



TECHNICAL ASSISTANCE REPORT

REPUBLIC OF FIJI

Tax Administration Diagnostic Assessment Tool Performance Assessment Report

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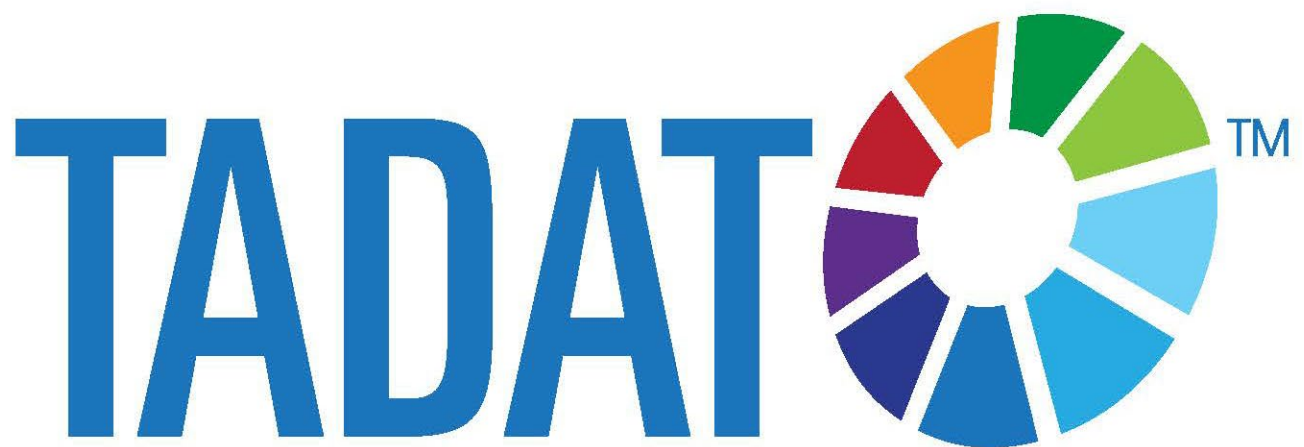
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TAX ADMINISTRATION DIAGNOSTIC
ASSESSMENT TOOL

Performance Assessment Report

Republic of Fiji

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November 2025

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ABBREVIATIONS AND ACRONYMS

ADR	Alternative Dispute Resolution
ATO	Australian Tax Office
CEO	Chief Executive Officer
CIS	Compliance Improvement Strategy
CIT	Corporate Income Tax
FAQ	Frequently Asked Questions
FICAC	Fiji Independent Commission Against Corruption
FIRCA	Fiji Islands Revenue and Customs Authority
FNPF	Fiji National Provident Fund
FRCS	Fiji Revenue and Customs Service
HQ	Headquarters
HR	Human Resources
IMF	International Monetary Fund
IT	Information Technology
LTA	Land Transport Authority
MoF	Ministry of Finance
MSME	Micro, Small and Medium Enterprises
NTIS	New Tax Information System
OAG	Office of the Auditor General
PAYE	Pay As You Earn
PIT	Personal Income Tax
POA	Performance Outcome Area
RAFIT	Risk Assessment and Financial Intelligence Team
SIGs	Standard Interpretation Guidelines
SOP	Standard Operating Procedure
TAA	Tax Administration Act
TADAT	Tax Administration Diagnostic Assessment Tool
TIN	Tax Identification Number
TPOS	Taxpayer Online Services
VAT	Value Added Tax
VMS	VAT Monitoring System

PREFACE

An assessment of the system of tax administration of Fiji was undertaken during the period 01/09/2025 to 12/09/2025 using the Tax Administration Diagnostic Assessment Tool (TADAT). This assessment is a repeat of the first TADAT assessment conducted for Fiji in February 2015. TADAT provides an assessment baseline of tax administration performance that can be used to determine reform priorities, and, with subsequent repeat assessments, highlight reform achievements.

The assessment team comprised the following: Margaret Cotton, Vincent de Paul Koukpaizan, Stephen Vesperman and Katrina Williams, all International Monetary Fund, and Yuhei Chiba (Asian Development Bank). The assessment team met with Mr. Udit Singh, Chief Executive Officer (CEO) of the Fiji Revenue and Customs Service (FRCS), the senior management team, and several FRCS staff from the headquarters and Suva branch office. The assessment team also met with Ms. Lavi Lotu Rokoiko, the acting Commissioner of the Fiji Independent Commission against Corruption (FICAC).

The mission team acknowledges the support provided by FRCS and particularly Margaret King and Mereia Waqa, the mission team's main counterparts.

A draft performance assessment report was presented to the FRCS at the close of the in-country assessment. Written comments received from the FRCS on the draft report have been considered by the assessment team and, as appropriate, reflected in this final version of the report.

EXECUTIVE SUMMARY

This repeat TADAT assesses the performance of Fiji's tax administration system against international good practice. The results of the assessment indicate mixed performance across the nine performance outcome areas. Scores for seven out of 32 indicators are in the A-B range, reflecting strong performance, while scores for the other 25 indicators are in the C-D range, reflecting weak or inadequate performance.¹

The results of the TADAT assessment for Fiji follow, including the identification of the main strengths and weaknesses.

Strengths

- Taxpayer service information is comprehensive, current, and accessible through multiple channels.
- Data is used for profiling and risk assessments.
- Electronic filing is nearing international standards.
- Detailed multi-year compliance improvement strategy (CIS) highlights key compliance focus areas.
- Attention is given to managing taxpayer compliance costs.
- Audit and dispute resolution functions are clearly separated.

Weaknesses

- Legacy data migration issues are creating data integrity challenges in the registration database.
- Formal processes to manage human capital risks are lacking.
- On-time filing rates for most core taxes are below international standards.
- Electronic payment rates are low and there are significant tax arrears.
- Tax audit programs do not cover all core taxes and are not evaluated for effectiveness.
- Monitoring of dispute cases and their resolution timelines is limited
- There is inadequate risk management of value added tax (VAT) refund cases.
- External oversight of taxpayer complaints is limited.

Broadly, Fiji has improved in several key areas since the 2015 assessment, most notably in supporting voluntary compliance and disputes resolution processes. However, the absence of a comprehensive compliance management program for large taxpayers, covering all four core obligations, hinders good performance in several performance outcome areas. Legacy data migration issues linger, creating several data integrity challenges, particularly in registration and filing performance. Further, whilst the FRCS has plans underpinning its operational activities, the results and outcomes are not routinely monitored or reported against. This has limited the lessons learned from each initiative and opportunities to design new more effective interventions. Despite its substantial contribution to overall revenue

¹ Direct comparison across all dimensions is not possible as some of the TADAT indicators and dimensions changed after the 2015 assessment (for example, the human capital risk dimension and indicators were added in 2019).

collection, VAT management remains inadequate. To address these shortcomings, FRCS has committed to using this assessment for reform planning through a post-TADAT engagement scheduled for December 2025.

Table 1 provides a summary of performance scores, and Figure 1 presents a graphical snapshot of the distribution of scores. The scoring is structured around the TADAT framework's nine performance outcome areas (POAs) and 32 high level indicators critical to tax administration performance. An 'ABCD' scale is used to score each indicator, with 'A' representing the highest level of performance and 'D' the lowest.

Table 1. Fiji: Summary of TADAT Performance Assessment

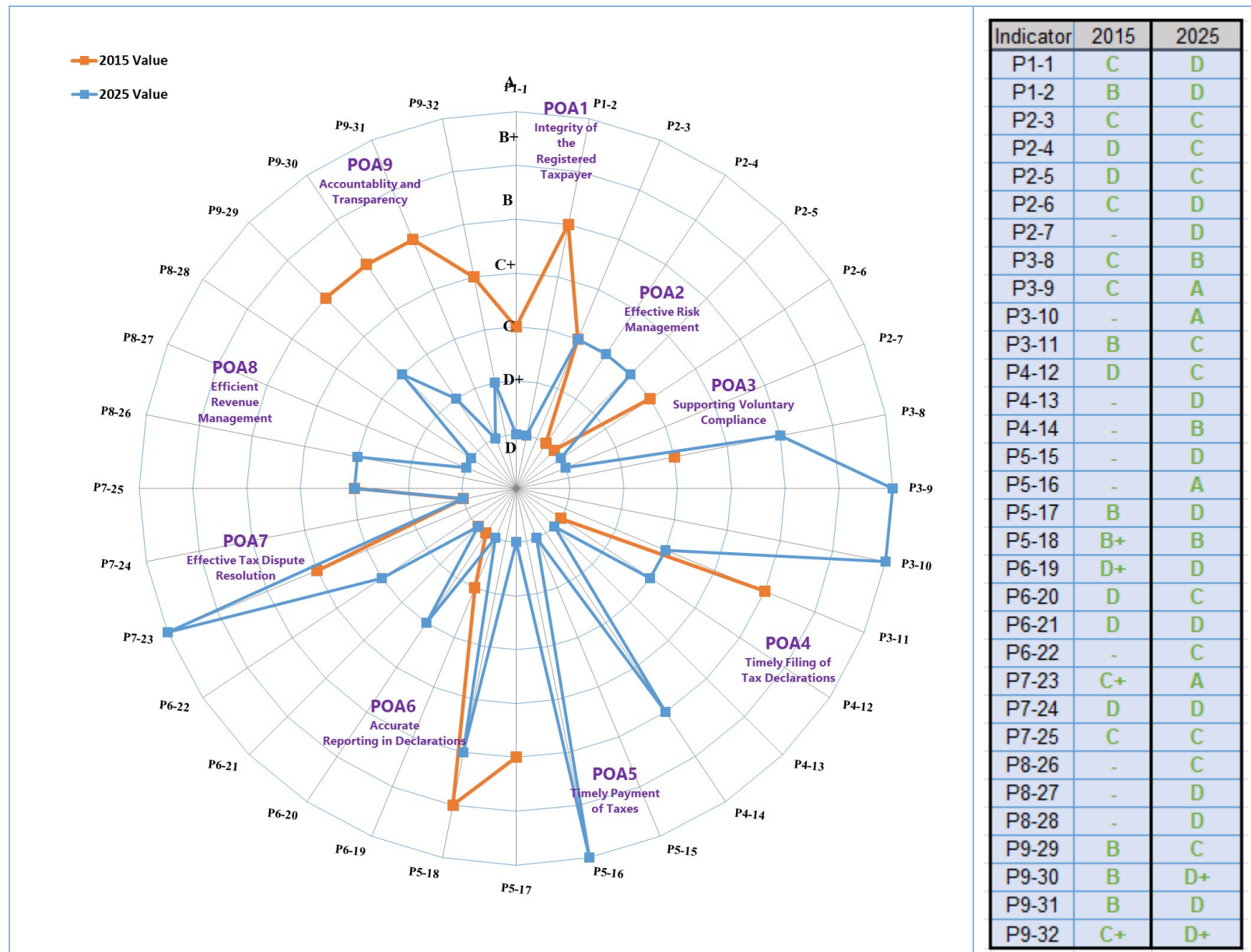
Indicator	Scores 2015	Scores 2025	Summary Explanation of Assessment
POA 1: Integrity of the Registered Taxpayer Base			
P1-1. Accurate and reliable taxpayer information.	C	D	The registration database is centralized and computerized, holding comprehensive taxpayer data. It lacks segmentation data and mechanisms to flag inactive taxpayers, leading to data accuracy concerns. No large-scale data verification is undertaken.
P1-2. Knowledge of the potential taxpayer base.	B	D	Initiatives to detect unregistered businesses and individuals exist but are not systematic nor are results documented.
POA 2: Effective Risk Management			
P2-3. Identification, assessment, ranking, and quantification of compliance risks.	C	C	Some intelligence gathering and analysis of external and internal data is done to identify compliance risks, but it is not comprehensive. A structured risk assessment process is used to assess and prioritize compliance risks.
P2-4. Mitigation of risks through a compliance improvement plan.	D	C	A detailed multi-year CIS has been developed, however only some of the risk intervention strategies are resourced.
P2-5. Monitoring and evaluation of compliance risk mitigation activities.	D	C	Robust governance arrangements exist. The effectiveness of risk mitigation interventions is sometimes documented.
P2-6. Management of operational risks.	C	D	An enterprise risk management framework exists to assess, prioritize, and document operational risks. However, a business impact analysis has not been finalized and there is no business continuity plan.

Indicator	Scores 2015	Scores 2025	Summary Explanation of Assessment
P2-7. Management of human capital risks.	-	D	There is no formal process in place to identify, assess, prioritize, and mitigate human capital risks. The annual report does not include human capital risk assessments or mitigation strategies.
POA 3: Supporting Voluntary Compliance			
P3-8. Scope, currency, and accessibility of information.	C	B	Timely information is available to taxpayers at no cost through a range of channels. Information is tailored, but not yet for disadvantaged groups. Taxpayers are informed of changes before they apply.
P3-9. Time taken to respond to information requests.	-	A	Telephone enquiries are centrally managed and answered on a timely basis.
P3-10. Scope of initiatives to reduce taxpayer compliance costs.	-	A	Taxpayers can securely access their account details and compliance is simplified for small taxpayers. Processes are reviewed to minimize compliance costs.
P3-11. Obtaining taxpayer feedback on products and services.	B	C	Ad hoc feedback mechanisms are in place. Taxpayers and intermediaries are actively involved in the design and testing of new products and processes.
POA 4: Timely Filing of Tax Declarations			
P4-12. On-time filing rate.	D	C	On-time filing rates are significantly below international good practice.
P4-13. Management of non-filers.	-	D	Several methods are used to promptly identify and follow up non-filers. However, penalties are not automatically applied.
P4-14. Use of electronic filing facilities.	-	B	Electronic filing is over 85 percent across all core taxes, but large taxpayer e-filing is below 100 percent.
POA 5: Timely Payment of Taxes			
P5-15. Use of electronic payment methods.	-	D	Electronic payments for core taxes are low.
P5-16. Use of efficient collection systems.	-	A	Withholding at source exists for interest and employment income, and an advance payment regime is in place for personal and corporate income tax.

