



STANDARD INTERPRETATION GUIDELINE 2020-39

CUSTOMS CONCESSION – CODE 212 – IMPORTATION OF GOODS FOR PERSONAL USE - A PRIVATE INDIVIDUAL

This Standard Interpretation Guideline ('SIG') sets out Fiji Revenue and Customs Service's ("FRCS") policy and operational practice in relation to the Customs Concessions under Customs Tariff Act 1986 granted to individuals who import goods for personal use through Parcel Post, Airfreights or Sea freights under Code 212.

It is issued with the authority of the Comptroller of Customs and Excise (hereinafter referred to as "Comptroller"), who is also 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 18 July 2020 and may need to be reviewed in the event of any relevant legislative amendments.

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PURPOSE

1. Concession Code 212, under the Customs Tariff Act 1986, provides exemption of duty on the importation of goods by a private individual for personal use with the value of the goods not exceeding \$2000 FJD.
2. While the legislative provisions are set out in the CTA, Companies, Entities, Organizations and Individuals need to be very clear in terms of the administration and the application of the law.
3. This SIG therefore, sets out the Comptroller’s official position on the application of Customs Concession Code 212.
4. The SIG relates to the list of goods and persons that can qualify for duty concession under Code 212 to Part 3 of the Customs Tariff Act 1986.
5. There has been an influx of e-commerce in the recent years which has seen a rise of illegal businesses and operators. These operators import items duty-free under the blanket of personal use but use it for commercial purposes. For abuse of Concession code 212, this SIG addresses concerns to ensure that the state is not losing revenue through these businesses.

INTRODUCTION

6. The purpose of this SIG is to provide clarity and certainty to the application of the provisions under Code 212. 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 by FRCS officers to the processing of applications under this provision.
9. For the purposes of Concession Code 212, the term:
 - a) “A private individual” means an individual importing goods for personal use
 - b) “goods for personal use” means goods not for sale or commercial use

LEGISLATIVE ANALYSIS

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty			Conditions	Certificate to be signed by
			Fiscal	Excise	VAT		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
212	A private individual	All goods (except liquor and tobacco)	Free	Free	Free	<p>(a) That the value of duty for such goods does not exceed FJD\$2000;</p> <p>(b) That the goods are imported by sea freight, parcel post or air freight;</p> <p>(c) That the goods are for the personal use of the addressee or</p>	Certificate not required

						<p>the importer and are not for sale or to be otherwise used commercially;</p> <p>(d) That the goods imported are eligible under the Customs (Prohibited Imports and Exports) Regulation 1986.</p> <p>(e) That the proper officer may, at his discretion, determine that more than one parcel consigned to the same or several consignees, may be treated as a single parcel and in such cases duty shall be assessed accordingly.</p>
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10. Application of the concessional rates of import duty under this concession code is governed by the following conditions:
- (a) concession is to be claimed at the time of importation;
 - (b) all goods except liquor and cigarettes should be addressed to a private individual;
 - (c) use of the goods, type of the goods, kind and quantity shall be used by private individuals only

GOVERNING CONDITIONS

11. Application of the concessional rates of import duty under this concession code is governed by the following conditions:
- (a) That the concession is claimed at the time of importation;
 - (b) That, where applicable, the goods are of a kind answering to a name or description specified in Column (3);
 - (c) That any condition in Column (7) specifying the use of the goods, shall be taken, inter alia, to limit such goods to the type, kind or quantity suitable for such uses;
 - (d) That all conditions specified in Column (7) and any additional conditions that may be specified by the Comptroller are fulfilled, provided that:
 - (i) when any condition affecting the goods is not fulfilled after the goods leave Customs control, the Comptroller may disallow the concession and collect the rate of duty applicable under Part 1; and
 - (ii) Such collection shall be without prejudice to action under any other law for the time being in force.

QUALIFYING CRITERIA AND CONDITIONS

- 12. Importation by a private individual shall be a private importation i.e. a private consignment imported by an individual person for personal use and not intended for trade or resale for commercial purposes.
- 13. The value of the imported goods must not exceed \$2000 FJD. This value includes the cost, insurance and freight (CIF). If the value exceeds FJD \$2000, duty will be assessed on the excess value of goods imported.

Example 1: (gifts from family/friends, online buying, etc.)

