FRCS Assistance

1. Tax Education

FRCS provides training and awareness to taxpayers. This is a free of charge service and can be requested by all taxpayers.

For more information, please contact us on **3243000**, **1326** or email at *education@frcs.org.fj*.

2. TPOS Assistance

We also have educational materials on TPOS processes on our website. This includes video tutorials, user guides and webinar sessions etc. The guides may be used by online users to assist them in accessing different processes on TPOS.

For more information please visit this link below: *https://bitly.cx/hMeSg*

FIJI REVENUE AND CUSTOMS SERVICE

Revenue & Customs Service Complex,
Lot 1 Corner of Queen Elizabeth Drive
& Ratu Sukuna Road, Nasese, Suva.

3243000 or 1326 info@frcs.org.fj
www.frcs.org.fj

Disclaimer:
The information in this brochure is general in nature and does not constitute specific tax advice to any person. To the extent that any such information constitutes financial advice, it does not take into account any person's particular financial situation or goals. We recommend that you obtain an independent tax advice for your own circumstances. FRCS does not accept any liability for the use of, or reliance on, this information.

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FIJI REVENUE AND CUSTOMS SERVICE

Fringe Benefits Tax (FBT)

The FBT is covered under Section 69 of the Income Tax Act 2015.

Did You Know?

You can register and file a FBT return online once you have successfully signed up on the new Taxpayer Online Service (TPOS).

1. What is FBT?

FBT is a tax levied at the rate of 20% on the fringe benefit taxable amount (non-cash benefits) of the employer for each quarter.

2. Who pays FBT?

It is paid by the employer or the provider of the benefit.

3. What is non-cash benefit?

A noncash benefit is any benefit that an employer pays for an employee or (Family member) that is of a private nature. For example, as part of an employee's contract they may be provided with a rent-free house and a vehicle for private use.

Type of Fringe Benefits	Description
Debt Waiver	Employer writes off the employee's debt
Household Personnel	Employer pays for the employee's household expenses e.g. house-keeper, driver, gardener etc.
Housing	Employer pays/ provides employees accommodation e.g. rent
Motor Vehicle	Employer provides the employee with a Motor Vehicle
Discounted Interest Loan	Employer provides reduced interest rate for employee loan
Meal & Refreshment	Employer provides free meals and refreshment to an employee
Private Expenditure	Employer pays for employee's personal bills e.g. utility bills
Property	Employer pays/provides property for employees private use e.g. gym
Residual	Employer pays/provides other forms of non-cash benefits not covered in any of the above e.g. subscriptions for club fees

Exempt Fringe Benefits

Some benefits are exempt from FBT e.g. living-away-from-home allowances, health insurance etc.

For more information on Exempt, Valuation and Calculation of Fringe Benefits, please visit this link: *https://bitly.cx/YkncN*

FBT Registration and Obligations of the Employer

The employer/an associate of an employer/ third party arranger must:

Register for FBT with FRCS within **30 days of becoming liable**. They can register on the Taxpayer Online Service (TPOS) on this link: *https://bitly.cx/oVZ7M*.

- File a FBT return and pay any tax due on or before the due date of the month following the quarter.
- Declare any fringe benefit provided during the period in their VAT return.
- Keep proper records for at least 7 years before they can be discarded.

FBT Calculation

1. FBT Formula

A/(1-r) where:

- **A** – is the Total Value of Fringe Benefit provided by the Employer to the employees for the quarter
- **r** – is the Fringe Benefit Tax rate

2. FBT Calculation

The Fringe benefit taxable amount is calculated by using the FBT formula.

E.g. Total value of Fringe Benefit provided for the quarter is $20,000.

Fringe benefit amount	Calculate Fringe Benefit Taxable Amount	FBT Payable
FJ$20,000	Step 1 FBTA = A/(1-r) = 20,000 / (1-0.20) = 20,000 / 0.80 FBTA = 25,000 Step 2 FBT = 25,000 x 20% FBT = 5,000	$5,000 for the quarter

The FBT payable for the quarter is FJ$5,000.

Fringe Benefit Valuation

The value of a benefit should be the fair market value of the benefit at the time it is provided to the employee and be apportioned if the expense incurred by an employer is partly for private use and work purposes of an employee.