Indicator	Scores 2015	Scores 2025	Summary Explanation of Assessment
P5-17. Timeliness of payments.	B	D	VAT payments are timely except for payments by large taxpayers.
P5-18. Stock and flow of tax arrears.	B+	B	Collectible and aged core tax arrears are above recommended standards. Nearly half of all tax arrears are over a year old.
POA 6: Accurate Reporting in Declarations			
P6-19. Scope of verification actions taken to detect and deter inaccurate reporting.	D+	D	Annual tax audit plans are developed for key segments and industries, but do not explicitly cover all core taxes, nor is audit effectiveness assessed.
P6-20. Use of large-scale data-matching systems to detect inaccurate reporting.	D	C	Large scale automatic data cross checking to verify details in tax declarations occurs. Data from banks is available on request.
P6-21. Initiatives undertaken to encourage accurate reporting.	D	D	Private binding rulings are issued, whereas public binding rulings are not.
P6-22. Monitoring the tax gap to assess inaccuracy of reporting levels.	-	C	Only a VAT gap analysis has been undertaken.
POA 7: Effective Tax Dispute Resolution			
P7-23. Existence of an independent, workable, and graduated dispute resolution process.	C+	A	The dispute resolution process is adequately graduated, and independent from the audit teams.
P7-24. Time taken to resolve disputes.	D	D	Dispute resolution timeliness is not monitored.
P7-25. Degree to which dispute outcomes are acted upon.	C	C	Dispute outcome monitoring and follow-up actions are ad hoc.
POA 8: Efficient Revenue Management			
P8-26. Contribution to government tax revenue forecasting process.	-	B	FRCS contributes to tax revenue forecasting. However, tax expenditures are not reported on an annual basis, and tax losses carried forward are not consistently monitored.
P8-27. Adequacy of the tax revenue accounting system.	-	D	The revenue accounting system does not interface with the Ministry of Finance. Tax payments are posted in a timely manner, but external audits are not conducted to verify compliance with tax legislation and government accounting standards.

Indicator	Scores 2015	Scores 2025	Summary Explanation of Assessment
P8-28. Adequacy of tax refund processing.	-	D	Risk assessment of VAT refund returns is inadequate and refund processing time exceeds TADAT standards.
POA 9: Accountability and Transparency			
P9-29. Internal assurance mechanisms.	B	C	Internal Audit does not conduct financial audits. Statistics on integrity-related cases are not published.
P9-30. External oversight of the tax administration.	B	D+	Financial statements are externally audited annually. There is no ombudsman or equivalent authority.
P9-31. Public perception of integrity.	B	D	Public confidence in FRCS is not monitored, nor are integrity surveys conducted.
P9-32. Publication of activities, results, and plans.	C+	D+	Strategic plans, annual corporate plans, and annual reports are published but not on a timely basis.

Figure 1. Fiji: Distribution of Performance Scores



I. INTRODUCTION

This report documents the results of the TADAT assessment conducted in Fiji during the period 01/09/2025 to 12/09/2025 and subsequently reviewed by the TADAT Secretariat.

The report is structured around the TADAT framework of nine Performance Outcome Areas (POA) and 32 high level indicators critical to tax administration performance that are linked to the POAs. Fifty-five measurement dimensions are taken into account in arriving at each indicator score. A four-point 'ABCD' scale is used to score each dimension and indicator:

- 'A' denotes performance that meets or exceeds international good practice. In this regard, for TADAT purposes, a good practice is taken to be a tested and proven approach applied by a majority of leading tax administrations. It should be noted, however, that for a process to be considered 'good practice', it does not need to be at the forefront or vanguard of technological and other developments. Given the dynamic nature of tax administration, the good practices described throughout the field guide can be expected to evolve over time as technology advances and innovative approaches are tested and gain wide acceptance.
- 'B' represents sound performance (i.e. a healthy level of performance but a rung below international good practice).
- 'C' means weak performance relative to international good practice.
- 'D' denotes inadequate performance and is applied when the requirements for a 'C' rating or higher are not met. Furthermore, a 'D' score is given in certain situations where there is insufficient information available to assessors to determine and score the level of performance. For example, where a tax administration is unable to produce basic numerical data for purposes of assessing operational performance (e.g., in areas of filing, payment, and refund processing) a 'D' score is given. The underlying rationale is that the inability of the tax administration to provide the required data is indicative of deficiencies in its management information systems and performance monitoring practices.

For further details on the TADAT framework, see Attachment I.

1. Some points to note about the TADAT diagnostic approach are:

- TADAT assesses the performance outcomes achieved in the administration of the major direct and indirect taxes critical to central government revenues, specifically Corporate Income Tax (CIT), Personal Income Tax (PIT), Value Added Tax (VAT), domestic excise tax (with a focus is on those registered domestic excise taxpayers who trade in the category of goods/services that contribute 70 percent of the total domestic excise revenue by value), and Pay As You Earn (PAYE) amounts withheld by employers (which, strictly speaking, are remittances of PIT). By assessing outcomes in relation to administration of these core taxes, a picture can be developed of the relative strengths and weaknesses of a country's tax administration.

- TADAT assessments are evidence based (see Attachment V for the sources of evidence applicable to the assessment of Fiji).
- TADAT is not designed to assess special tax regimes, such as those applying in the natural resource sector. Nor does it assess customs administration.
- TADAT provides an assessment within the existing revenue policy framework in a country, with assessments highlighting performance issues that may be best dealt with by a mix of administrative and policy responses.

2. The aim of TADAT is to provide an objective assessment of the health of key components of the system of tax administration, the extent of reform required, and the relative priorities for attention. TADAT assessments are particularly helpful in:

- Identifying the relative strengths and weaknesses in tax administration.
- Facilitating a shared view among all stakeholders (country authorities, international organizations, donor countries, and technical assistance providers).
- Setting the reform agenda (objectives, priorities, reform initiatives, and implementation sequencing).
- Facilitating management and coordination of external support for reforms and achieving faster and more efficient implementation.
- Monitoring and evaluating reform progress by way of subsequent repeat assessments.

II. COUNTRY BACKGROUND INFORMATION

A. Country Profile

General background information on Fiji and the environment in which its tax system operates is provided in the country snapshot in Attachment II.

B. Data Tables

Numerical data gathered from the authorities and used in this TADAT performance assessment is contained in the tables comprising Attachment III.

C. Economic Situation

Fiji, a middle-income economy, is recovering economically with Gross Domestic Product (GDP) growth recorded at 3.7 percent in 2024, mainly attributed to increased tourism activity. Tourism contributes up to 40 percent of GDP and provides employment for over one third of the country's workforce, while other industries have yet to match this pace of growth.² In 2024, total inward remittances rose by 6.0 percent to a record high of FJD1,329.7 million with projections indicating a further 7.0 percent increase to FJD1,422.2 million in 2025.³ The public debt-to-GDP ratio decreased to 79.5 percent from its peak of 90.4 percent in FY2022, and the overall deficit declined from 7.2 percent of GDP to 3.5 percent of GDP in 2024.

Fiji has a current tax-to-GDP ratio of 23.3 percent, with 7.8 percent from direct taxes and 15.5 percent from indirect taxes.⁴ Ongoing reforms, including changes to tax incentives, base broadening, and enhanced transparency, are forecast to boost revenue by 1.25 percent of GDP and strengthen economic resilience over the near to medium term.⁵

Fiji faces ongoing challenges, including geographic isolation, labor shortages, and recurring natural disasters. Inflation moderated in 2024 as the impact of the 2023 VAT increase faded and the local currency strengthened. Although employment has returned to pre-pandemic levels, investment remains sluggish due to supply chain issues and a tight labor market.⁶

Despite recent progress, Fiji remains vulnerable due to its reliance on tourism, demographic shifts, and environmental risks. The government's 2025–2029 National Development Plan aims to promote inclusive growth, diversify the economy, and strengthen

² Fiji National Development Plan 2025-2029

³ Economic and Fiscal Update Supplement to the 2025-2026 Budget Address

⁴ Fiji IMF Article IV/Country Report, June 20, 2025

⁵ Fiji IMF Article IV/Country Report, June 20, 2025

⁶ Fiji IMF Article IV Country Report June 20, 2025

resilience to external shocks. Achieving these goals will depend on effective policy execution and strategic investments in human capital and infrastructure.⁷

D. Main Taxes

Fiji's primary taxes represent 90.8 percent of total tax revenue for the government fiscal year 2024–2025. The fiscal year for the government spans from August 1 to July 31, whereas most taxpayers file according to the calendar year (January to December), with some adopting non-standard balance dates.

VAT is the largest source of revenue, accounting for 54.4 percent. It is levied at a rate of 12.5 percent on the supply of goods and services, although various staple products are subject to a zero rate. CIT contributes 20.6 percent to revenue and is imposed on both resident and non-resident companies at a standard rate of 25 percent; companies listed on the South Pacific Stock Exchange benefit from a reduced rate of 15 percent.

PIT accounts for 1.5 percent of total revenue, with rates for residents ranging from 18 to 30 percent for incomes exceeding FJD30,000. For non-residents, rates range from 20 to 39 percent and apply from the first dollar earned. The highest marginal tax rate of 39 percent applies to assessable income exceeding FJD1 million. PAYE, representing 8.5 percent of overall tax revenue, serves as a final withholding tax deducted by employers from employees' gross salaries or wages based on PIT rates. Domestic Excise constitutes 5.8 percent of total tax revenue and is levied on selected goods.

Further details on tax revenue collections are provided in Table 1 of Attachment III.

E. Institutional Framework

The Fiji Islands Revenue and Customs Authority (FIRCA) was established in 1998 as a statutory body under the FIRCA Act 1998. In August 2017, FIRCA transitioned to the Fiji Revenue and Customs Service (FRCS), integrating tax and customs functions to streamline operations and enhance administration for more effective revenue collection.⁸ FRCS is the primary contributor to the National Budget. As a statutory organization, it is governed by a Board and led by a Chief Executive Officer (CEO).

FRCS operates from ten locations across Fiji and extends outreach services to outer islands. Its head office and main branch is in Suva, Fiji's capital city, with two other full-service offices in Lautoka and Nadi. The remaining offices provide limited services. FRCS' role includes: (1) collecting taxes and duties on behalf of the government; (2) providing high-quality advice on tax and customs matters to all stakeholders; (3) facilitating trade and travel; and (4) protecting Fiji's borders.⁹ Its strategic ambition is to be a trusted, efficient, and service-oriented tax

⁷ Fiji IMF Article IV Country Report June 20, 2025

⁸ [firca act revised 2010.pdf](#)

⁹ <https://frcs.org.fj/about-us/>

administration that reduces the tax gap and ensures the protection of Fiji's borders, contributing to the prosperity of its people.¹⁰

An organizational chart of FRCS is provided in Attachment IV.

F. Current Status of Tax Administration Reform

FRCS has made considerable progress toward modernizing its revenue administration.

Central to these reforms has been the rollout of the New Tax Information System (NTIS), providing a strong foundation for reviewing and enhancing business processes. Reforms include introducing Standard Interpretation Guidelines (SIGs), a joint customs and tax audit function, an updated compliance improvement strategy (CIS), and changes in the staff composition.

Since 2023, FRCS has prioritized reforms through performance management and targeted capacity building, collaborating with several development partners. These include the ATO, the Organisation for Economic Cooperation and Development, the Asian Development Bank, and the IMF's Pacific Financial Technical Assistance Centre. Efforts include strategic planning, governance, legal and tax policy reforms, information technology (IT) modernization, and improved compliance across taxpayer services, collections, audits, and rulings. There is a particular emphasis on meeting international tax obligations. Major technology projects like NTIS and the VAT Monitoring System (VMS), have improved voluntary compliance. The release of the new CIS (August 2025) sets a pathway for a more strategic and systematic approach to compliance improvement and revenue administration priorities.

G. International Information Exchange

Fiji became a member of the Global Forum in late 2023. It is currently collaborating with the Global Forum Secretariat to join the Multilateral Convention on Mutual Administrative Assistance in Tax Matters. After joining, Fiji intends to coordinate with national agencies to implement an effective information exchange platform in 2026. Fiji has double taxation agreements with eleven countries (Australia, India, Japan, Malaysia, New Zealand, Papua New Guinea, Qatar, Singapore, South Korea, United Arab Emirates, United Kingdom). Fiji is on the European Union blacklist of non-cooperative jurisdictions for tax purposes primarily because of the export income deduction and other incentives allowed.¹¹

¹⁰ [FRCS-Strategic-Plan-2023-2025-external-1.pdf](#)

¹¹ Fiji IMF Article IV/Country Report, June 20, 2025

III. ASSESSMENT OF PERFORMANCE OUTCOME AREAS

A. POA 1: Integrity of the Registered Taxpayer Base

A fundamental initial step in administering taxes is taxpayer registration and numbering.

Tax administrations must compile and maintain a complete database of businesses and individuals that are required by law to register; these will include taxpayers in their own right, as well as others such as employers with PAYE withholding responsibilities. Registration and numbering of each taxpayer underpin key administrative processes associated with filing, payment, assessment, and collection.

Two performance indicators are used to assess POA 1:

- P1-1—Accurate and reliable taxpayer information.
- P1-2—Knowledge of the potential taxpayer base.

P1-1: Accurate and reliable taxpayer information

For this indicator two measurement dimensions assess: (1) the adequacy of information held in the tax administration's registration database and the extent to which it supports effective interactions with taxpayers and tax intermediaries (i.e. tax advisors and accountants); and (2) the accuracy of information held in the database. Assessed scores are shown in Table 2 followed by an explanation of reasons underlying the assessment.

Table 2. P1-1 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P1-1-1. The adequacy of information held in respect of registered taxpayers and the extent to which the registration database supports effective interactions with taxpayers and tax intermediaries.	M1	B	C	D	D
P1-1-2. The accuracy of information held in the registration database.		C		D	

Information in the taxpayer registration database supports effective interactions with taxpayers and tax intermediaries, however taxpayer segmentation data is missing. The database, housed within the NTIS, is centralized, national and computerized. It includes the taxpayer's full name, address, contact details, date of birth or date of incorporation, nature of business activity, identity of associated entities and related parties, economic/industry sector through the Fiji Standard Industrial Classification and the filing and payment obligations applicable to the core taxes for which the taxpayer is registered. Each registered taxpayer has a unique high integrity identification number. The database does not record taxpayer segmentation (large, medium, small, micro) details, though this can be manually determined

through ad hoc requests made to the Risk Assessment and Financial Intelligence Team (RAFIT). Segmentation details are a prerequisite for an improved score in the TADAT 2019 Field Guide.

