



TAX TALK



How to File Gambling Turnover Tax (GTT) - Class 2 (Non – Charitable) Return on Taxpayer Online Services

Background

The Fiji Revenue and Customs Service (FRCS) has implemented the Gambling Turnover Tax (GTT) Class 1 (Charitable) and Class 2 (Non-Charitable) return filing on the Taxpayer Online Services (TPOS) from April 2021.

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

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;
- 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 Gambling Turnover Tax return in respect of Class 2, as explained. FRCS has also done a Tax Talk on Gambling Turnover Tax return Class 1 (Charitable) which can be accessed on <https://www.frcs.org.fj/wp-content/uploads/2021/04/Tax-Talk-Filing-Gambling-Turnover-Tax-Class-1-Charitable-Purpose-Return-on-TPOS-.pdf>.

Gambling Turnover Tax Levy

Gambling Turnover Tax 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 Gambling Turnover Tax and pay the same to the FRCS.

Gambling Turnover Tax Obligations

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

Filing of Gambling Turnover Tax Return on the Taxpayer Online Services

Section 5 of the Gambling Turnover Tax Act 1991 requires Gambling Turnover Tax returns to be lodged monthly with FRCS. Till now, all Gambling Turnover Tax returns were filed manually at FRCS. However, from April 2021, Gambling Turnover Tax Class 1 (Charitable) and Class 2 (Non-Charitable) returns from January 2021 onwards can be filed on the Taxpayer Online Services. Outlined below are important information relating to filing of Gambling Turnover Tax return - Class 2 on Taxpayer Online Services to help taxpayer understand the new digital processes better.

1. Log In

To access Taxpayer Online Services, the taxpayer needs to log onto Taxpayer Online Services through this link <https://tpos.frsc.org.fj/taxpayerportal#/Logon> with the username and password. Those who have not signed up for the Taxpayer Online Services can click on this for information on how to sign up on the Taxpayer Online Services - <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. The taxpayer can filter the list by selecting the 'Gambling Turnover Tax Class 2' from 'Select Tax Type' drop-down and then choose the desired period return to file.

2. Instructions

This is a very important phase on Taxpayer Online Services 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. Gaming License

It is mandatory for the taxpayer to attach a copy of the gaming license. The taxpayer must provide details for all mandatory marked fields which are as follows:

- **Gaming License Number**-taxpayer must input the gaming license number.
- **License Valid Form**- select dates from available calendar on the Taxpayer Online Services. Note that the "Valid from" date cannot be a date after filing period date.
- **License Valid To**- 'Valid to' date cannot be a date before 'Valid from' date and a date before filing period date.

In the event the license details provided when filing previous return is still valid, the details would be pre-populated and be in display mode. In this case, the taxpayer will not be required to attach copy of license also.

4. Filing a Nil Return

A nil income return is filed to show that the taxpayer did not drive any income for the year. To lodge a nil return for Gambling Turnover Tax return -Class 2 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.

5. Filing a Payable Return

After answering 'No' to the question 'Are you lodging nil return?', the taxpayer will be given options to choose from either betting sale or lottery ticket sale or both where applicable, whichever services they are engaged in and are generating gambling turnover from. It is important to note that if you fail to select either service type and if either is left blank, the total value will be zero. Details of how to submit the returns for betting sale and lottery ticket sale are explained below:

- **Betting Sale**

The taxpayer needs to provide the breakdown of their betting sale type which can be selected from the available list on the Taxpayer Online Services.

- **Lottery Ticket Sale**

The taxpayer needs to provide breakdown of the lottery ticket sale, details of lottery ticket numbers and list of lottery prizes and Prize winners. For lottery ticket sale, the following details will be required:

- **Closing date and drawing date-** Taxpayer must select dates from available calendar. Drawing date cannot be a date before closing date.
- **Rate per ticket-** Taxpayer must provide the rate at which the tickets are to be sold.
- **Number of printed, undistributed and lost tickets-** These number of tickets must be provided by the taxpayer.
- **Number of tickets Sold-** This is calculated by the system.
- **Value of printed, undistributed, lost and sold tickets-** These fields are calculated and updated by the system.

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.

6. 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.

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-onlineservice-tpos/users-guide/>.

FRCS encourages all taxpayers to access the online services and to use it for efficient tax services and ease of compliance.

For any queries or issues related to the Taxpayer Online Services, please contact us on 3243000/1326 or email tpos@frcs.org.fj.