji permanently and the vehicle has to be owned and used by the importer for 12 months or more to be considered for duty concession. Only one used motor vehicle per family is permitted. There is no application fee charged. The processing time for an application is seven working days.

We strongly advise that one has to obtain an import license from Revenue and Customs before loading the vehicles for importation into Fiji. This is to avoid any unnecessary delays and costs in the clearance of the vehicles.

To qualify for issuance of the import license, the second hand motor vehicles whether diesel or petrol should be 5 years or less from the year of manufacture and EURO 4 compliant. In addition, LPG, CNG, Solar, Hybrid, Electric vehicles should be 8 years or less from their year of manufacture and EURO 4 compliant. The vehicle cancellation certificate and or the de-registration certificate should be attached with the application. If the vehicle is being imported from Japan, an export certificate is required for both the English and Japanese translated version. EURO 4 confirmation may also be required from the relevant Road Transport Authority of the exporting country or the manufacturer should FRCS require clarification in this regards

Fines and Penalties

Fines and penalties shall be imposed on the importers/traders:

- if a false declaration or intention to defraud FRCS is discovered;
- importing restricted good without proper permit; and
- Importing prohibited import.

Voluntary Compliance

Cross border trade is the engine for economic growth and will continue to proliferate with emerging trade patterns and technological advancement. In order to save cost and time for business, FRCS encourages all importers to practice voluntary compliance ensuring expedite facilitation and minimum intervention at the point of clearance. As a service provider we encourage and support our importers and traders to feel the experience of trade facilitation through voluntary compliance and honest declaration.

FRCS is extensively focus and will continue to scope that traders and tax payer's put greater effort to the areas of trade compliance and avoid receipting of any demand and duty short paid notices.

For more information please email your queries to info@frcs.org.fj