The registration sub-system has robust functionality. It interfaces with other NTIS modules like filing and payment processing and provides frontline staff with a whole-of-taxpayer view, showing details across all core taxes and the status of their tax obligations. This detail is used to prepopulate tax declarations and supports management information requests on taxpayer groups by entity, type, location and economic sector. The registration sub-system also provides an audit trail of user access, and any changes made to the registration data. A Taxpayer Online Services (TPOS) portal provides secure online access for businesses and individuals to register for core taxes and update their details.

There are two key limitations in the NTIS registration subsystem, and the accuracy of registration information is not verified through large-scale automated cross checking..

Taxpayer segmentation data is not available in NTIS, nor is the functionality for staff to deactivate or flag inactive registrations: staff can only change a taxpayer's status to filing-not-necessary, active, or deregistered. In 2019 when data from the former system was migrated to NTIS, many inactive taxpayer records were migrated as active. Documented procedures existed to identify and remove these inactive taxpayers, but the data cleansing teams were disbanded with such activities now ad hoc. Large scale data sharing to verify the accuracy of information held in the registration database is not yet possible. Taxpayers can initiate change requests through the TPOS, including deregistration requests, which must be taxpayer initiated. Limited processes exist to authenticate registration applications and the supporting documents. There are no management, internal audit, or external audit reports indicating any level of confidence in the registration database.

P1-2: Knowledge of the potential taxpayer base

This indicator measures the extent of tax administration efforts to detect unregistered businesses and individuals. The assessed score is shown in Table 3 followed by an explanation of reasons underlying the assessment.

Table 3. P1-2 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P1-2. The extent of initiatives to detect businesses and individuals who are required to register but fail to do so.	M1	B	D

FRCS staff undertake outreach activities to encourage tax registration among businesses and individuals, but do not report specific results from these efforts. Government policy requires almost all individuals and business entities to have a tax identification number (TIN). Inspection visits are conducted primarily to verify correct taxpayer registration rather than seek new registrations. Board Information Papers include generic statements about the outreach without quantitative details on the number of activities and the resulting registration

adjustments. Third-party data is not used in a structured, repeatable, and systematic manner to detect unregistered businesses and individuals. Instead, data on business registrations, births, deaths and marriages and financial accounts are used on an ad hoc basis. Selected FRCS staff have direct access to data from the Land Transport Authority (LTA) and Fiji National Provident Fund (FNPF).

B. POA 2: Effective Risk Management

Tax administrations face numerous risks that have the potential to adversely affect revenue and/or tax administration operations. For convenience, these risks can be classified as:

- Compliance risks—where revenue may be lost if businesses and individuals fail to meet the four main taxpayer obligations (i.e. registration in the tax system; filing of tax declarations; payment of taxes on time; and complete and accurate reporting of information in declarations); and
- Institutional risks—where tax administration functions may be interrupted if certain external or internal events occur, such as natural disasters, sabotage, loss or destruction of physical assets, failure of IT system hardware or software, strike action by employees, and administrative breaches (e.g., leakage of confidential taxpayer information which results in loss of community confidence and trust in the tax administration). For TADAT purposes, institutional risk is divided into two components. These are:
 - *Operational risk*—refers to disruptive actions that destroy or affect part or all of the administration's assets and resources, such as buildings, IT, and other equipment, data and records; and
 - *Human capital risk*—refers to interruptions that affect the tax administration arising out of capability, capacity, compliance, cost and connection (engagement) gaps of and by its employees.

Risk management is essential to effective tax administration and involves a structured approach to identifying, assessing, prioritizing, and mitigating risks. It is an integral part of multi-year strategic and annual operational planning.

Five performance indicators are used to assess POA 2:

- P2-3—Identification, assessment, ranking, and quantification of compliance risks.
- P2-4—Mitigation of risks through a compliance improvement plan.
- P2-5—Monitoring and evaluation of compliance risk mitigation activities.
- P2-6—Management of operational (i.e. systems and processes) risks.
- P2-7—Management of human capital risks.

P2-3: Identification, assessment, ranking, and quantification of compliance risks

For this indicator two measurement dimensions assess: (1) the scope of intelligence gathering and research to identify risks to the tax system; and (2) the process used to assess, rank, and quantify compliance risks. Assessed scores are shown in Table 4 followed by an explanation of reasons underlying the assessment.

Table 4. P2-3 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P2-3-1. The extent of intelligence gathering and research to identify compliance risks in respect of the main tax obligations.	M1	C	C	C	C
P2-3-2. The process used to assess, rank, and quantify taxpayer compliance risks.		C		A	

FRCS mainly relies on internal data to identify compliance risks, with limited use of external data and minimal environmental scanning. The RAFIT unit collects and analyses data from Customs, Fiji's Financial Intelligence Unit (the anti-money laundering agency) and the FNPf. Additionally, data is sourced from insurance, utility (electricity) and mobile phone companies, vehicle sale information from the Fiji's LTA and vehicle cash purchase data from local car dealers. Internal data sources include data from tax audits and VMS. A 2023 VAT gap analysis has been used as a source of information for VAT compliance risks. FRCS also consults with the ATO for intelligence on emerging compliance risks. There is no evidence that wider research such as studies on taxpayer behavior has informed the assessment of compliance risks.

A structured risk assessment process is used to assess and prioritize compliance risks. FRCS uses a 2016 risk management framework that supports the assessment and prioritization of compliance risks. This framework, together with the information and data highlighted in the previous paragraph, has informed the development of the multi-year CIS 2025-2028 and a detailed compliance risk register. The risk register documents the risk category, risk description, treatment description, and the risk owner. The analysis includes an assessment of the four core taxes, four main compliance obligations, key taxpayer segments, and twelve key industry sectors.

P2-4: Mitigation of risks through a compliance improvement plan

This indicator examines the extent to which the tax administration has formulated a compliance improvement plan to address identified risks. The assessed score is shown in Table 5 followed by an explanation of reasons underlying the assessment.

Table 5. P2-4 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P2-4. The degree to which the tax administration mitigates assessed risks to the tax system through a compliance improvement plan.	M1	D	C

A detailed multi-year CIS 2025-2028 has been published, however only some of the risk intervention strategies are resourced. The CIS covers the four main compliance obligations, key segments (large and medium/small) and high-risk sectors (e.g. agriculture, wholesale/retail, accommodation/food). The plan does not explicitly focus on PAYE withholding, CIT, or PIT. However, some focus areas address CIT and PIT risks. VAT risks are extensively covered, as are Customs and border security risks. The CIS clearly sets out the risk areas that FRCS is focusing on, a description of the risk and FRCS' risk response strategy. It also includes relevant data on the current revenue flows and population size of the specific sectors. The CIS is used by the Taxation and Compliance divisions to prepare their own annual compliance plans. For some risk mitigation strategies, the divisional compliance plan sets out the number of planned audit cases to address the risk. Monitoring implementation of the intervention strategies is facilitated by the RAFIT unit. To date, reports have been prepared on a quarterly basis, however it is expected to move to monthly reporting soon.

P2-5: Monitoring and evaluation of compliance risk mitigation activities

This indicator looks at the process used to monitor and evaluate compliance mitigation activities. The assessed score is shown in Table 6 followed by an explanation of reasons underlying the assessment.

Table 6. P2-5 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P2-5. The process used to monitor and evaluate the impact of compliance risk mitigation activities.	M1	D	C

Governance arrangements are established for approving compliance risk management activities; however, the effectiveness of these strategies is only occasionally documented and reviewed by senior management. The Compliance Council's Terms of Reference documents its role as responsible for the oversight and monitoring of all compliance activities in the CIS. Membership of the Council includes the CEO, the Directors of the Taxation and Compliance divisions, and the manager of the RAFIT unit. The Compliance Council approved the detailed CIS which incorporates all compliance improvement strategies. Detailed spreadsheets and an analytics dashboard using audit results data are prepared regularly to monitor the progress of the implementation of the risk mitigation interventions. However, the effectiveness of the intervention strategies is not consistently documented and reviewed by senior management.

P2-6: Management of operational risks

This indicator examines how the tax administration manages operational risks other than those related to human resources. The assessed score is shown in Table 7 followed by an explanation of reasons underlying the assessment.

Table 7. P2-6 Assessment

Measurement dimensions	Scoring Method	Score 2015 ¹²		Score 2025	
P2-6-1. The process used to identify, assess and mitigate operational risks.	M1	C		D	
P2-6-2. The extent to which the effectiveness of the business continuity program is tested, monitored, and evaluated.		-	C	D	D

FRCS has a structured enterprise risk management framework; however, it is missing key elements. Notably, a business impact analysis has not been finalized and there is no business continuity plan. Each FRCS division has identified their operational risks and compiled a risk register. A series of workshops were facilitated to deliver risk management awareness and training as the division risk registers were completed. The Governance and Risk team is responsible for consolidating the division risk registers into an institutional risk register and reporting the results to FRCS' Audit and Risk Committee. In the absence of a business continuity plan, each division documents contingency plans for risk events. The IT division has developed a more detailed operational risk assessment and documented contingency arrangements; however, a recovery time objective or a response point objective have not been determined. Staff participate in basic business continuity exercises (including fire drills) on a regular basis.

FRCS' business continuity arrangements have not been tested against international risk management standards. To date, only the enterprise risk management framework document has been reviewed by an external consultant to ensure adherence to ISO 31000.¹³

P2-7: Management of human capital risks

This indicator examines how the tax administration manages human capital risks. The assessed score is shown in Table 8 followed by an explanation of reasons underlying the assessment.

¹² Where no score is given for 2015, the dimension was not measured in the 2015 pilot TADAT Field Guide.

¹³ ISO 3100 is a widely recognized international standard for risk management, developed by the International Organization for Standardization (ISO).

Table 8. P2-7 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P2-7-1. The extent to which the tax administration has in place the capacity and structures to manage human capital risks.	M1	-		D	D
P2-7-2. The degree to which the tax administration evaluates the status of human capital risks and related mitigation interventions.		-		D	

No formal processes have been in place since 2020 to identify, assess, prioritize, or mitigate human capital risks. Staff climate surveys undertaken in 2019 and 2020 assessed organizational health against 11 human resource (HR) health indicators (see next paragraph). However, their findings were not prioritized, nor is there evidence of follow-up action on the recommendations made in the reports. The People Capability and Culture unit has 17 staff – most of whom are based in headquarters (HQ), organized into three teams - HR compliance, people support, and training. All staff in these teams hold HR degrees and some team members have had private sector experience, but none have received specific training on HR risks and their potential operational impacts. The HR function is governed by a board sub-committee that meets quarterly. All staff are required to agree on performance expectations with their manager, review them biannually, and agree on training needs. The training needs are collated into an annual training program for all employees.

No independent formal evaluation of human capital risks has been conducted, nor has an impact analysis taken place. The 2019 and 2020 staff climate surveys (referenced above) were developed to assess organizational health from the employees' perspective. Survey results were reported using key HR health indicators such as teamwork and collaboration, rewards and recognition, manager supervision, tools and technology, training and development, and employee engagement. The survey findings from 2020 were compared with those from 2019 to identify any changes in the HR health indicators. There is no indication that an annual impact analysis was performed to evaluate the effectiveness of any HR risk mitigation measures.

C. POA 3: Supporting Voluntary Compliance

To promote voluntary compliance and public confidence in the tax system, tax administrations must adopt a service-oriented attitude toward taxpayers, ensuring that taxpayers have the information and support they need to meet their obligations and claim their entitlements under the law. Because few taxpayers use the law itself as a primary source of information, assistance from the tax administration plays a crucial role in bridging the knowledge gap. Taxpayers expect that the tax administration will provide summarized, understandable information on which they can rely.

Efforts to reduce taxpayer costs of compliance are also important. Small businesses, for example, gain from simplified record keeping and reporting requirements. Likewise, individuals with relatively simple tax obligations (e.g., employees, retirees, and passive investors) benefit from simplified filing arrangements and systems that eliminate the need to file.

Four performance indicators are used to assess POA 3:

- P3-8—Scope, currency, and accessibility of information.
- P3-9—Time taken to respond to information requests.
- P3-10—Scope of initiatives to reduce taxpayer compliance costs.
- P3-11—Obtaining taxpayer feedback on products and services.

P3-8: Scope, currency, and accessibility of information

For this indicator four measurement dimensions assess: (1) whether taxpayers have the information they need to meet their obligations; (2) whether the information available to taxpayers reflects the current law and administrative policy; (3) how easy it is for taxpayers to obtain information. Assessed scores are shown in Table 9 followed by an explanation of reasons underlying the assessment.

Table 9. P3-8 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P3-8-1. The range of information available to taxpayers to explain, in clear terms, what their obligations and entitlements are in respect of each core tax.	M1	A		B	
P3-8-2. The degree to which information is current in terms of the law and administrative policy.		B	C	B	B
P3-8-3. The ease by which taxpayers obtain information from the tax administration.		C		A	

Information on the main areas of taxpayer obligations and entitlements is readily available and is tailored to taxpayer segments and tax intermediaries, but not disadvantaged groups. The website of the FRCS contains comprehensive information in respect of all core taxes (including information on registration, filing, payment and reporting), ranging from brief descriptions to links to the relevant pieces of legislation. The FRCS website sets out this information separately for businesses, individuals, employers, non-profit organizations, and tax agents. In addition, a guide for the Micro, Small and Medium Enterprises (MSME) segment and separate guides for VAT and PAYE are also available. The Education team deliver presentations to disadvantaged groups however the presentation material is not tailored for those groups.

Dedicated technical staff are assigned and procedures are in place to ensure that information products are kept current and taxpayers are advised of changes. The Communication Unit is responsible for external communications through the FRCS website and social media. This unit includes technical staff who are responsible for ensuring information is current. The Education unit is responsible for the production of educational material including digital education, and a “future taxpayer” program for school and university students. Taxpayers are alerted to changes in the tax law or administrative policy through general communications. Legislative and policy changes are usually communicated through the “News and Public Notices” section on the FRCS website and through press releases before the law or policy takes place. There was no evidence of targeted communications on legislative and policy changes to affected taxpayer groups.

Information is available through a variety of service delivery channels (including self-service facilities), and public education programs are undertaken. Taxpayers can obtain information and advice from the FRCS at no or limited costs through various channels:

- FRCS website: This provides 24/7 access to information, including detailed explanations on taxpayer obligations, user guides and tutorials on using the TPOS portal, Frequently Asked Questions (FAQ), and a knowledge base with a search function.
- Rulings: A taxpayer can request a private ruling on certain tax matters for a fee.
- Calls, chats and e-mails: The call center answers calls, and is piloting chatbot services. A toll-free line was introduced in April 2025. The FRCS website also offers an e-mail contact form.
- Face-to-face engagement at walk-in service centers at HQ and the regional office network.
- Public education programs: Public education programs are undertaken each year for new businesses, entrepreneurs, and taxpayers in remote communities. In addition, webinars and tutorial sessions on PIT, CIT, PAYE, and deregistration are available on the website.

