BILL NO. 21 OF 2026

A BILL

FOR AN ACT TO IMPOSE TAX ON TOURISM SERVICES AND FOR RELATED MATTERS

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

1.—(1) This Act may be cited as the Tourism Services Tax Act 2026.

(2) This Act comes into force on 1 September 2026.

Interpretation

2. In this Act, unless the context otherwise requires—

"accountable person" means the owner, manager, sole precedent partner and otherwise the person who is responsible for the daily management of the tourism service and is responsible for the collection of tax under section 3(1);

"CEO" means the Chief Executive Officer of the Fiji Revenue and Customs Service appointed under section 27 of the Fiji Revenue and Customs Service Act 1998;

"Minister" means the Minister responsible for finance;

"person" means an individual, company, partnership or trust;

"precedent partner", in relation to a partnership, means the partner who, of the partners resident in Fiji—

(a) is first named in the agreement of partnership;

(b) if there is no agreement, is named singly or with precedence over the partners in the usual name of the partnership; or

(c) is the precedent active partner if the partner named with precedence is not an active partner,

and includes, where no partner is resident in Fiji, the attorney, agent, manager or factor of the partnership resident in Fiji;

"Service" means the Fiji Revenue and Customs Service;

"tourism service" means a service listed in the Schedule;

"Tourism Services Tax" means the tax imposed under section 3(1); and

"turnover" means any sums or amounts received or receivable by or on behalf of the owner of a tourism service in respect of any sums or amounts included in a charge for a tourism service.

Levy and payment of Tourism Services Tax

3.—(1) Subject to this Act, a tax at the rate of 5% must be levied on the annual gross turnover of a person conducting a business that involves the provision of a tourism service, where the annual gross turnover is over $2 million.

(2) The Tourism Services Tax is payable by the person to whom the tourism service is provided.

(3) Notwithstanding subsection (2), the Tourism Services Tax is payable and recoverable from the accountable person under section 4.

(4) The Tourism Services Tax levied under subsection (1) must—

(a) not be subject to the value added tax charged or levied under the Value Added Tax Act 1991; and

(b) be clearly and separately shown on a tax invoice, invoice or receipt issued for the payment of any tourism service charge.

Tourism Services Tax to be paid and returns made to Service

4.—(1) The accountable person must—

(a) before or on the last day of each month following the month in which the tax was collected, pay the CEO any outstanding Tourism Services Tax; and

(b) provide a return setting out the total amount of the turnover for that month.

(2) An accountable person who—

(a) fails to provide a return required under subsection (1)*(b)*; or

(b) provides a return which is false or incorrect in any material particular,

commits an offence and is liable on conviction to a fine not exceeding $25,000 or to imprisonment for a term not exceeding 10 years, or both.

Tourism Services Tax directed to Fiji Airways

5. From 1 September 2026 to 31 August 2027, the tax collected under section 3(1) must be paid to the company that owns or operates Fiji Airways.

Accountable person to register with the Service

6.—(1) Subject to subsection (2), the owner or the person who is responsible for the daily management of a tourism service must, within 30 days before the commencement of the business, register with the CEO the following—

(a) name and address of the accountable person for the tourism service;

(b) names and addresses of any partners and associates in that business, indicating the precedent partner;

(c) names and addresses of the directors and authorised officers of the company, in the case of a company;

(d) trade or business name where the business is carried on under a name or style other than under his or her name; and

(e) place and address where the person intends to carry out the tourism service.

(2) At the commencement of this Act, the person who is responsible for the daily management of a tourism service is deemed to be registered under this section as an accountable person.

(3) It is deemed to be sufficient compliance with subsection (1) if, in the case of a partnership, the precedent partner, and in the case of a body of persons, the manager, effect the registration of that partnership or body of persons.

Avoidance of Tourism Services Tax

7. If there are reasonable grounds for the CEO to believe that any dealings have the direct or indirect effect of—

(a) altering the incidence of any Tourism Services Tax that is payable or suffered by, or which would otherwise have been payable or suffered by any person;

(b) relieving any person from any liability that has arisen or which would otherwise have arisen to pay Tourism Services Tax or file a Tourism Services Tax return;

(c) evading or avoiding any liability which is imposed or would otherwise have been imposed on any person under this Act; or

(d) hindering or preventing the operation of this Act in any respect,

the CEO may, without prejudice to such validity as it may have in any other respect or for any other purpose, disregard or vary the dealings and make such assessments as CEO considers just and proper in the circumstances.

Application of the Income Tax Act 2015

8. Section 102 of the Income Tax Act 2015 applies for the purpose of this Act.

Regulations

9. The Minister may make regulations prescribing matters that are required or permitted by this Act to be prescribed or are necessary or convenient to be prescribed for carrying out or giving effect to this Act and generally for achieving the purposes of this Act.

SCHEDULE
(Section 2)

TOURISM SERVICES

1. Provision of accommodation, refreshments and any other services by a licensed hotel.
2. Any services provided in a vessel that is wholly or principally engaged in the carriage of tourists within Fiji.
3. Provision of meals and beverages in a licensed bar or club located in any part of a hotel.
4. Provision of inbound tour services.
5. Provision of all water sports including under water activities, surfing and river safari.
6. Provision of similar services listed in all the above.

Office of the Attorney-General
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June 2026

TOURISM SERVICES TAX BILL 2026

EXPLANATORY NOTE

(This note is not part of the Bill and is intended only to indicate its general effect)

1.0 BACKGROUND

1.1 The Tourism Services Tax Bill 2026 (**'Bill'**) provides for the imposition of a tax at the rate of 5% on the turnover of any person conducting a business involving the provision of a tourism service, with an annual gross turnover of over $2 million. The tourism services are prescribed in the Schedule to the Bill.

2.0 CLAUSES

2.1 Clause 1 of the Bill provides for the short title and commencement. If passed by Parliament, the new legislation will come into force on 1 September 2026.

2.2 Clause 2 of the Bill provides for the interpretation and definition of key terms used throughout the Bill.

2.3 Clause 3 of the Bill provides for the levy and payment of a Tourism Services Tax at the rate of 5%.

2.4 Clause 4 of the Bill provides that the person who is responsible for the daily management of a tourism service, that is, the accountable person must pay the Fiji Revenue and Customs Service (**'Service'**) the Tourism Services Tax that is collected and failure to do so is an offence.

2.5 Clause 5 of the Bill provides that from 1 September 2026 to 31 August 2027, the Tourism Services Tax collected will be paid to the company that owns or operates Fiji Airways.

2.6 Clause 6 of the Bill provides that an accountable person from a tourism service must be registered with the Service. For a business that is already operating, the person responsible for the daily management of the business will be deemed to be the accountable person from 1 August 2026. For new businesses, an accountable person must be registered with the Service within 30 days of commencing business.

2.7 Clause 7 of the Bill provides that the chief executive officer of the Service has the authority to address arrangements that may be designed to reduce, avoid or interfere with Tourism Services Tax obligations.

2.8 Clause 8 of the Bill provides for the application of section 102 of the Income Tax Act 2015.

2.9 Clause 9 of the Bill provides for the Minister's regulation making powers.

3.0 MINISTERIAL RESPONSIBILITY

3.1 The new legislation comes under the responsibility of the Minister responsible for finance.

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