



### Filing Gambling Turnover Tax Class 1 (Charitable Purpose) Return on TPOS

#### Background

Gambling in Fiji is regulated by the Gambling Turnover Tax Act 1991 and Gaming Act 2009, which governs the general processes related to administration of the Gambling Turnover Tax.

#### Gambling Turnover Tax (GTT) Levy

GTT is paid or payable by the person to whom the gambling service is provided at such rate prescribed under the Gambling Turnover Tax Act 2009. The accountable person licensed under the Gaming Act 2009 is liable to collect the GTT and pay the same to the Fiji Revenue and Customs Service (FRCS).

#### Gambling Turnover Tax Obligations

An accountable person licensed under the Gaming Act 2009 and providing gaming services is required to submit a GTT return and remit the payment to FRCS.

#### Filing of Gambling Turnover Tax Return on TPOS

From April 2021, the taxpayers can look forward to filing Class 1 and Class 2 Gambling Turnover Tax return on the Taxpayer Online Services (TPOS). Class 1 gaming as per Gaming Act 2009, refers to a gaming activity that satisfies the following conditions:

- It is neither prohibited by this Act nor exempt from a requirement to be licensed under this Act;
- It is conducted solely for a charitable purpose;
- It is conducted at or in respect of a specified event or function; and
- The gaming satisfies any rules applicable to a particular form of gaming as may be prescribed in regulations.

Class 2 gaming as per Gaming Act 2009, refers to a gaming activity that satisfies the following conditions:

- It is neither prohibited by this Act nor exempt from a requirement to be licensed under this Act;
- It is not conducted for a charitable purpose; and
- The gaming satisfies any rules applicable to a particular form of gaming as may be prescribed in regulations; and
- the gaming does not utilise or involve, directly or indirectly, a gaming machine or other means of gaming which is prohibited under this Act.

In this week's edition, we will be focusing on digital processes relating to filing of GTT return in respect of Class 1, as explained above.

For the purposes of filing, the representative of a charitable organisation engaging in Class 1 gaming activity must register each time on TPOS as and when a ticket lottery is organized.

Once registration of ticket lottery is processed successfully, the taxpayer will be liable for filing the GTT Class 1 return. When the taxpayer registers for ticket lottery, a filing obligation for GTT Class 1

return will be created on the TPOS. Outlined below are important information relating to filing of Gambling Turnover Tax –Class 1 return on TPOS to help taxpayer understand the new digital processes better.

### 1. Log In

To access TPOS, the taxpayer needs to log onto TPOS through this link <https://tpos.frccs.org.fj/taxpayerportal#/Logon> with the username and password. Those who have not signed up for TPOS can click on this for information on how to sign up on TPOS- <https://www.youtube.com/watch?v=3OLHhx-2SpE>. Once in the system, the taxpayer needs to navigate to the Filing Obligations tile and click on Returns section which will show details of all filed, not filed, due and overdue returns, the respective taxpayer is responsible for.

### 2. Instructions

This is a very important phase on TPOS which provides instructions of the respective process. All taxpayers need to read the instructions and confirm that they have read and understood the instructions by clicking on the checkbox provided. The system will not allow to proceed further unless the checkbox is ticked.

### 3. Filing a Nil Return

A nil income return is filed to show that the taxpayer did not derive any income for the year. To lodge a nil return for Gambling Turnover Tax-Class 1 return on TPOS, the taxpayer needs to provide the reason for submitting the nil report for the selected period and the Registration Reference Number provided when they registered the ticket lottery for which return is being filed. For nil return, the tax payable/refundable amount will be updated as zero. The taxpayer will be liable for \$1 per day penalty if the submission is made after the due date.

### 4. Filing a Payable Return

To file a payable return, the taxpayer needs to provide the following information:

- **Registration Reference Number-** number provided when they registered the ticket lottery for which return is being filed.
- **Gaming License Number-** taxpayer must provide the Gaming License Number issued to them by the authority.
- **Number of Tickets Undistributed and Lost-** taxpayer must provide number of tickets that remained undistributed and that were lost.
- **All mandatory documents required.**

At this stage, the taxpayers can download a template can be downloaded from TPOS system where they will need to provide number of printed lottery tickets, tickets undistributed, tickets lost and tickets sold in their respective sheets.

The system will be automatically updated with the tax payable/refundable amount along with 20% late lodgment penalty. These amounts will be calculated and updated automatically. The late lodgment penalty of 20% will be calculated if submission is done after the due date or it will be zero if the form is submitted before the due date.

### 5. Declaration

The taxpayer needs to declare that information provided in the application is true and correct. It is important to note that the return can only be submitted after the declaration is completed.

**New Services to be launched in April 2021**

In addition to the filing of Gambling Turnover Tax Class 1 (Charitable Purpose) return the other new services that FRCS will be launching on its online tax portal are Deregistration and filing of Gambling Turnover Tax Class 2 (Non Charitable) return. We will be creating further education and awareness on these new services for everyone to help better understand how these processes work online.

### **Education and Awareness**

FRCS has developed a number of education and awareness materials on the online processes of the various tax types to support taxpayers through the new transition. These education materials can be accessed from the FRCS website <https://www.frcs.org.fj/our-services/taxpayer-online-service/tpos/webinarsessions/> and <https://www.frcs.org.fj/our-services/taxpayer-online-service-tpos/tpostutorial-videos/>. The user manuals are available on <https://www.frcs.org.fj/our-services/taxpayer-online-service-tpos/users-guide/>.

FRCS encourages all taxpayers to access the online services and to use it for efficient tax services and ease of compliance. More than 43,900 taxpayers had signed for the FRCS online portal by mid of March 2021.

For any queries or issues related to TPOS, please contact us on 1326 or email [info@frcs.org.fj](mailto:info@frcs.org.fj).