A tailored “gold card” service delivers enhanced support to a small group of high value taxpayers regardless of their tax compliance. There is no reciprocal obligation for those taxpayers to ensure they are meeting their tax obligations whilst receiving this enhanced service.

P3-9: The time taken to respond to requests for information.

This indicator examines how quickly the tax administration responds to requests by taxpayers and tax intermediaries for information (for this dimension, waiting time for telephone enquiry calls is used as a proxy for measuring a tax administration’s performance in information requests generally). Assessed scores are shown in Table 10 followed by an explanation of reasons underlying the assessment.

Table 10. P3-9 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P3-9: The time taken to respond to taxpayers and tax intermediaries' requests for information.	M1	-	A

Over the 12-month period to July 2025, 75 percent of telephone enquiry calls received by FRCS' contact center were answered within six minutes. FRCS has a centrally managed contact center located within the Customer Relations section of the Taxation division. FRCS has its own service level, requiring 80 percent of calls to be answered within 20 seconds of receiving them. (See Table 3 in Attachment III)

P3-10: Scope of initiatives to reduce taxpayer compliance costs

This indicator examines the tax administration's efforts to reduce taxpayer compliance costs. Assessed scores are shown in Table 11 followed by an explanation of reasons underlying the assessment.

Table 11. P3-10 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P3-10. The extent of initiatives to reduce taxpayer compliance costs.	M1	-	A

Several measures exist to reduce taxpayer compliance costs, including simplified recordkeeping and filing arrangements for small taxpayers, and PAYE returns are pre-filled. FRCS reviews FAQs and common misunderstandings detected through service and verification activities and publishes guidance and clarifications on its website (including updated FAQs and practical examples). The FRCS website also hosts a portal (TPOS) that provides 24-hour secured access to registration and tax account details for taxpayers and their authorized agents. Tax forms and declarations are reviewed annually to ensure only essential information is collected.

P3-11: Obtaining taxpayer feedback on products and services

For this indicator, two measurement dimensions assess: (1) the extent to which the tax administration seeks taxpayer and other stakeholder views of service delivery; and (2) the degree to which taxpayer feedback is taken into account in the design of administrative processes and products. Assessed scores are shown in Table 12 followed by an explanation of reasons underlying the assessment.

Table 12. P3-11 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P3-11-1. The use and frequency of methods to obtain performance feedback from taxpayers on the standard of services provided.	M1	B		C	
P3-11-2. The extent to which taxpayer input is taken into account in the design of administrative processes and products.		B	B	C	C

Feedback from taxpayers on their perceptions of FRCS' services and products is captured through several channels but surveys lack statistically valid samples. FRCS' website provides taxpayers with an opportunity to provide feedback on FRCS' services delivered. Feedback through other channels (meetings with stakeholders) is largely collected on an ad hoc basis. An active Facebook account also provides a useful feedback medium. Client satisfaction surveys to monitor taxpayer perceptions of FRCS' services and products were carried out by an independent third party in 2019 and 2020 and FRCS conducted their own taxpayer survey earlier this year. None of the surveys were based on a statistically valid sample of the taxpayer base.

Taxpayers and intermediaries are encouraged to flag deficiencies in FRCS' administrative processes and to participate in developing new products and services. FRCS holds ad hoc meetings with business group representatives (including the Fiji Institute of Chartered Accountants and the Fiji Commerce and Employers Federation) to discuss deficiencies in administrative processes and products. Regular meetings are also held with tax agents through a formal consultative forum. Representatives from these forums and selected taxpayers contributed to testing TPOS, VMS and PIT return changes.

D. POA 4: Timely Filing of Tax Declarations

Filing of tax declarations (also known as tax returns) remains a principal means by which a taxpayer's tax liability is established and becomes due and payable. As noted in POA 3, however, there is a trend towards streamlining preparation and filing of declarations of taxpayers with relatively uncomplicated tax affairs (e.g., through pre-filing tax declarations). Moreover, several countries treat income tax withheld at source as a final tax, thereby eliminating the need for large numbers of PIT taxpayers to file annual income tax declarations. There is also a strong trend towards electronic filing of declarations for all core taxes. Declarations may be filed by taxpayers themselves or via tax intermediaries.

It is important that all taxpayers who are required to file do so, including those who are unable to pay the tax owing at the time a declaration is due (for these taxpayers, the first priority of the tax administration is to obtain a declaration from the taxpayer to confirm the amount owed, and then secure payment through the enforcement and other measures covered in POA 5).

Three performance indicators are used to assess POA 4:

- P4-12—On-time filing rate.
- P4-13—Management of non-filers
- P4-14—Use of electronic filing facilities.

P4-12: On-time filing rate

A single performance indicator, with four measurement dimensions, is used to assess the on-time filing rate for CIT, PIT, VAT and domestic excise tax, and PAYE withholding declarations. A high on-time filing rate is indicative of effective compliance management including, for example, provision of convenient means to file declarations (especially electronic filing facilities), simplified declarations forms, and enforcement action against those who fail to file on time. Assessed scores are shown in Table 13 followed by an explanation of reasons underlying the assessment.

Table 13. P4-12 Assessment

Measurement dimensions	Scoring Method	Score 2015	Score 2025
P4-12-1. The number of CIT declarations filed by the statutory due date as a percentage of the number of declarations expected from registered CIT taxpayers.	M2	D	D
P4-12-2. The number of PIT declarations filed by the statutory due date as a percentage of the number of declarations expected from registered PIT taxpayers.		D	D
P4-12-3. The number of VAT declarations filed by the statutory due date as a percentage of the number of declarations expected from registered VAT taxpayers.		D	C
P4-12-4. The number of domestic excise tax declarations filed by the statutory due date as a percentage of the number of declarations expected from registered domestic excise taxpayers.		-	B
P4-12-5. The number of PAYE withholding declarations filed by employers by the statutory due date as a percentage of the number of PAYE declarations expected from registered employers.		D	C

On-time filing rates for all core taxes fall well short of TADAT standards, particularly for large taxpayers who should have 100 percent on-time filing. CIT is filed on time by 27.4 percent of taxpayers (76.2 percent for large taxpayers), PIT by 18.9 percent, VAT by 52.7 percent

(94.2 percent for large VAT taxpayers), and PAYE by 58.6 percent. Only domestic excise tax approaches the standard at 97.2 percent, but this involves just three filings each month, all from large taxpayers. See Tables 4-10 of Attachment III.

P4-13: Management of non-filers

This indicator measures the extent to taxpayers who have failed to file declarations when due are managed. The assessed score is shown in Table 14 followed by an explanation of reasons underlying the assessment.

Table 14. P4-13 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P4-13. Action taken to follow up non-filers.	M1	-	D

Action taken to follow up on non-filers is adversely affected by the statutory late filing penalty process. NTIS automatically detects taxpayers who miss deadlines and starts the late filing process, issuing the first demand notice immediately after the statutory due date with an additional 14 days to file. Lodgement enforcement staff follow extensive documented processes and the taxpayer register is updated on an ad hoc basis. However, under the Tax Administration Act 2009 (TAA), penalties are applied after the outstanding return is received and assessed rather than automatically for all non-filers.

P4-14: Use of electronic filing facilities

This indicator measures the extent to which declarations, for all core taxes, are filed electronically. Assessed scores are shown in Table 15 followed by an explanation of reasons underlying the assessment.

Table 15. P4-14 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P4-14. The extent to which tax declarations are filed electronically.	M1	-	B

FRCS meets the TADAT standard of at least 85 percent electronic filing for all core taxes (CIT, PIT, VAT, Excise, PAYE). However, it falls short of the 100 percent standard for large taxpayers, with electronic filing averaging only 98.6 percent over the past three filing years. See Table 11 of Attachment III.

E. POA 5: Timely Payment of Taxes

Taxpayers are expected to pay taxes on time. Tax laws and administrative procedures specify payment requirements, including deadlines (due dates) for payment, who is required to pay, and

payment methods. Depending on the system in place, payments due will be either self-assessed or administratively assessed. Failure by a taxpayer to pay on time results in imposition of interest and penalties and, for some taxpayers, legal debt recovery action. The aim of the tax administration should be to achieve high rates of voluntary on-time payment and low incidence of tax arrears.

Four performance indicators are used to assess POA 5:

- P5-15—Use of electronic payment methods.
- P5-16—Use of efficient collection systems.
- P5-17—Timeliness of payments
- P5-18—Stock and flow of tax arrears.

P5-15: Use of electronic payment methods

This indicator examines the degree to which core taxes are paid by electronic means without the direct intervention of bank staff or tax administration, including through electronic funds transfer (where money is electronically transferred via the Internet from a taxpayer's bank account to the Government's account), credit cards, and debit cards.

Assessed scores are shown in Table 16 followed by an explanation of reasons underlying the assessment.

Table 16. P5-15 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P5-15. The extent to which core taxes are paid electronically.	M1	-	D

Electronic tax payment remains underutilized for core taxes, especially for large taxpayers where only 65.7 percent of payments were electronic over the last three years. The proportion of electronic payments relative to total number of payments stands at 46.7 percent for PAYE, followed by VAT at 27.7 percent, CIT at 27 percent, and PIT at 21 percent, well below the international good practice benchmark of 75 percent. The value of electronic payments also remains low but is improving year-on-year. On average, electronic payments account for 61 percent of PAYE, 34.3 percent of VAT, 32.7 percent of CIT, 19.7 percent of PIT by value and only 64 percent by value paid by large taxpayers.

P5-16: Use of efficient collection systems

This indicator assesses the extent to which acknowledged efficient collection systems—especially withholding at source and advance payment systems—are used. Assessed scores are shown in Table 17 followed by an explanation of reasons underlying the assessment.

Table 17. P5-16 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P5-16. The extent to which withholding at source and advance payment systems are used.	M1	-	A

Fiji has withholding-at-source and advance payments regimes in place for CIT and PIT.

Withholding-at-source covers all employment and interest income. Dividend income is not taxable in Fiji.

P5-17: Timeliness of payments

This indicator assesses the extent to which payments are made on time (by number and by value). For TADAT measurement purposes, VAT payment performance is used as a proxy for on-time payment performance of core taxes generally. A high on-time payment percentage is indicative of sound compliance management including, for example, provision of convenient payment methods and effective follow-up of overdue amounts. Assessed scores are shown in Table 18 followed by an explanation of reasons underlying the assessment.

Table 18. P5-17 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P5-17-1. The number of VAT payments made by the statutory due date in percent of the total number of payments due.	M1	B		D	D
P5-17-2. The value of VAT payments made by the statutory due date in percent of the total value of VAT payments due.		A	B	C	

The number and value of VAT payments made by the due date are affected by the low on-time payment compliance from large taxpayers. While total VAT payment compliance is 77.4 percent by number and 87.5 percent by value, the figures for large taxpayers (83.3 percent by number, 90.3 percent by value) are below international standards, which require all payments from large taxpayers to be made on time. Refer to Table 12 in Attachment III.

P5-18: Stock and flow of tax arrears

This indicator examines the extent of accumulated tax arrears. Two measurement dimensions are used to gauge the size of the administration's tax arrears inventory: (1) the ratio of end-year tax arrears to the denominator of annual tax collections; and (2) the more refined ratio of end-year 'collectible tax arrears' to annual collections.¹⁴ A third measurement dimension

¹⁴ For purposes of this ratio, 'collectible' tax arrears is defined as total domestic tax arrears excluding: (a) amounts formally disputed by the taxpayer and for which collection action has been suspended pending the outcome, (b) amounts that are not legally recoverable (e.g., debt foregone through bankruptcy), and (c) arrears otherwise uncollectible (e.g., the debtor has no funds or other assets).

looks at the extent of unpaid tax liabilities that are more than a year overdue (a high percentage may indicate poor debt collection practices and performance given that the rate of recovery of tax arrears tends to decline as arrears get older). Assessed scores are shown in Table 19 followed by an explanation of reasons underlying the assessment.

Table 19. P5-18 Assessment Subject to confirming data

Measurement dimensions	Scoring Method	Score 2015	Score 2025
P5-18-1. The value of total core tax arrears at fiscal year-end as a percentage of total core tax revenue collections for the fiscal year.	M2	A	B
P5-18-2. The value of collectible core tax arrears at fiscal year-end as a percentage of total core tax revenue collections for the fiscal year.		A	C
P5-18-3. The value of core tax arrears more than 12 months old as a percentage of the value of all core tax arrears.		C	B

Tax arrears analysis shows mixed outcomes. Core tax arrears for 2022–2024 are 12.33 percent of total collections, near the 10 percent good practice standard. Collectible arrears are 11.57 percent, more than double the required 5 percent. On average, arrears aged more than 12 months comprise 49 percent of core arrears, significantly above the 25 percent good practice benchmark. In 2024–2025, both the ratios and amounts for core and collectible arrears increased substantially. Further details are provided in Table 13 of Attachment III.

F. POA 6: Accurate Reporting in Declarations

Tax systems rely heavily on complete and accurate reporting of information by taxpayers in tax declarations. Tax administrations therefore need to regularly monitor tax revenue losses from inaccurate reporting, especially by business taxpayers, and take a range of actions to ensure compliance. These actions fall into two broad groups: verification activities (e.g., tax audits, investigations, and income matching against third party information sources) and proactive initiatives (e.g., taxpayer assistance and education as covered in POA 3, and cooperative compliance approaches).

If well designed and managed, tax audit programs can have far wider impact than simply raising additional revenue from discrepancies detected by tax audits. Detecting and penalizing serious offenders serve to remind all taxpayers of the consequences of inaccurate reporting.

Also prominent in modern tax administration is high-volume automated crosschecking of amounts reported in tax declarations with third-party information. Because of the high cost and relative low coverage rates associated with traditional audit methods, tax administrations are increasingly using technology to screen large numbers of taxpayer records to detect discrepancies and encourage correct reporting.

Proactive initiatives also play an important role in addressing risks of inaccurate reporting.

These include adoption of cooperative compliance approaches to build collaborative and trust-based relationships with taxpayers (especially large taxpayers) and intermediaries to resolve tax issues and bring certainty to companies' tax positions in advance of a tax declaration being filed, or before a transaction is actually entered into. A system of binding tax rulings can play an important role here.