The value of the goods imported are exceeding \$2000 – duty will be assessed on the value in excess of \$2000. If the value of goods imported is \$2500, duty will be assessed on \$500;

Example 2: (goods bought by an individual during a short time overseas travel – visiting family/friends; on overseas training/workshops; business trip, etc.)

Individual who had done shopping while overseas, can opt to send purchased items through freight. This could also be accompanied with his/her used personal effects as well.

Due to weight/cubic measure of items or the size of the package, the goods are sent as package via freight.

Comptroller’s position: these goods may qualify under code 212 for the value not exceeding FJD \$2000(CIF). Any excess over FJD\$2000 (CIF) would be dutiable.

Example 3: “Goods in quantity or of a type which in the discretion of the Comptroller exceed expected personal use by way of quantity or type”

Individual importing 20 pairs of shoes, or 10 sets of automotive radios, or 5 smart phones or 10 rugby jerseys, 20 pieces of readymade garments in different sizes, etc.;

Note 3(c) Application of the concessional rates of import duty under this Part is governed by the following conditions: That any condition in Column (7) specifying the use of the goods, shall be taken, inter alia, to limit such goods to the type, kind or quantity suitable for such uses;

Under this Code 212 one of the conditions is that goods are for importer or addressee’s for “personal use”.

Comptroller’s position: If there is a trend of similar goods imported on regular basis, an officer may carry out further investigation for compliance purposes.

Example 4: “more than 1 consignment addressed to one individual or several individuals; and 1 consignment consisting of several parcels addressed to different individuals”.

Comptroller’s position: if the origin is from one source, the officer may treat all the consignment as a single consignment and should the value of goods exceed the threshold of FJD\$2000(CIF), the duty will be assessed on duty on the value of goods in excess.

Example 5 on levying of duties and taxes on value in excess of FJD\$2000

Consignment including the following goods:

1. Electric generator set - \$1000;
2. Used clothes/shoes (50kg) - \$200;
3. Domestic electrical appliances (TV; microwave) - \$500;
4. Electrical tools - \$500

Total consignment value = \$2200

Comptroller's position: Concession will be allowed on eligible value of \$2000;

Duty will be applied on the excess value of \$200 in the following manner:

\$200 will be apportioned as per the value of each item as follows;

$\$1000/\$2200 \times \$200 = \text{VFD } \$91 (90.90)$ – electrical generator set;

$\$200/\$2200 \times \$200 = \text{VFD } \$18 (18.20)$ – used clothes/shoes;

$\$500/\$2200 \times \$200 = \text{VFD } \$45 (45.45)$ – domestic electrical appliances;

$\$500/\$2200 \times \$200 = \text{VFD } \$45 (45.45)$ – electrical tools

Therefore, duty will be applied on all 4 items using the apportioned value of each item at the rates applicable for each item.

14. If restricted imports are found in the parcel, consignee is required to arrange for valid permits prior to release. Prohibited Imports shall be detained and corrective measures shall be taken as per the Customs Prohibited Imports & Exports Regulation.

15. The disposal or use of approved goods in column (3) for the purposes other than that for which the concession is granted are subject to the conditions as provided for in Section 17 of the Customs Tariff Act 1986. Under Section 17, goods are liable for duty at any time within five years from the date of importation if the goods under concession are disposed of or used for any purpose other than that for which the concession is granted.

16. **Additional Note:**

Firearms - The importation of firearms, including air guns, air pistols, ammunition and explosives is prohibited except under Licence issued by the Commissioner of Police.

Animals and Plants - The importation of live animals or birds, animal product, plants, plant material, fruit or seed is prohibited except with the written permission of the Director of Agriculture

Illicit and Narcotic Drug - The importation of illicit drugs and narcotic drugs is prohibited except under licence issued by the Secretary of Health

Drones – Restricted to the issuing of license/permits from CAAF

Mobile Phones/Telecommunication Equipment – Restricted to the issuing of license/permit by Telecommunication Authority of Fiji

Department of Energy - Household electric refrigeration appliance that does not comply with the Trade Standards (Household Electric Refrigerating Appliances) Order Legal Notice No. 91 of 2007.

All restricted or prohibited goods imported under the Customs Prohibited Imports and Exports Regulations 1986 will only be released under the approval and the issuing of proper and valid import license or permits from the relevant government agency.

17. For any other clarifications you may contact the FRCS TIPU team on tipu.techs@frcs.org.fj

