

ACT NO. 13 OF 2020

I assent.

J. K. KONROTE
President

[31 July 2020]

AN ACT**TO AMEND THE TAX ADMINISTRATION ACT 2009**

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

1.—(1) This Act may be cited as the Tax Administration (Budget Amendment) Act 2020.

(2) This Act comes into force on 1 August 2020.

(3) In this Act, the Tax Administration Act 2009 is referred to as the “Principal Act”.

Section 46 amended

2. Section 46 of the Principal Act is amended by deleting subsections (2) to (4) and inserting the following new subsection—

“(2) Subject to subsection (5), a person to whom this section applies is liable to a penalty equal to the amount computed in accordance with the following formula—

(a) in the case of income tax—

$$\text{penalty} = A \times r \times t$$

where—

- A is the tax shortfall
- r is the rate of penalty at 15%
- t is the number of years after the year of assessment for the tax return; and

(b) in any other case—

$$\text{penalty} = A \times r \times t/12$$

where—

- A is the tax shortfall
- r is the rate of penalty at 15%
- t is the number of months after the period of assessment for the tax return.”.

Section 46A amended

3. Section 46A of the Principal Act is amended by—

(a) deleting subsection (1) and substituting the following—

“(1) This section applies to a person who makes a false or misleading statement as specified in section 46(1)(a) which—

- (a) does not result in a tax shortfall; but
- (b) results in a tax benefit arising from overstatement.”; and

(b) deleting subsection (2) and substituting the following—

“(2) Subject to subsection (3), a person to whom this section applies is liable to a penalty equal to the amount computed in accordance with the following formula—

(a) in the case of income tax—

$$\text{penalty} = A \times r \times t$$

where—

- A is the tax benefit arising from overstatement
- r is the rate of penalty at 15%
- t is the number of years after the year of assessment for the tax return; and

(b) in any other case—

$$\text{penalty} = A \times r \times t/12$$

where—

- A is the tax benefit arising from overstatement
 r is the rate of penalty at 15%
 t is the number of months after the period of assessment for the tax return.”.

Section 46B deleted

4. The Principal Act is amended by deleting section 46B.

Section 48 amended

5. Section 48(7) of the Principal Act is amended by deleting “other than that imposed under section 46”.

Section 116A amended

6. The Principal Act is amended by deleting section 116A and substituting the following—

“Offences by a tax agent

116A. A tax agent who, in his or her capacity as tax agent for a taxpayer, knowingly or recklessly—

- (a) prepares or causes to be prepared any document required to be produced for the purposes of complying with any tax law which is false or misleading in any material particular;
- (b) makes any entry in any document required to be produced for the purposes of complying with any tax law which is false or misleading in any material particular;
- (c) makes in any document produced to a tax officer for the purposes of complying with a tax law any statement which is false or misleading in any material particular or produces or delivers to a tax officer any such document containing any such statement; or
- (d) omits from a statement made to a tax officer any matter or thing without which the statement is false or misleading in a material particular,

commits an offence and is liable to a fine not exceeding \$50,000 or imprisonment for a term not exceeding 10 years or both.”.

Passed by the Parliament of the Republic of Fiji this 31st day of July 2020.