Finally, on the issue of monitoring the extent of inaccurate reporting across the taxpayer population generally, a variety of approaches are being used, including: use of tax compliance gap estimating models, both for direct and indirect taxes; advanced analytics using large data sets (e.g., predictive models, clustering techniques, and scoring models) to determine the likelihood of taxpayers making full and accurate disclosures of income; and surveys to monitor taxpayer attitudes towards accurate reporting of income.

Against this background, four performance indicators are used to assess POA 6:

- P6-19—Scope of verification actions taken to detect and deter inaccurate reporting.
- P6-20—Use of large-scale data-matching systems to detect inaccurate reporting.
- P6-21—Initiatives undertaken to encourage accurate reporting.
- P6-22—Monitoring the tax gap to assess inaccuracy of reporting levels.

P6-19: Scope of verification actions taken to detect and deter inaccurate reporting

For this indicator, four measurement dimensions provide an indication of the nature and scope of the tax administration's verification program. Assessed scores are shown in Table 20 followed by an explanation of reasons underlying the assessment.

Table 20. P6-19 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P6-19-1. The nature and scope of the tax audit program in place to detect and deter inaccurate reporting.	M1	D	D+	D	D
P6-19-2. The extent to which the audit program is systematized around uniform practices.		-		D	
P6-19-3. The degree to which the quality of taxpayer audits is monitored.		-		B	
P6-19-4. The degree to which the tax administration monitors the effectiveness of the taxpayer audit function.		-		D	

A national tax audit plan is developed each year; however, it does not explicitly cover all core taxes, and several other features of good practice in an audit program are missing. It covers the segments to be audited, focus areas, risks to be addressed and supporting data, planned coverage (including case numbers for some segments), timing, and the team responsible for conducting the audits. The plan explicitly covers VAT, with less focus on CIT and PIT and does not include PAYE. Approximately 70 percent of cases are selected centrally. The taxpayer segments are weighted towards large taxpayers and high-risk segments (banking, telecommunications, mining, transfer pricing and high wealth taxpayers). The plan does not set out required audit types or methodologies, and the impact of audits on taxpayer compliance levels is not evaluated.

A standard operating procedure (SOP) on the Conduct of Tax Audits sets out the audit procedures but does not include all the elements required by TADAT. It includes procedures for audit types (specific issue, desk audit, complex audit, transfer pricing, and VAT refund audits), the audit process, communication with taxpayers, record keeping requirements, including contents of the audit report, an audit checklist, the application of audit penalty and an assessment of audit assessment collectability. Detailed guidance on developing an audit plan, using templates for working papers and advising taxpayers of audit findings is also provided. However, the SOP does not include procedures for creating a taxpayer profile or providing information on dispute rights or procedures. No sector-specific audit methodology guidance notes have been developed. A comprehensive audit manual has been prepared and is awaiting FRCS executive approval.

An audit review panel monitors audit quality. Panel members include compliance, technical, and legal staff, and a terms of reference sets out the panel's objectives, approach, and membership. The panel uses documented procedures and a checklist to review and report on audit quality. Review reports are prepared but not regularly.

Audit statistics are prepared for senior management and the compliance council, but the effectiveness of the audit function is not assessed. The Compliance Division collates a monthly summary performance report, which documents the number of cases finalized, additional tax payable, and penalties imposed. The reports, collated nationally, cover different audit types, and data on the collections from audit assessments. There was no evidence of audit time usage or the percentage of audit closures with or without assessments. Qualitative analysis of audit performance is not undertaken, and there is no narrative or assessment on compliance trends and anomalies that informs the effectiveness of the audit function. FRCS does not undertake surveys of audited taxpayers to review the competency and professionalism in the performance of the audit.

P6-20: Use of large-scale data-matching systems to detect inaccurate reporting.

For this indicator, one measurement dimension provides an indication of the extent to which the tax administration leverages technology to screen large numbers of taxpayer records against third-party information to detect discrepancies and encourage correct

reporting. Assessed scores are shown in Table 21 followed by an explanation of reasons underlying the assessment.

Table 21. P6-20 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P6-20. The extent of large-scale automated crosschecking to verify information reported in tax declarations.	M1	D	C

FRCS uses a range of data for large scale automatic cross-checking to verify amounts reported by taxpayers in their tax declarations. Data from Customs, Fiji's Financial Intelligence Unit (the anti-money laundering agency), FNPF, and employers is cross matched with amounts reported on VAT, PIT and CIT declarations. Transactional data, collected through VMS, is also used to identify unreported sales. Automated, large-scale cross-checking of financial institution data has not yet occurred, however legislation to facilitate this has recently been enacted. FRCS also uses data through third-party reporting arrangements with insurance, utility (electricity), mobile phone companies, and vehicle sale information from the LTA. Data from some online internet vendor platforms has also been used to identify underreporting.

P6-21: Initiatives undertaken to encourage accurate reporting

This indicator assesses the nature and scope of cooperative compliance and other proactive initiatives undertaken to encourage accurate reporting. Assessed scores are shown in Table 22 followed by an explanation of reasons underlying the assessment.

Table 22. P6-21 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P6-21. The nature and scope of proactive initiatives undertaken to encourage accurate reporting.	M1	D	D

A private binding rulings program is in place; FRCS does not issue public binding rulings. In the absence of a public rulings system, SIGs provide guidance on interpreting the tax laws. Staff adhere to the guidance even though that guidance is not strictly legally binding. All SIGs are published on FRCS' website. In the 2023-24-year, 96 private binding rulings and 17 SIGs were issued. To date, one advanced pricing agreement has been negotiated and agreed by FRCS.

P6-22: Monitoring the tax gap to assess inaccuracy of reporting levels

This indicator examines the soundness of methods used by the tax administration to monitor the extent of inaccurate reporting in declarations. The assessed score is shown in Table 23 followed by an explanation of reasons underlying the assessment.

Table 23. P6-22 Assessment

Measurement dimensions	Scoring Method	Score 2015	Score 2025
P6-22. The soundness of tax gap analysis method/s used by the tax administration to monitor the extent of inaccurate reporting.	M1	-	C

A VAT gap analysis has been undertaken but was not subject to credibility testing. With the assistance of the ATO, FRCS conducted a VAT gap analysis in 2023 for the years 2016 to 2021. The analysis used a top-down methodology using data from FRCS and Fiji's Bureau of Statistics. FRCS plans to continue this VAT gap analysis program. Gap analyses of other tax types have not been undertaken.

G. POA 7: Effective Tax Dispute Resolution

This POA deals with the process by which a taxpayer seeks an independent review, on grounds of facts or interpretation of the law, of a tax assessment resulting from an audit.

Above all, a tax dispute process must safeguard a taxpayer's right to challenge a tax assessment and get a fair hearing. The process should be based on a legal framework, be known and understood by taxpayers, be easily accessible, guarantee transparent independent decision-making, and resolve disputed matters in a timely manner.

Three performance indicators are used to assess POA 7:

- P7-23—Existence of an independent, workable, and graduated dispute resolution process.
- P7-24—Time taken to resolve disputes.
- P7-25—Degree to which dispute outcomes are acted upon.

P7-23: Existence of an independent, workable, and graduated resolution process

For this indicator three measurement dimensions assess: (1) the extent to which a dispute may be escalated to an independent external tribunal or court where a taxpayer is dissatisfied with the result of the tax administration's review process; (2) the extent to which the tax administration's review process is truly independent; and (3) the extent to which taxpayers are informed of their rights and avenues of review. Assessed scores are shown in Table 24 followed by an explanation of reasons underlying the assessment.

Table 24. P7-23 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P7-23-1. The extent to which an appropriately graduated mechanism of administrative and judicial review is available to, and used by, taxpayers.	M2	B		A	
P7-23-2. Whether the administrative review mechanism is independent of the audit process.		C	C+	A	A
P7-23-3. Whether information on the dispute process is published, and whether taxpayers are explicitly made aware of it.		C		B	

The dispute resolution system is appropriately graduated, and taxpayers use the process.

Objections to audit decisions are initially considered within FRCS through a single-stage process, supported by an automated case management system. If the taxpayer is dissatisfied with FRCS' objection decision, they may submit a request for mediation—as outlined in the FRCS alternative dispute resolution (ADR) framework—or appeal to the Tax Tribunal. Further appeals may be lodged with the Tax Court if the Tribunal's decision is contested. FRCS advised that very few cases proceed to the Tax Tribunal and Tax Court, largely due to the effective use of private rulings and the fact that 60 percent of cases submitted for administrative dispute resolution were resolved partially or fully in favor of the taxpayers. The assessment team also notes that no VAT refunds were declined in 2024-25 (see Tables 14 and 15 at Attachment III).

Administrative reviews are conducted by the Objection Review team that is physically and organizationally independent from the audit division. Dispute resolution procedures are documented and applied, as outlined in sections 16–21 of the TAA. Step-by-step guidance for taxpayers is provided in the TPOS when taxpayers lodge their objections.

Guidance is available, but written instructions have not been given to auditors requiring them to explicitly inform taxpayers of their dispute rights. FRCS staff inform taxpayers about the possibility to appeal assessment decisions, and guidance on ADR is available online. Taxpayers are also informed of their rights at the conclusion of audits, through post audit notifications when additional taxes and/or penalties are assessed.

P7-24: Time taken to resolve disputes

This indicator assesses how responsive the tax administration is in completing administrative reviews. Assessed scores are shown in Table 25 followed by an explanation of reasons underlying the assessment.

Table 25. P7-24 Assessment

Measurement dimensions	Scoring Method	Score 2015	Score 2025
P7-24. The time taken to complete administrative reviews.	M1	D	D

Only three percent of administrative reviews are completed within 90 days. FRCS data in Table 14 in Attachment III for the period August 2024 to July 2025, shows that of the 260 cases on hand, 58 were finalized, of which five within 30 days and eight within 90 days. The statutory time limit in the TAA for completing an administrative review is 60 days, which exceeds the TADAT international good practice benchmark.

P7-25: Degree to which dispute outcomes are acted upon

This indicator looks at the extent to which dispute outcomes are taken into account in determining policy, legislation, and administrative procedure. The assessed score is shown in Table 26 followed by an explanation of reasons underlying the assessment.

Table 26. P7-25 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P7-25. The extent to which the tax administration responds to dispute outcomes.	M1	C	C

FRCS monitors and reviews dispute outcomes and their implications on an ad hoc basis.

The Legal unit provided examples of court decisions that had prompted legislative amendments and informed recommendations to the Technical Interpretation and Procedure unit. The most recent example was a 2025 amendment to section 2 of the VAT Act, clarifying the definition of a "produce supplier."

H. POA 8: Efficient Revenue Management

This POA focuses on three key activities performed by tax administrations in relation to revenue management:

- Providing input to government budgeting processes of tax revenue forecasting and tax revenue estimating. (As a general rule, primary responsibility for advising government on tax revenue forecasts and estimates rests with the MoF. The tax administration provides data and analytical input to the forecasting and estimating processes. Ministries of Finance often set operational revenue collection targets for the tax administration based on forecasts of revenue for different taxes.)¹⁵

¹⁵ It is common for Ministries of Finance to review budget revenue forecasts and related tax collection targets during the fiscal year (particularly mid-year) to take account of changes in forecasting assumptions, especially changes in the macroeconomic environment.

- Maintaining a system of revenue accounts.
- Paying tax refunds.

Three performance indicators are used to assess POA 8:

- P8-26—Contribution to government tax revenue forecasting process.
- P8-27—Adequacy of the tax revenue accounting system.
- P8-28—Adequacy of tax refund processing.

P8-26: Contribution to government tax revenue forecasting process

This indicator assesses the extent of tax administration input to government tax revenue forecasting and estimating. The assessed score is shown in Table 27 followed by an explanation of reasons underlying the assessment.

Table 27. P8-26 Assessment

Measurement dimensions	Scoring Method	Score 2015	Score 2025
P8-26. The extent of tax administration input to government tax revenue forecasting and estimating.	M1	-	B

FRCS contributes to government revenue forecasting but does not track losses carried forward or prepare annual expenditure reports. The Policy unit collects and reviews tax and macroeconomic data (including GDP growth), assesses tax policy changes, and participates in MoF forecasting sessions. It monitors actual collections against budgeted forecasts and submits monthly reports to the MoF, including explanations for any observed variances. Forecasting of VAT refund levels is conducted to ensure that adequate funds are available to meet legitimate claims. Despite this, the MoF imposes a daily cap on disbursements, which can delay payment of valid refund claims. The Policy unit tracks tax expenditures by type and beneficiary, but does not prepare annual tax expenditure reports, nor does FRCS monitor total tax losses which limits fiscal impact analysis.

P8-27: Adequacy of the tax revenue accounting system

This indicator examines the adequacy of the tax revenue accounting system. Assessed scores are shown in Table 28 followed by an explanation of reasons underlying the assessment.

Table 28. P8-27 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P8-27. Adequacy of the tax administration's revenue accounting system.	M1	-	D

FRCS’ automated revenue accounting system does not interface with the MoF’s Financial Management Information System. The accounting system maintains an individual account for each taxpayer, accessible online, where tax liabilities and related payments are posted. Payments made in cash, by cheque or through mobile platforms are posted to taxpayers’ accounts on the same day, while online bank payments are posted the following day. Payment data is reported to the MoF via Excel files, due to the lack of system integration. No audits of the NTIS have been conducted to verify alignment with tax laws and government accounting standards.

P8-28: Adequacy of tax refund processing

For this indicator, two measurement dimensions assess the tax administration’s system of processing VAT refund claims. Assessed scores are shown in Table 29 followed by an explanation of reasons underlying the assessment.

Table 29. P8-28 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P8-28-1. Adequacy of the VAT refund system.	M2	-	-	D	D
P8-28-2. The time taken to pay (or offset) VAT refunds.		-	-	D	

VAT refunds are not subject to robust risk-based verification, instead they are prioritized based on taxpayer follow-up queries and budget availability. Good practice in risk-based verification includes automated risk-based screening, pre-refund audits of high-risk cases, and post-refund verification of lower risk cases. The current processes do not meet this standard. Of the 857 VAT first refund audits conducted in 2024-25 by the Compliance Division (amounting to 64 percent coverage of all new registrations), no refund claims were reported as declined. See Table 15 in Attachment III. No preferential treatment is given to exporters or other low-risk taxpayers. VAT credits are automatically offset against tax arrears. Although section 67 of the VAT Act provides for the payment of interest on delayed refunds, interest is not paid in practice.

