

PUBLIC NOTICE

Message from the Attorney General and Minister for Finance Aiyaz Sayed-Khaiyum

On 6 November 2015 the Fiji First Government through the budget address announced a major reform to our taxation system that will create a level playing field and make taxes less burdensome. It will give the Government an opportunity to:

- help directly, and in a targeted fashion, low income earners;
- provide more and better essential services; and
- build better infrastructure for all Fijians.

Fiji's economy is experiencing unprecedented and sustained growth. All Fijians should reap the benefit of this growth and the Government intends to share these benefits with all Fijians by implementing, amongst other things, the announced tax reforms.

VAT will be reduced from 15% to 9%. This means all items that you currently pay VAT on will decrease by 6%. For some items, the prices will reduce by more than 6% because Government has also reduced the duty on these items.

Please note that VAT will now be charged on the following items: rice, flour, tinned fish, cooking oil, tea, powdered milk, kerosene and prescribed medicine.

Even though VAT will now be charged on these eight items, the reduction in VAT from 15% to 9% will reduce overall cost of living for all Fijians by at least 4.5%.

The reduction in VAT and duty is in addition to other FijiFirst Government initiatives including the Free Food voucher program, subsidised electricity and water for those households that earn less than \$30,000 annually, free education and free medication for Fijians who earn less than \$20,000 annually. The list of prescribed medicines that are available under the free medicine initiative will also be expanded from 72 to 142 items.

Government will put in place a new law by 20 November 2015 to ensure that shopkeepers and merchants will pass on the benefits of VAT and duty reductions to everyone. Shopkeepers and merchants that do not pass on these benefits, will commit an offence that will be punishable by large fines, and even, imprisonment.

We urge all Fijians to report any cases where they find that these price reductions are not passed on to them. They should immediately inform the Consumer Council of Fiji, which has received more funding from the Government to help them to monitor and report such offences.

The reduction to the rate of VAT will be effective from 1 January 2016. The new duty rates apply to any goods arriving after midnight on 5 November 2015.

We want everyone to understand what these reforms will mean for them. This brochure gives examples of how ordinary Fijians will benefit from the major reduction to VAT and duties. It sets out some of the items commonly purchased. It is by no means an exhaustive list, but is intended to show examples of the effect of the reform on ordinary Fijians.

Food and Household Items

Item Description	Unit	Current Average Price	Duty Change	VAT Change	New Price	Savings or Spendings	Increase/Decrease
Flour	10 kg	\$11.37	-	9%	\$12.39	1.02	↑
Flour	5kg	\$5.73	-	9%	\$6.25	0.52	↑
Powdered Milk	450g	\$4.81	-	9%	\$5.24	0.43	↑
Liquid Milk	1 litre	\$2.73	-	-6%	\$2.59	-0.14	↓
Tin Fish	425g	\$3.07	-	9%	\$3.35	0.28	↑
Rice	10kg	\$12.12	-	9%	\$13.21	1.09	↑
Kerosene	1l	\$1.56	-	9%	\$1.70	0.14	↑
Tea	100g	\$1.08	-10%	9%	\$1.05	-0.03	↓
Tuna (Canned)	142g	\$1.73	-	9%	\$1.89	0.16	↑
Frozen Chicken	Number 17	\$19.64	-	-6%	\$18.62	-1.02	↓
Chicken Liver	500g	\$4.74	-	-6%	\$4.49	-0.25	↓
Chicken Giblets	500g	\$6.25	-	-6%	\$5.92	-0.33	↓
Chicken Sausages	500g	\$6.00	-	-6%	\$5.69	-0.31	↓
Lamb Sausage	500g	\$5.39	-	-6%	\$5.11	-0.28	↓
Flavoured Milk	250ml	\$1.5	-	-6%	\$1.42	-0.08	↓
Juice Concentrate	640ml	\$9.49	-	-6%	\$8.99	-0.50	↓
Soap	800g	\$2.93	-	-6%	\$2.78	-0.15	↓
Toothpaste	100g	\$3.28	-	-6%	\$3.11	-0.17	↓
Toilet Paper	1x10s	\$4.6	-	-6%	\$4.36	-0.24	↓
Biscuit Crackers	375g	\$4.62	-	-6%	\$4.38	-0.24	↓
Corned Mutton	326g	\$6.44	-	-6%	\$6.10	-0.34	↓
Butter	125g	3.57	-	-6%	3.38	-0.19	↓

