



- VAT registered businesses with a gross annual turnover of less than **FJ\$300,000** are required to lodge annually or quarterly.

### 5. Keeping VAT Records



A VAT registered business is required to keep tax invoices for all goods and services purchased and sold. Records must be kept for 7 years and should be in the English language.

### 6. How to deregister for VAT?



If a VAT registered business wants to deregister from VAT because their business has ceased or the business has been sold, it will need to advise FRCS and apply for deregistration on line within 7 consecutive days.

## OUR VISION

A world class revenue service delivering excellence in revenue collection, border protection, trade and travel facilitation.

#### Disclaimer

The content of this VAT Guide aims to provide a better general understanding of taxpayers' VAT obligations and is not intended to comprehensively address all possible VAT issues that may arise. While every effort has been made to ensure that this information is consistent with existing law and practice, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. It is recommended you obtain independent financial or tax advice for your own specific circumstances. Should there be any changes to law and practice, FRCS reserves the right to vary its position accordingly.



FIJI REVENUE AND  
CUSTOMS SERVICE



## CONTACT US

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# VAT FACTS IMPORTANT FOR YOU TO KNOW

## YOUR TAX INVOICE SHOULD INCLUDE

**Tax Invoice**

SHOP & SPEND SUPERMARKET  
Mark Street, Suva  
TIN : 29-00000-0-5

Item 1	2.50
Item 2	8.50
Item 3	12.00
<b>Total before VAT</b>	<b>20.00</b>
VAT incl @ 15%	3.00
<b>Total</b>	<b>23.00</b>

## What is Value Added Tax (VAT)?

VAT is a tax charged on the supply of most goods and services in Fiji. It is the world's most common form of consumption tax.

## Things You Should Know About VAT

### 1. How does the VAT System operate?



- Businesses **must register** for VAT if it is engaged in a taxable activity and gross annual turnover is more than **FJ\$100,000**. Businesses can also choose to **voluntarily register** for VAT if the gross annual turnover is below **FJ\$100,000**

The only exception to this rule is if you are a produce supplier, where specific rules apply.

- Once a business is registered for VAT, it must charge VAT on all the goods and services it sells (referred to as "taxable supplies").
- The VAT payable at the end of the **tax period** to FRCS is the difference between the VAT paid on business expenses and the VAT charged on the sale of goods and the supply of services. There may be instances where you are entitled to a VAT refund from FRCS.

### 2. Types of Supplies



There are 3 types of supplies:

<b>Taxable Supplies</b>	Prior to <b>01 August 2023</b> there were <b>2 rates</b> , <b>9%</b> the general rate and <b>15%</b> , which applies to a wide range of goods and services for example electrical appliances and most goods and services associated with the tourism sector. Effective <b>01 August 2023</b> there was only <b>1 rate</b> used which is <b>15%</b> .
<b>Zero rated supplies</b>	Includes basic food stuffs and goods that have been "exported".
<b>Exempt supplies</b>	Covers financial and educational services as well as life and medical insurance.

### 3. What is a Tax Invoice?



- A **Tax Invoice** is a document that VAT registered businesses issue to their customers when they make a sale of goods or a supply of services. A VAT registered

business can only claim an input tax credit if it has a tax invoice from its supplier that states the words "tax invoice" and that the goods and services were used in your business.

### 4. Filing & Paying VAT to FRCS



- A VAT registered business is required to submit a VAT return with their payment to FRCS. The frequency of lodgement (referred to as "**tax periods**") of VAT returns depends on the turnover level of the VAT registered business.
- Where the annual gross turnover exceeds **FJ\$300,000** VAT returns are required to be lodged monthly.

## Value Added Tax (VAT)

**VAT to be paid to FRCS or refunded by FRCS = Output VAT - Input VAT**