VAT refund processing times are lengthy by international standards. Section 65 of the VAT Act stipulates that refunds should be issued by the end of the month following the month in which the return is received. Performance over the most recent 12-month period (August 2024 to July 2025) shows that only 75 percent of claims—by number of cases—and 40.8 percent—by value—were paid, offset, or declined within 30 calendar days. (See Table 15, Attachment III).

I. POA 9: Accountability and Transparency

Accountability and transparency are central pillars of good governance. Their institutionalization reflects the principle that tax administrations should be answerable for the way they use public resources and exercise authority. To enhance community confidence and trust, tax administrations should be openly accountable for their actions within a framework of responsibility to the minister, government, legislature, and the general public.

Four performance indicators are used to assess POA 9:

- P9-29—Internal assurance mechanisms.
- P9-30—External oversight of the tax administration.
- P9-31—Public perception of integrity.
- P9-32—Publication of activities, results, and plans.

P9-29: Internal assurance mechanisms

For this indicator, two measurement dimensions assess the internal assurance mechanisms in place to protect the tax administration from loss, error, and fraud. Assessed scores are shown in Table 30 followed by an explanation of reasons underlying the assessment.

Table 30. P9-29 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P9-29-1. Assurance provided by internal audit.	M2	B		D	
P9-29-2. Staff integrity assurance mechanisms.		B	B	B	C

The internal audit function is independent, but it does not conduct financial audits. The Internal Assurance Unit functionally reports directly to the Audit and Risk Committee. Its audit plans cover operational performance audits, internal control checks, IT system audits, but not financial audits. Internal auditors receive ad hoc training provided by the Institute of Internal Auditors Fiji. Internal audit operations are not currently reviewed by an independent entity. Internal control policies are stored in SharePoint and accessible to all staff. IT system controls including user access tracking and access restrictions are in place.

FRCS assures staff integrity through a defined Code of Conduct and regular awareness programs; integrity-related statistics are not published. FRCS maintains a Code of Conduct that articulates core values and principles such as fairness, lawfulness, and trustworthiness, and it also has Conflict of Interest and No Gift Policy. Awareness of the Code is reinforced through integrity awareness training sessions, including orientation for new staff, with attendance confirmed by signed records. The Ethics Standards unit reports to the CEO and is responsible for investigating integrity-related complaints and preparing investigation reports, including recommendations and disciplinary actions. Referrals to law enforcement agencies, such as Financial Independent Commission Against Corruption (FICAC) and the police, are made where appropriate. FRCS compiles integrity statistics but these are not made public.

P9-30: External oversight of the tax administration

Two measurement dimensions of this indicator assess: (1) the extent of independent external oversight of the tax administration's operations and financial performance; and (2) the investigation process for suspected wrongdoing and maladministration. Assessed scores are shown in Table 31 followed by an explanation of reasons underlying the assessment.

Table 31. P9-30 Assessment

Measurement dimensions	Scoring Method	Score 2015		Score 2025	
P9-30-1. The extent of independent external oversight of the tax administration's operations and financial performance.	M2	A	B	C	D+
P9-30-2. The investigation process for suspected wrongdoing and maladministration.		C		D	

FRCS' financial statements are externally audited, but there is no similar external audit of operational performance. The Office of the Auditor General (OAG) conducts an annual audit of financial statements prepared by FRCS, and the independent audit report is included in the annual report and made publicly available. FRCS responds to the OAG's recommendations, and such responses are published on the OAG's website. OAG also undertakes selected performance audits but does not systematically review FRCS' performance.¹⁶

An anti-corruption agency oversees FRCS' anti-corruption framework and investigates cases, but there is no independent authority that routinely oversees taxpayer complaints.

FICAC is responsible for investigating serious cases of suspected corruption and provides training to government agencies to raise awareness. FICAC is also mandated to advise on changes to practices and procedures to reduce the likelihood of corruption. There is no ombudsman or equivalent authority dedicated to investigating taxpayer complaints.

P9-31: Public perception of integrity

This indicator examines measures taken to gauge public confidence in the tax administration.

The assessed score is shown in Table 32 followed by an explanation of reasons underlying the assessment.

Table 32. P9-31 Assessment

Measurement dimension	Scoring Method	Score 2015	Score 2025
P9-31. The mechanism for monitoring public confidence in the tax administration.	M1	B	D

¹⁶ <https://www.oag.gov.fj/office-of-the-auditor-general/#1517364933978-9e779643-c80e>

There have not been any recent surveys conducted to systematically monitor public confidence in FRCS. The service quality survey conducted by the FRCS Customer Service Center in March 2020 did not address public confidence in FRCS' integrity.

P9-32: Publication of activities, results, and plans

Two measurement dimensions of this indicator assess the extent of: (1) public reporting of financial and operational performance; and (2) publication of future directions and plans. Assessed scores are shown in Table 33 followed by an explanation of reasons underlying the assessment.

Table 33. P9-32 Assessment

Measurement dimensions	Scoring Method	Score 2015	Score 2025
P9-32-1. The extent to which the financial and operational performance of the tax administration is made public, and the timeliness of publication.	M2	B	D
P9-32-2. The extent to which the tax administration's future directions and plans are made public, and the timeliness of publication.		C+	D+
		C	C

Financial and operational performance is reported annually, but publication is not timely. FRCS' annual reports cover both financial and operational performance. The report presents data and information on FRCS' activities in key areas set out in the strategic plan. The 2023–2024 annual report remains under review by the OAG and has not yet been published.

Multi-year strategies and annual operational plans are prepared, but publication is not timely. FRCS publishes a multi-year strategic plan that defines its strategic priorities, and each year prepares an annual corporate plan as the operational plan, aligned with the priorities set out in the strategic plan. The Strategic Plan 2025–2028 was not published before the beginning of the period covered. It is in draft and scheduled for Board approval in October. The 2024-25 Annual Corporate Plan is not published, although the Strategic Plan 2023–2025, was published before coverage began.

Attachment I. TADAT Framework

Performance outcome areas

TADAT assesses the performance of a country's tax administration system by reference to nine outcome areas:

1. **Integrity of the registered taxpayer base:** Registration of taxpayers and maintenance of a complete and accurate taxpayer database is fundamental to effective tax administration.
 - **Effective risk management:** Performance improves when risks to revenue and tax administration operations are identified and systematically managed.
 - **Supporting voluntary compliance:** Usually, most taxpayers will meet their tax obligations if they are given the necessary information and support to enable them to comply voluntarily.
2. **On-time filing of declarations:** Timely filing is essential because the filing of a tax declaration is a principal means by which a taxpayer's tax liability is established and becomes due and payable.
3. **On-time payment of taxes:** Non-payment and late payment of taxes can have a detrimental effect on government budgets and cash management. Collection of tax arrears is costly and time consuming.
4. **Accurate reporting in declarations:** Tax systems rely heavily on complete and accurate reporting of information in tax declarations. Audit and other verification activities, and proactive initiatives of taxpayer assistance, promote accurate reporting and mitigate tax fraud.
5. **Effective Tax Dispute Resolution:** Independent, accessible, and efficient review mechanisms safeguard a taxpayer's right to challenge a tax assessment and get a fair hearing in a timely manner.
6. **Efficient revenue management:** Tax revenue collections must be fully accounted for, monitored against budget expectations, and analyzed to inform government revenue forecasting. Legitimate tax refunds to individuals and businesses must be paid promptly.
7. **Accountability and transparency:** As public institutions, tax administrations are answerable for the way they use public resources and exercise authority. Community confidence and trust are enhanced when there is open accountability for administrative actions within a framework of responsibility to the minister, legislature, and general community.



Indicators and associated measurement dimensions

A set of 32 high-level indicators critical to tax administration performance are linked to the performance outcome areas. It is these indicators that are scored and reported on. A total of 55 measurement dimensions are taken into account in arriving at the indicator scores. Each indicator has between one and five measurement dimensions.

Repeated assessments will provide information on the extent to which a country's tax administration is improving.

Scoring methodology

The assessment of indicators follows the same approach followed in the Public Expenditure and Financial Accountability (PEFA) diagnostic tool so as to aid comparability where both tools are used.

Each of TADAT's 55 measurement dimensions is assessed separately. The overall score for an indicator is based on the assessment of the individual dimensions of the indicator. Combining the scores for dimensions into an overall score for an indicator is done using one of two methods: Method 1 (M1) or Method 2 (M2). For both M1 and M2, the four-point 'ABCD' scale is used to score each dimension and indicator.

Method M1 is used for all single dimensional indicators and for multi-dimensional indicators where poor performance on one dimension of the indicator is likely to undermine the impact of good performance on other dimensions of the same indicator (in other words, by the weakest link in the connected dimensions of the indicator).

Method M2 is based on averaging the scores for individual dimensions of an indicator. It is used for selected multi-dimensional indicators where a low score on one dimension of the indicator does not necessarily undermine the impact of higher scores on other dimensions for the same indicator.

Attachment II. Fiji: Country Snapshot

Geography	Fiji is in the South Pacific, an island group of 332 islands, of which approximately 110 are inhabited. It covers close to 18,274 square kilometers. The capital is Suva. <i>Source: CIA Factbook</i>
Population	951,611 (2024 estimate). The total median age is 31.6 years, and life expectancy is about 72.2 years for men and 77.6 years for women. The two main ethnic groups are iTaukei 56.8 percent and Indo-Fijian 37.5 percent. <i>Source: CIA Factbook</i>
Adult literacy rate	There are three official languages: English, iTaukei and Fiji Hindi. 98 per cent of 15- to 24-year-olds in Fiji are literate, with little difference across groups. <i>Source: CIA Factbook and Fiji Education Factsheet 2025</i>
Gross Domestic Product	2023 nominal GDP: FJD12,245,285 <i>Source: Fiji Bureau of Statistics (2024)</i>
Per capita GDP	FJD13,697 <i>Source: Fiji Bureau of Statistics (2024)</i>
Main Industries	40 percent of the population is directly or indirectly dependent on the tourism sector. Other major industries include agriculture (incl. sugar cane processing, copra, lumbar), manufacturing (including clothing), and gold and silver mining. <i>Source: CIA Factbook</i>
Communications	Internet users – 70 percent of population (2023) Mobile phone subscriptions – 112 percent of population (2022). <i>Source: Data.worldbank.org</i>
Main taxes	Corporate Income Tax (CIT) 20.6 percent; Pay as You Earn (PAYE) 8.5 percent; Personal Income Tax (PIT) 1.5 percent; Domestic Excises 5.8 percent; Value Added Tax (VAT) 54.4 percent. <i>Source: TADAT Pre-Assessment Questionnaire</i>
Tax-to-GDP	24.0 percent for FY 2024 <i>Source: IMF Article IV June 20, 2025</i>
Number of taxpayers	The total number of registered taxpayers at July 31, 2025, is 1,177,320 broken down as follows: CIT (74,937); PAYE (11,094); PIT (1,065,540); VAT (22,296); Domestic Excise Taxes (3); Other (3450). <i>Source: Table 2, Attachment III.</i>
Main collection agency	Fiji Revenue and Customs Service
Number of staff in the main collection agency	708 full-time equivalent staff. <i>Source: FRCS People, Capability and Culture Division</i>
Financial Year	The Government fiscal year is August 1 to July 31. The main filing year for taxpayers is the calendar year, January to December, although some have non-standard balance dates.

Attachment III. Data Tables

A. Tax Revenue Collections

Table 1. Tax Revenue Collections, 2022- 2025¹

	2022-2023	2023-2024	2024-2025
In local currency FJD (\$)			
National budgeted tax revenue forecast²	1,786,481,525	2,403,478,596	2,647,232,306
Total tax revenue collections	1,797,007,720	2,471,477,193	2,821,709,457
Corporate Income Tax (CIT)	314,518,876	524,459,507	580,863,051
Personal Income Tax (PIT)	24,585,357	31,086,691	42,772,150
Pay As You Earn (PAYE) withholding by employers	164,272,875	202,359,965	239,406,337
Value Added Tax (VAT) net ¹⁷	998,806,097	1,357,409,677	1,535,385,682
- Value-Added Tax (VAT)—gross domestic collections	633,316,247	844,477,838	1,012,660,853
- Value-Added Tax (VAT)—collected on imports	597,067,491	894,298,380	971,337,875
- Value-Added Tax (VAT)—refunds paid	(231,577,641)	(381,366,541)	(448,613,046)
Excises on domestic transactions	131,201,902	148,850,077	162,679,631
Excises—collected on imports	9,300,975	26,443,434	33,619,298
Social contribution collections	n.a	n.a	n.a
Other domestic taxes ³	154,321,638	180,867,842	226,983,308
In percent of total tax revenue collections			
Total tax revenue collections	100.0	100.0	100.0
Corporate Income Tax (CIT)	17.5	21.2	20.6
Personal Income Tax (PIT)	1.4	1.3	1.5
Pay As You Earn (PAYE) withholding by employers	9.1	8.2	8.5
Value Added Tax (VAT) net	55.5	55.0	54.4
- Value-Added Tax (VAT)—gross domestic collections	35.2	34.2	35.9
- Value-Added Tax (VAT)—collected on imports	33.2	36.2	34.4
- Value-Added Tax (VAT)—refunds paid	(12.9)	(15.4)	(15.9)
Excises—collected on domestic transactions	7.3	6.0	5.8
Excises—collected on imports	0.5	1.1	1.2
Social contribution collections	n.a	n.a	n.a
Other domestic taxes	8.6	7.3	8.0
In percent of GDP			
Total tax revenue collections	15.4	18.9	20.2
Corporate Income Tax (CIT)	2.7	4.0	4.2
Personal Income Tax (PIT)	0.2	0.2	0.3
Pay As You Earn (PAYE) withholding by employers	1.4	1.6	1.7
Value Added Tax (VAT) net	8.5	10.4	11.0
- Value-Added Tax (VAT)—gross domestic collections	5.4	6.5	7.3
- Value-Added Tax (VAT)—collected on imports	5.1	6.9	7.0
- Value-Added Tax (VAT)—refunds paid	(2.0)	(2.9)	(3.2)
Excises—collected on domestic transactions	1.1	1.1	1.2
Excises—collected on imports	0.1	0.2	0.2
Social contribution collections	n.a	n.a	n.a
Other domestic taxes	1.3	1.4	1.6
Nominal GDP in local currency	11,690,900,000	13,045,700,000	13,956,500,000
Explanatory notes:			
¹ This table gathers data for three fiscal years (e.g. 2016 -18) in respect of all domestic tax revenues collected by the tax administration at the national level, plus VAT and Excise tax collected on imports by the customs and/or other agency.			
² This forecast is normally set by the Ministry of Finance (or equivalent) with input from the tax administration and, for purposes of this table, should only cover the taxes listed in the table. The final budgeted forecast, as adjusted through any mid-year review process, should be used.			
³ 'Other domestic taxes collected at the national level by the tax administration include, for example, property taxes, financial transaction taxes, and environment taxes.			
NOTE: Government Fiscal Year is August 1 - July 31.			