Food and Household Items

Item Description	Unit	Current Average Price	Duty Change	VAT Change	New Price	Savings or Spendings	Increase/ Decrease
Tomatoe Sauce	400ml	\$2.87	-	-6%	\$2.72	-0.15	↓
Dhal	1kg	\$2.52	-	-6%	\$2.39	-0.13	↓
Curry Powder	50g	\$1.09	-	-6%	\$1.03	-0.06	↓
Masala	50g	\$1.39	-	-6%	\$1.32	-0.07	↓
Noodles	5x85g	\$2.95	-	-6%	\$2.80	-0.15	↓
Sausage	1.5kg	\$14.96	-	-6%	\$14.18	-0.78	↓
Coconut Oil	750g	\$3.42	-	9%	\$3.73	0.31	↑
Baking Powder	350g	\$3.47	-	-6%	\$3.29	-0.18	↓
Yeast	500g	\$4.8	-	-6%	\$4.55	-0.25	↓
Onion	1kg	\$1.87	-	-6%	\$1.77	-0.10	↓
Potatoes	1kg	\$1.66	-	-6%	\$1.57	-0.09	↓
Canola Oil	500ml	\$1.97	-	9%	\$2.15	0.18	↑
Mustard Oil	500ml	\$4.29	-	9%	\$4.68	0.39	↑
Garlic	500g	\$2.19	-	-6%	\$2.08	-0.11	↓
Toor Dhal	500g	\$4.55	-	-6%	\$4.31	-0.24	↓
Chana Dhal	500g	\$3.27	-	-6%	\$3.10	-0.17	↓
Moong Dhal	500g	\$4.19	-	-6%	\$3.97	-0.22	↓
Blue Peas	500g	\$2.87	-	-6%	\$2.72	-0.15	↓
Sugar	10kg	\$17.2	-	-6%	\$16.30	-0.90	↓
Salt	1kg	\$0.99	-	-6%	\$0.94	-0.05	↓
Coffee	50g	\$4.46	-	-6%	\$4.23	-0.23	↓
Tumeric Powder	100g	\$1.58	-	-6%	\$1.50	-0.08	↓
Mosquito Coil	10sx-1packet	\$1.15	-	-6%	\$1.09	-0.06	↓
Cummin Seeds	100g	\$2.30	-	-6%	\$2.18	-0.12	↓
Mustard Seeds	50g	\$0.76	-	-6%	\$0.72	-0.04	↓

Food and Household Items

Item Description	Unit	Current Average Price	Duty Change	VAT Change	New Price	Savings or Spendings	Increase/ Decrease
Fenugreek	50g	\$0.78	-	-6%	\$0.74	-0.04	↓
Ghee	750ml	\$13.47	-	-6%	\$12.77	-0.70	↓
Baby Diaper	1x36	\$20.47	-	-6%	\$19.40	-1.07	↓
Detergent Washing Powder	910g	\$4.69	-	-6%	\$4.45	-0.24	↓
Bathing Soap	1x90g	\$1.00	-	-6%	\$0.95	-0.05	↓
Rolled Oats	400g	\$2.68	-	-6%	\$2.54	-0.14	↓
Liquid Bleach	2l	\$4.49	-	-6%	\$4.26	-0.23	↓
Dish Washing Paste	400g	\$3.69	-	-6%	\$3.50	-0.19	↓
Roll On Deoderant	50ml	\$5.92	-10%	-6%	\$4.88	-1.04	↓
Anti Perspirent Body Spray	150m	\$8.36	-10%	-6%	\$6.88	-1.48	↓
Shoes	1 pair	\$92.6	-6%	-6%	\$87.77	-4.83	↓
Canvas/ Jogging shoes	1 pair	\$129.00	-32%	-6%	\$77.27	-51.73	↓
Under pants and brief - Men	3 piece	\$30.00	-27%	-6%	\$18.87	-11.13	↓
Under pants and brief - Women	3 piece	\$40.00	-27%	-6%	\$25.16	-14.48	↓
Under pants and brief - Children	3 piece	\$10.00	-27%	-6%	\$6.29	-3.71	↓
Rolled Fabric - 10 metres	\$4 per metre	\$40.00	-5%	-6%	\$35.73	-4.27	↓

