

INCOME TAX ACT 2015

**Income Tax (Exempt Income) (Amendment)  
Regulations 2023**

IN exercise of the powers conferred on me by section 142 of the Income Tax Act 2015, I hereby make these Regulations—

*Short title and commencement*

1.—(1) These Regulations may be cited as the Income Tax (Exempt Income) (Amendment) Regulations 2023.

(2) These Regulations come into force on 1 August 2023 except for regulation (3)(a) which comes into force on 1 January 2024 and regulation 3(b)(i) which is deemed to have come into force on 1 July 2023.

(3) In these Regulations, the Income Tax (Exempt Income) Regulations 2016 is referred to as the “Principal Regulations”.

*Regulation 4 deleted*

2. The Principal Regulations are amended by deleting regulation 4.

*Schedule amended*

3. The Schedule to the Principal Regulations is amended by—

(a) in Part 4, deleting paragraph (10); and

(b) in Part 9—

(i) deleting paragraph (3) and substituting the following—

“(3) The income of an Information Communications Technology business is exempt income based on capital investment and minimum number of employees as follows—

Capital Investment	Minimum Employees	Exemption Period
\$100,000 to \$250,000	25	5 years
\$250,001 to \$500,000	50	7 years
\$500,001 to \$1,000,000	75	10 years
greater than \$1,000,000	100	13 years

For the purpose of this paragraph—

“business process outsourcing” refers to providing core business support operations such as contact centres, accounting, payment processing, human resources, regulatory compliance, and quality assurance and includes customer-related services such as tech support, sales, and marketing;

“capital investment” means raw materials, capital equipment, plant, machinery, spare parts and any other goods employed in the production of other goods but does not include furniture or motor vehicles;

“Information Communications Technology business” means services provided by businesses registered with the Business Process Outsourcing (BPO) Council of Fiji that engage in business process outsourcing, knowledge process outsourcing, information technology outsourcing and shared services/ Global Business Services (GBS) but not including services relating to research and development and internet cafe or any retail or wholesale of information technology products or the repair, sale or service of any such products;

“information technology (IT) outsourcing” refers to providing third party IT related services such as infrastructure solutions, technical customer service support, and data analytics;

“knowledge process outsourcing” refers to providing specific knowledge based business task or function which require specialised skills and expertise such as engineering, financial consulting and auditing, legal work and data analytics; and

“shared services/Global Business Services (GBS)” refers to the provision of centralised functions such as Finance operations, Human Resource Management, including Payroll, Procurement, Engineering, Master data, Compliance, IT and Legal.”; and

(ii) deleting paragraph (14).

Made this 31st day of July 2023.

M. S. N. KAMIKAMICA  
Deputy Prime Minister and  
Acting Minister for Finance