¹⁷ Value Added Tax = (gross domestic VAT collected + VAT collected on imports) – VAT refunds paid

B. Movements in the Taxpayer Register

Table 2. Movements in the Taxpayer Register, 2022- 2025

(Ref: POA1)

	Registered taxpayers ¹ [A]	Taxpayers otherwise not required to file ² [B]	Taxpayers Expected to File [C] = [(A) – (B)] ³	Memorandum items ⁴ [D]	
				New Registrations [D1]	Taxpayers deregistered during year [D2]
2022 - 2023					
Corporate income tax	66,490	52,532	13,958	4,445	51
Personal income tax	1,022,495	941,669	80,826	25,125	22
PAYE withholding (# of employers)	9,939	35	9,904	709	90
Value Added Tax	19,727	0	19,727	1,254	171
Domestic excise tax ⁵	3	0	3	0	0
Other taxpayers	3,285	0	3,285	80	27
2023 - 2024					
Corporate income tax	70,946	54,625	16,321	4,456	80
Personal income tax	1,044,124	960,393	83,731	21,629	9
PAYE withholding (# of employers)	10,543	36	10,507	604	106
Value Added Tax	20,958	0	20,958	1,231	124
Domestic excise tax ⁵	3	0	3	0	0
Other taxpayers	3,372	0	3,372	87	28
2024 - 2025					
Corporate income tax	74,937	59,217	33,891	3,991	41
Personal income tax	1,065,540	980,508	85,658	21,416	4
PAYE withholding (# of employers)	11,094	36	11,058	551	66
Value Added Tax	22,296	0	22,296	1,338	46
Domestic excise tax ⁵	3	0	3	0	0
Other taxpayers	3,450	0	3,450	78	21

Explanatory Notes:

¹ A registered taxpayer who is in the tax administration's taxpayer database.

² Taxpayers not required to file declarations' means taxpayers who are registered but are currently not required to file by law or regulation and are explicitly flagged in the automated tax administration system.

³ Expected filing calculations to be used in Indicator P4-12.

⁴ Taxpayer register activity information.

⁵ For purposes of a TADAT assessment, the focus is on those registered domestic excise taxpayers who trade in goods/services that contribute 70 percent of the total domestic excise revenue by value.

C. Telephone Enquiries

(Ref: POA 3)

Table 3. Telephone Enquiry Call Waiting Time (for the most recent 12-month period)			
Month	Total number of telephone enquiry calls received	Telephone enquiry calls answered within 6 minutes' waiting time	
		Number	In percent of total calls
Aug-24	4,858	4,177	86.0
Sep-24	5,098	3,553	69.7
Oct-24	5,343	3,318	62.1
Nov-24	4,379	3,054	69.7
Dec-24	3,777	2,759	73.0
Jan-25	5,460	3,824	70.0
Feb-25	4,710	3,889	82.6
Mar-25	5,029	3,303	65.7
Apr-25	5,165	3,668	71.0
May-25	4,374	3,689	84.3
Jun-25	5,133	4,171	81.3
Jul-25	6,528	5,572	85.4
12-month total	59,854	44,977	75.1
NOTE: A toll-free line was added in March 2025.			

D. Filing of Tax Declarations

(Ref: POA 4)

Table 4. On-time Filing of CIT Declarations for FY2023 - 2024

	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
All CIT taxpayers	4,468	16,321	27.4
Large taxpayers only	230	302	76.2

Explanatory notes:

¹ 'On-time' filing means declarations (also known as 'returns') filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy).

² 'Expected declarations' means the number of CIT declarations that the tax administration expected to receive from registered CIT taxpayers that were required by law to file declarations.

³ The 'on-time filing rate' is the number of declarations filed by the statutory due date as a percentage of the total number of declarations expected from registered taxpayers, i.e. expressed as a ratio:

$$\frac{\text{Number of CIT declarations filed by the due date}}{\text{Number of declarations expected from active CIT taxpayers}} \times 100$$

NOTE: The taxpayers whose due date/deferred filing date is after June 2025 has been excluded.

Table 5. On-time Filing of PIT Declarations for FY2023 - 2024

Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
15,793	83,731	18.9

Explanatory notes:

¹ 'On-time' filing means declarations (also known as 'returns') filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy).

² 'Expected declarations' means the number of PIT declarations that the tax administration expected to receive from registered PIT taxpayers that were required by law to file declarations.

³ The 'on-time filing rate' is the number of declarations filed by the statutory due date as a percentage of the total number of declarations expected from registered taxpayers, i.e. expressed as a ratio:

$$\frac{\text{Number of PIT declarations filed by the due date}}{\text{Number of PIT declarations expected from active PIT taxpayers}} \times 100$$

Table 6. On-time Filing of VAT Declarations—All VAT Taxpayers 2024 - 2025			
Month	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
Aug-24	4,080	6,915	59.0
Sep-24	7,300	15,154	48.2
Oct-24	4,175	6,968	59.9
Nov-24	4,323	6,995	61.8
Dec-24	9,941	21,654	45.9
Jan-25	4,632	7,570	61.2
Feb-25	4,789	7,568	63.3
Mar-25	8,900	21,480	41.4
Apr-25	4,550	7,485	60.8
May-25	4,655	7,490	62.1
Jun-25	10,954	21,800	50.2
Jul-25	4,770	7,442	64.1
12-month total	73,069	138,521	52.7
Explanatory notes: ¹ 'On-time' filing means declarations filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy). ² 'Expected declarations' means the number of VAT declarations that the tax administration expected to receive from registered VAT taxpayers that were required by law to file declarations. ³ The 'on-time filing rate' is the number of VAT declarations filed by the statutory due date as a percentage of the total number of declarations expected from registered VAT taxpayers, i.e. expressed as a ratio: $\frac{\text{Number of VAT declarations filed by the due date}}{\text{Number of declarations expected from active VAT taxpayers}} \times 100$			

Table 7. On-time Filing of VAT Declarations—Large Taxpayers Only			
2024 – 2025			
Month	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
Aug-24	297	320	92.8
Sep-24	301	329	91.5
Oct-24	295	321	91.9
Nov-24	298	321	92.8
Dec-24	306	331	92.4
Jan-25	287	296	97.0
Feb-25	284	296	95.9
Mar-25	280	299	93.6
Apr-25	283	296	95.6
May-25	285	296	96.3
Jun-25	287	299	96.0
Jul-25	283	296	95.6
12-month total	3,486	3,700	94.2
Explanatory notes: ¹ 'On-time' filing means declarations filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy). ² 'Expected declarations' means the number of VAT declarations that the tax administration expected to receive from large taxpayers that were required by law to file VAT declarations. ³ The 'on-time filing rate' is the number of VAT declarations filed by large taxpayers by the statutory due date as a percentage of the total number of VAT declarations expected from large taxpayers, i.e. expressed as a ratio: $\frac{\text{Number of VAT declarations filed by the due date by large taxpayers}}{\text{Number of VAT declarations expected from active large taxpayers}} \times 100$			

Table 8. On-time Filing of Domestic Excise Tax Declarations [for those excise tax goods/services categories contributing, by value, 70 percent of total domestic excise tax] 2024 – 2025			
Month	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
Aug-24	2	3	66.7
Sep-24	3	3	100.0
Oct-24	3	3	100.0
Nov-24	3	3	100.0
Dec-24	3	3	100.0
Jan-25	3	3	100.0
Feb-25	3	3	100.0
Mar-25	3	3	100.0
Apr-25	3	3	100.0
May-25	3	3	100.0
Jun-25	3	3	100.0
Jul-25	3	3	100.0
12-month total	35	36	97.2
Explanatory notes: ¹ 'On-time' filing means declarations filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy) by registered domestic excise tax taxpayers who contribute up to 70 percent, by value, of the total domestic excise tax revenue. ² 'Expected declarations' means the number of excise tax declarations that the tax administration expected to receive from registered domestic excise tax taxpayers (the focus is on those registered domestic excise taxpayers who trade in the categories of goods/services that contribute 70 percent of the total domestic excise revenue by value) that are required by law to file excise tax declarations. ³ The 'on-time filing rate' is the number of excise tax declarations filed by taxpayers by the statutory due date as a percentage of the total number of excise duties declarations expected from registered domestic excise tax taxpayers who trade in the categories of goods/services that contribute 70 percent of the total domestic excise revenue by value, i.e. expressed as a ratio: $\frac{\text{Number of domestic excise tax declarations filed by the due date}}{\text{No. of domestic excise tax declarations expected from active domestic excise tax taxpayers}} \times 100$			

Table 9. On-time Filing of Domestic Excise Tax Declarations—Large Taxpayers Only
2024 – 2025

Month	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
Aug-24	2	3	66.7
Sep-24	3	3	100.0
Oct-24	3	3	100.0
Nov-24	3	3	100.0
Dec-24	3	3	100.0
Jan-25	3	3	100.0
Feb-25	3	3	100.0
Mar-25	3	3	100.0
Apr-25	3	3	100.0
May-25	3	3	100.0
Jun-25	3	3	100.0
Jul-25	3	3	100.0
12-month total	35	36	97.2

Explanatory notes:

¹ 'On-time' filing means declarations filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy) by large taxpayers registered for domestic excise tax.

² 'Expected declarations' means the number of excise tax declarations that the tax administration expected to receive from ALL large taxpayers registered for domestic excise tax and are required by law to file excise tax declarations.

³ The 'on-time filing rate' is the number of excise tax declarations filed by large taxpayers by the statutory due date as a percentage of the total number of excise duties declarations expected from large taxpayers registered for domestic excise tax taxpayers, i.e. expressed as a ratio:

$$\frac{\text{Number of domestic excise tax declarations from large taxpayers filed by the due date}}{\text{No. of domestic excise tax declarations expected from active large taxpayers registered for domestic excise tax}} \times 100$$

Table 10. On-time Filing of PAYE Withholding Declarations (filed by employers)
2024 – 2025

Month	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
Aug-24	3,975	7,088	56.1
Sep-24	4,094	7,104	57.6
Oct-24	4,116	7,126	57.8
Nov-24	4,231	7,145	59.2
Dec-24	6,187	10,870	56.9
Jan-25	4,254	7,183	59.2
Feb-25	4,270	7,186	59.4
Mar-25	4,127	7,207	57.3
Apr-25	4,163	7,218	57.7
May-25	4,286	7,237	59.2
Jun-25	6,755	11,062	61.1
Jul-25	4,484	7,294	61.5
12-month total	54,942	93,720	58.6

Explanatory notes:

¹ 'On-time' filing means declarations filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy).

² 'Expected declarations' means the number of PAYE withholding declarations that the tax administration expected to receive from registered employers with PAYE withholding obligations that were required by law to file declarations.

³ The 'on-time filing rate' is the number of PAYE withholding declarations filed by employers by the statutory due date as a percentage of the total number of PAYE withholding declarations expected from registered employers, i.e. expressed as a ratio:

$$\frac{\text{Number of PAYE withholding declarations filed by the due date}}{\text{Number of PAYE withholding declarations expected from registered employers}} \times 100$$

E. Electronic Services

(Ref: POAs 4 and 5)

Table 11. Use of Electronic Services, 2022 - 2025¹

	2022-2023	2023-2024	2024- 2025
	Electronic filing² (In percent of all declarations filed for each tax type)		
CIT	99.8	99.9	99.7
PIT	99.8	99.8	99.9
PAYE (Withholding)	100	100	100
VAT	99.8	98.6	99.4
Domestic excise tax (for all registered taxpayers)	100.0	100.0	100.0
Large taxpayers (all core taxes)	100	98.0	97.0
	Electronic payments³ (In percent of total number of payments received for each tax type)		
CIT	16.0	28.0	37.0
PIT	15.0	23.0	25.0
PAYE (Withholding)	41.0	45.0	54.0
VAT	23.0	26.0	34.0
Domestic excise tax (for all registered taxpayers)	100.0	100.0	100.0
Large taxpayers (all core taxes)	56.0	67.0	74.0
	Electronic payments (In percent of total value of payments received for each tax type)		
CIT	14.0	38.0	46.0
PIT	8.0	22.0	29.0
PAYE (Withholding)	56.0	60.0	67.0
VAT	29.0	34.0	40.0
Domestic excise tax (for all registered taxpayers)	100.0	100.0	100.0
Large taxpayers (all core taxes)	50.0	69.0	73.0

Explanatory notes:

¹ Data in this table will provide an indicator of the extent to which the tax administration is using modern technology to transform operations, namely in areas of filing and payment.

² For purposes of this table, electronic filing involves facilities that enable taxpayers to complete tax declarations online and file those declarations via the Internet.

³ An electronic payment is a payment made from one bank account to another via electronic means without the direct intervention of bank staff instead of using cash or check, in person or by mail. Methods of electronic payment include credit cards, debit cards, and electronic funds transfer (where money is electronically transferred via the Internet from a taxpayer's bank account to the Treasury account). Electronic payments may be made, for example, by mobile telephone where technology is used to turn mobile phones into an Internet terminal from which payments can be made.

F. Payments

(Ref: POA 5)

Table 12. VAT Payments Made During FY2024- 2025

	VAT payments made on-time ¹		VAT payments due ²		On-time payment rate ³ (In percent)	
	All VAT payers	Large VAT payers	All VAT payers	Large VAT payers	All VAT payers	Large VAT payers
Number of payments	61,926	2,912	80,014	3,497	77.4	83.3
Value of payments	836,263,009	506,923,888	955,689,805	561,462,600	87.5	90.3

Explanatory notes:

¹ 'On-time' payment means paid on or before the statutory due date for payment (plus any 'days of grace' applied by the tax administration as a matter of administrative policy).

² 'Payments due' include all payments due, whether self-assessed or administratively assessed (including as a result of an audit).