Food and Household Items

Item Description	Unit	Current Average Price	Duty Change	VAT Change	New Price	Savings or Spendings	Increase/ Decrease
Clothes - Children (school) - Shirt	Size 30	\$4.9	-	-6%	\$4.64	-0.26	↓
Clothes - Children (school) - Pants	Size 21/22	\$10.3	-	-6%	\$9.76	-0.54	↓
Clothes - Children (school) - Trousers	Small	\$8.75	-	-6%	\$8.29	-0.46	↓
Clothes - Children (school) - Sulu	Size 21/22	\$13.4	-	-6%	\$12.70	-0.70	↓
Clothes - Children (school) - Vest	Small	\$6.73	-	-6%	\$6.38	-0.35	↓
Clothes - Children (school) - Dress	size 6	\$15	-	-6%	\$14.22	0.78	↓
Clothes - Children (school) - Skirt	size 18/20/22	\$15.3	-	-6%	\$14.50	-0.80	↓
Clothes - Children (school) - Tops	size 12/14	\$11.85	-w	-6%	\$11.23	-0.62	↓

Fuel

	Price (L)	Price (L)	Savings (L)/	Increase/
	(VIP 15%)	(VIP 9%)	Spending	Decrease
Motor Spirit (Unleaded)	\$2.11	\$2.00	-0.11	↓
Gasoil (Diesel)	\$1.64	\$1.55	-0.09	↓
Pre-mixed Outboard Fuel	\$1.99	\$1.89	-0.10	↓
Kerosene	\$1.25	\$1.36	\$0.11	↑
LPG Auto Gas	\$1.63	\$1.55	-0.09	↓
Cooking Gas 12kg	\$31.95	\$30.28	-1.67	↓
Cooking Gas 4.5kg	\$12.95	\$12.27	-1.66	↓

Duty & VAT Reduction

Items	Duty Change (%)	Import Excise Change (%)	VAT Change (%)	Total Change (%)
Vehicles carrying 10-22 passengers	-27%	-10%	-6%	-43%
New tyres	-27%	0%	-6%	-33%
Inner tube of rubber for motor vehicles	-27%	0%	-6%	-33%
Kayaks	-27%	0%	-6%	-33%
Perfume	-17%	0%	-6%	-23%
Cosmetics (Beauty and make up preparations)	-17%	0%	-6%	-23%
Pre-shave, shaving or after shave preparations	-17%	0%	-6%	-23%
Cameras and Camcorders	-17%	0%	-6%	-23%
Sunglass	-17%	0%	-6%	-23%
Binoculars	-17%	0%	-6%	-23%
Video & electronic games	-17%	0%	-6%	-23%
Watches	-17%	0%	-6%	-23%
Laptops	0%	0%	-6%	-6%
iPod, MP3 and MP4 players	-17%	0%	-6%	-23%
Jewelry	-17%	0%	-6%	-23%
Inner tube of rubber for bicycle	-15%	0%	-6%	-21%
Quad Bikes	-10%	-10%	-6%	-26%
Motor Cycles	-10%	0%	-6%	-16%
Bicycles	-5%	0%	-6%	-11%
Testing kits and diabetic strips	-5%	0%	-6%	-11%
Sewing machines, second hand sewing machines, spare parts and, consumables	-5%	0%	-6%	-11%
All raw materials and packaging materials	-3%	0%	-6%	-9%
Tea	-10%	0%	9%	-1%
Second Hand Tyres	88%	0%	-6%	82%
Day Old Chicks	-5%	0%	-6%	-11%
Fertile Eggs	-32%	0%	-6%	-38%
Wireless Modems	-5%	0%	-6%	-11%

