



Requesting Special Tax Rate Certificate on TPOS

From 4th January 2021, the Special Tax Rate Certificate has been implemented on the Taxpayer Online Services (TPOS). It is important for employees to know how this process will work on TPOS.

In this week's Tax Talk, we will focus on the processes involved in Requesting for a Special Tax Rate Certificate on TPOS.

Special Tax Rate Certificate

All employees in Fiji are required to declare a tax code to their employer(s) within five working days from the date of commencement of employment. Currently there are two tax codes in use:

- "P" for primary employment
- "S" for secondary employment

The tax code declared by the employee plays a crucial role in the computation of the employee's Income Tax, Social Responsibility Tax (SRT) and Environment and Climate Adaptation Levy (ECAL) liability because it determines the rate of tax that would apply in the computation of tax on that employee's income from that employer. By default, Income Tax payable from secondary employments is calculated at the marginal rate of tax. This may lead to overtaxing in certain cases.

The purpose of a Special Tax Rate Certificate is to ensure that there is no overpayment of tax at the end of the year which would have to be refunded to the employee after the annual reconciliation is run.

If an employee is issued with a Special Tax Rate Certificate, the TPOS will compute the employee's Income Tax liability for secondary employments using the rate specified in the certificate, until the end of the year or until the certificate is revoked by the Fiji Revenue and Customs Service (FRCS), whichever is the earlier.

All Special Tax Rate Certificates will expire at the end of the calendar year in which it is issued. If the employee wishes to obtain a Special Tax Rate Certificate for the following year, they must re-apply to FRCS with the required details.

Special Tax Rate Certificates will not be issued to employees who are registered for Form B.

Requesting for a Special Tax Rate Certificate through TPOS

From 4th January 2021, employees will be able to request for Special Tax Rate Certificate on TPOS through the following steps:

1. Log onto TPOS <https://tpos.fracs.org.fj/taxpayerportal#/Logon> using username and password.
2. Navigate to the "Requests" tile and select "**Certificates**", and then "**Request for Special Tax Rate Certificate**". Following this, the employee will be navigated to the instructions page.
3. **Instructions:**

On this page, the instructions for lodging request for Special Tax Rate Certificate are listed. The employee must confirm that he/she has read and understood the instructions by clicking on the checkbox.

4. Clicking on the checkbox will enable the **NEXT** button and by clicking this the employee can proceed to further to the Request Form.
5. On the Request Form, the following fields must be completed:
 - Taxpayer Identification Number (TIN) of the primary employer and the estimated gross income for the year from the primary employer (excluding redundancy and lump sum payments)
 - TIN of the secondary employer(s) and the estimated gross income for the year from each secondary employer (excluding redundancy and lump sum payments).
6. The name of primary employer and secondary employer (s) will be displayed when a valid TIN is entered.
7. The user can add up to 3 secondary employers by clicking on the "**Add Secondary Employer**" button.
8. The employee **must** attach the employment contract with each employer separately.
9. After completing all mandatory fields and attaching employment contracts, click on "**Continue to Next Step**". The employee will be navigated to the "**Declaration**" page.

10. **Declaration and Confirmation Pages**

On the declaration page, the employee needs to confirm that the information in the application is true and correct.

11. Click on the "**Submit**" button.

Confirmation of submission will be emailed to the employee registered email address, which can also be downloaded.

PAYE Awareness and Education

FRCS has been conducting webinars and other education and awareness programs on Pay as You Earn (PAYE). You can access PAYE tutorial and webinar videos on these links for more information <https://www.fracs.org.fj/our-services/taxpayer-online-service-tpos/tpos-tutorial-videos/> and <https://www.fracs.org.fj/our-services/taxpayer-online-service-tpos/webinar-sessions/>.

For PAYE queries e-mail on info@fracs.org.fj, contact our Call Center on 1326 or visit the nearest FRCS Office.

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