

**EXTRAORDINARY
GOVERNMENT OF FIJI GAZETTE SUPPLEMENT**

No. 29

SATURDAY, 30th JULY

2016

[LEGAL NOTICE NO. 64]

INCOME TAX ACT 2015
(ACT NO. 32 OF 2015)

Income Tax (Employment Incentives) Regulations 2016

IN exercise of the powers conferred on me by section 25A(1) of the Income Tax Act 2015, I hereby make these Regulations—

PART 1—PRELIMINARY

Short title and commencement

1.—(1) These Regulations may be cited as the Income Tax (Employment Incentives) Regulations 2016.

(2) These Regulations come into force on 1 August 2016.

Interpretation

2.—(1) In these Regulations, unless the context otherwise requires, “Act” means the Income Tax Act 2015.

(2) In these Regulations, words and phrases have the same meaning as under the Act unless the context otherwise requires.

PART 2—EMPLOYMENT INCENTIVES

Registration for employment incentives

3.—(1) A person may, where applicable, apply to the CEO for an employment incentive specified in these Regulations.

(2) An application under subregulation (1) must be made in the form approved by the CEO.

(3) A person who applies for an employment incentive under subregulation (1) must register with the CEO by providing such information as the CEO may require.

First-time employees

4.—(1) A person carrying on business in Fiji is allowed a deduction for—

- (a) 150% of the amount of any salary or wages paid to a qualifying employee between 1 January 1997 and 31 July 2016; and
- (b) 200% of the amount of any salary or wages paid to a qualifying employee between 1 August 2016 and 31 December 2020,

provided that the salary or wages paid to the qualifying employee in respect of whom the deduction is claimed must not be less than the minimum wage prescribed by written law for a particular industry or sector.

(2) The deduction under subregulation (1) is not available unless the CEO is satisfied that such person has not terminated the employment of any qualifying employee in order to take advantage of the deduction.

(3) Notwithstanding subregulations (1) and (2), the deduction under subregulation (1) is restricted to the salary and wages paid in respect of the 12-month period commencing from the date of the appointment of the qualifying employee.

(4) For the purpose of subregulations (1) to (3), “qualifying employee” means an additional employee who commences employment in Fiji after 31 December 1996 and who has not previously been in full-time paid employment.

Work placements

5.—(1) A person is allowed a deduction for 200% of the amount of any salary or wages paid to a student for employment of the student for a period not exceeding 6 months in a 12-month period before the student’s graduation where the employment forms part of the student’s course requirements of a higher education institution as defined in the Higher Education Promulgation 2008.

(2) The deduction under subregulation (1) may only be claimed between 1 August 2016 and 31 December 2020.

Part-time workers

6.—(1) A person is allowed a deduction for 200% of the amount of any salary or wages paid to a student for employment of the student in an area related to the student’s area of study for a period not exceeding 3 months in a 12-month period.

(2) The deduction under subregulation (1) may only be claimed between 1 August 2016 and 31 December 2020.

Persons with disabilities

7.—(1) A person is allowed a deduction for 300% of the amount of any salary or wages paid to a person with a disability for a consecutive period of 3 years, provided that if the employee is unfairly dismissed, any deduction allowed must be recouped by the CEO.

(2) The deduction under subregulation (1) may only be claimed between 1 August 2016 and 31 December 2022.

Employee development

8. A person is allowed a deduction for 150% of the amount paid by the person for an employee’s education fees to study during the course of the employee’s employment, provided that the employee is required to work for the person for a minimum of one year upon the completion of the employee’s study.

PART 3—MISCELLANEOUS

Offence

9.—(1) A person who knowingly or recklessly—

- (a) makes a false or misleading statement in a material particular to a tax officer; or

- (b) 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.
- (2) For the purpose of subregulation (1), the Tax Administration Decree 2009 applies.

Made this 29th day of July 2016.

A. SAYED-KHAIYUM
Attorney-General and Minister for Finance