³ The 'on-time payment rate' is the number (or value) of VAT payments made by the statutory due date in percent of the total number (or value) of VAT payments due, i.e. expressed as ratios:

- The on-time payment rate by number is: $\frac{\text{Number of VAT payments made by the due date}}{\text{Total number of VAT payments due}} \times 100$
- The on-time payment rate by value is: $\frac{\text{Value of VAT payments made by the due date}}{\text{Total value of VAT payments due}} \times 100$

G. Domestic Tax Arrears

(Ref: POA 5)

Table 13. Value of Tax Arrears, 2022 – 2025 ¹

	2022-2023	2023-2024	2024-2025
	In local currency		
Total core tax revenue collections (from Table 1) ² (A)	1,633,385,107	2,264,165,917	2,561,106,851
Total core tax arrears at end of fiscal year ³ (B)	214,732,318	233,200,280	348,599,279
Of which: Collectible ⁴ (C)	192,205,909	223,289,640	332,259,588
Of which: More than 12 months' old (D)	112,108,495	124,467,182	144,479,555
	In percent		
Ratio of (B) to (A) ⁵	13.1	10.3	13.6
Ratio of (C) to (A) ⁶	11.8	9.9	13.0
Ratio of (D) to (B) ⁷	52.2	53.4	41.4

Explanatory notes:

¹ Data in this table will be used in assessing the value of core tax arrears relative to annual collections and examining the extent to which unpaid tax liabilities are significantly overdue (i.e. older than 12 months).

² For purposes of the denominator in this Table, **total core tax revenue collections includes the following:** CIT, PIT, PAYE, net VAT, Excise on domestic taxes, SCC (where it is a major source of revenue) and other domestic taxes . **It excludes excise duty on imports**

³Total core tax arrears' include tax, penalties, and accumulated interest.

⁴ 'Collectible' core tax arrears is defined as the total amount of domestic tax, including interest and penalties, that is overdue for payment and which is not subject to collection impediments. Collectible core tax arrears therefore generally exclude: (a) amounts formally disputed by the taxpayer and for which collection action has been suspended pending the outcome, (b) amounts that are not legally recoverable (e.g., debt foregone through bankruptcy), and (c) arrears otherwise uncollectible (e.g., the debtor has no funds or other assets).

⁴ i.e. $\frac{\text{Value of total core tax arrears at end of fiscal year (B)}}{\text{Total core tax collected for fiscal year (A)}} \times 100$

⁵ i.e. $\frac{\text{Value of collectible core tax arrears at end of fiscal year (C)}}{\text{Total core tax collected for fiscal year (A)}} \times 100$

⁶ i.e. $\frac{\text{Value of core tax arrears >12 months' old at end of year (D)}}{\text{Value of total core tax arrears at end of fiscal year (B)}} \times 100$

H. Tax Dispute Resolution

(Ref: POA 7)

Table 14. Finalization of Administrative Reviews
(for the most recent 12-month period)

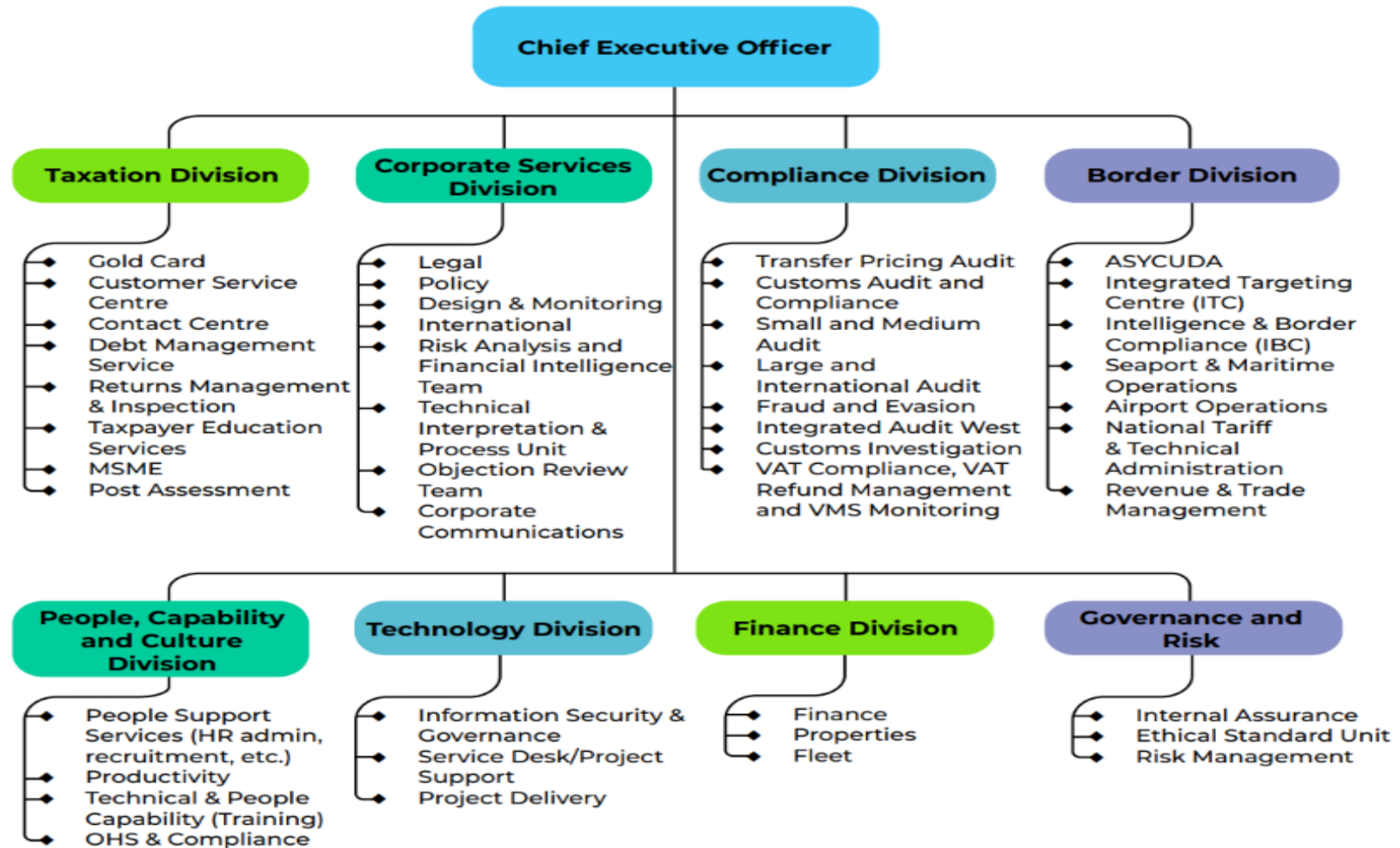
Month	Number of administrative review cases				Finalized within 30 days		Finalized within 60 days		Finalized within 90 days	
	Stock at beginning of month [A]	Received during the month [B]	Finalized during the month [C]	Stock at end of month D= [A + B - C]	Number [E]	In percent of total [F] = [E / A+B]	Number [G]	In percent of total [H] = [G /A+B]	Number [I]	In percent of total [J] = [I / A+B]
Aug-24	49	2	0	51	0	0.0	0	0.0	0	0.0
Sep-24	51	3	0	54	0	0.0	0	0.0	0	0.0
Oct-24	54	18	4	68	0	0.0	0	0.0	0	0.0
Nov-24	68	53	2	119	0	0.0	0	0.0	2	1.7
Dec-24	119	23	0	142	0	0.0	0	0.0	0	0.0
Jan-25	142	14	2	154	0	0.0	0	0.0	0	0.0
Feb-25	154	2	1	155	0	0.0	0	0.0	1	0.6
Mar-25	155	41	0	196	0	0.0	0	0.0	0	0.0
Apr-25	196	3	0	199	0	0.0	0	0.0	0	0.0
May-25	199	35	0	234	0	0.0	0	0.0	0	0.0
Jun-25	234	3	49	188	5	2.7	0	0.0	0	0.0
Jul-25	188	14	0	202	0	0.0	0	0.0	0	0.0
12-month total					5		0		3	

I. Payment of VAT Refunds

(Ref: POA 8)

Table 15. VAT Refunds 2024 – 2025		
	Number of cases	Value in local currency
Total VAT refund claims received (A)	18,843	787,930,876
Total VAT refunds paid ¹	15,938	601,265,203
Of which: paid within 30 days (B) ²	14,140	321,543,602
Of which: paid outside 30 days	1,798	279,721,601
Total VAT refund claims declined ³	0	0
Of which: declined within 30 days (C)	0	0
Of which: declined outside 30 days	0	0
Total VAT refund claims not processed ⁴	2,905	186,665,673
Of which: no decision taken to decline refund		
Of which: approved but not yet paid or offset	0	0
In percent		
Ratio of (B+C) to (A) ⁵	75.0	40.8
Explanatory note: ¹ Include all refunds paid, as well as refunds offset against other tax liabilities. ² TADAT measures performance against a 30-day standard. ³ Include cases where a formal decision has been taken to decline (refuse) the taxpayer's claim for refund (e.g., where the legal requirements for refund have not been met). ⁴ Include all cases where refund processing is incomplete—i.e. where (a) the formal decision has not been taken to decline the refund claim; or (b) the refund has been approved but not paid or offset. ⁵ i.e. $\frac{\text{VAT refunds paid within 30 days (B)} + \text{VAT refunds declined within 30 days (C)}}{\text{Total VAT refund claims received (A)}} \times 100$		

Attachment IV. Organizational Chart



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Attachment V. Sources of Evidence

Indicators	Sources of Evidence
P1-1. Accurate and reliable taxpayer information.	• Tax Administration Act 2009 (sections 37A, 38) https://www.laws.gov.fj/Acts/DisplayAct/2599# • Table 2 in Attachment III • FRCS NTIS Taxpayer Registration Design document-V1.0 • FRCS TPOS User Manual Individual TIN Registration by Taxpayer Use Manual v1.2 • Non-Individual Registration Form • NTIS Report – Forms processed March 2025 • Screenshots of taxpayer relationships on the system – CEC • Observation during field visit of user change history audit trail • Screenshots of business registrations - CEC • Taxpayer Deregistration Manual • Taxpayer Online Services (TPOS) portal, • https://frcs.org.fj/our-services/taxation/individuals/registration/ • Taxpayer overview screen shots • SOP_COC_PAYE (1) • SOP_COC_VAT Registration (1) • Standard Operating Procedure Inspection final (WIP)
P1-2. Knowledge of the potential taxpayer base.	• BP- Information Update April 2025 – Taxation Division • BP- Information Update May 2025 – Taxation Division • Standard Operating Procedure Inspection final (WIP)
P2-3. Identification, assessment, ranking, and quantification of compliance risks.	• Compliance Risk Management Framework 2016 • CIS Risk Register • Compliance Improvement Strategy 2025-2028 • Segment analysis – Industry matrix • Research Paper summary – Small Medium • VAT Gap analysis – 2016 -2021 • FRCS Strategic Plan 2023 – 2025 • Risk Engine – all core taxes • Industry Risk Matrix 2024
P2-4. Mitigation of risks through a compliance improvement plan.	• Audit Plan – Tax Audit focus areas • Compliance Improvement Strategy 2025 - 2028 • Compliance BP – VMS staffing • NPO compliance paper - initiatives...
P2-5. Monitoring and evaluation of compliance risk mitigation activities.	• Compliance Council terms of reference • Compliance Council – meeting minutes • Compliance Division – Summary of Performance - Aug 24 – July 25. • RAFIT Project Overview 2023.

Indicators	Sources of Evidence
P2-6. Management of operational (i.e. systems and processes) risks.	- ERM Framework - FRCS Risk Management Policy - IT Risk Register - Draft BIA - Audit Risk Committee – ERM update - Enterprise Risk Management Plan 2025-2026
P2-7. Management of human capital risks.	- FRCS 2019 Staff Climate survey results - FRCS 2020 Staff Climate survey results - OH&S Policy 2020 - Capability and Development policy
P3-8. Scope, currency, and accessibility of information.	- FRCS Website - Brochures giving guidance on segments and business sectors - MSME 2024-2025 report - MSME 2025 programs - MSME guide - Tax Education team – Annual report - Brochure – VAT on new dwellings - Director Tax Presentation – Lawyer forum - Client satisfaction survey 2019 - Client satisfaction survey 2020 - Observation during visit - Taxpayer Online Services (TPOS) portal - Observation during field visit
P3-9. Time taken to respond to information requests.	Table 3 of Attachment III
P3-10. Scope of initiatives to reduce taxpayer compliance costs.	- PIT External testing issues - Taxpayer Education Team – Annual report - Taxation Administration Act – Section 34 Accounts and records - FRCS Website – MSME guide - Taxpayer Online Services (TPOS) portal,
P3-11. Obtaining taxpayer feedback on products and services.	- Client satisfaction survey 2019 - Client satisfaction survey 2020 - PIT - External testing issues - EOI-TPOS-Testers
P4-12. On-time filing rate.	Table 4-10 of Attachment III
P4-13 Management of non-filers.	- SOP Remission of Penalties para. 14 - Lodgment Enforcement Unit (LEU) -Amended SOP 04.09.25. - Final Notice.pdf - Nudge example - Demand Notice on 16 May 2025 (1) PDF – Nudge example - Tax Filing and Payment Notice – Sept 2025 - Enforcement annual report 2024-2025 final

Indicators	Sources of Evidence
	- Amended SOP Taxpayer Request (TPR) Deregistration 03.09.2025 Tax-Administration-Act-2009-Revised-1st-April-2022.pdf Section 43. Penalty for Failure to File a Tax return or Lodge Other Document - SOP TALP Final. Amended 03.09.25.pdf
P4-14. Use of electronic filing facilities.	Table 11 of Attachment III
P5-15. Use of electronic payment methods.	- Table 11 of Attachment III - Transactive Online Payment.pdf - Variation of M-PAiSA Merchant Variation Agreement - FRCS Online Payment Pamphlet.pdf - Online Payment August 2024 to July 2025. Pdf - MOU BW FRCS and BRED bank.pdf - Non Disclosure Agreement BW FRCS and BRED bank.pdf
P5-16. Use of efficient collection systems.	Income-Tax-Act-2015-Revised-1st-August-2024-.pdf Withholding - sections 10, and 111-113: Advance payments - section 110 https://frcs.org.fj/our-services/taxation/business/withholding-tax
P5-17. Timeliness of payments.	Table 12 of Attachment III
P5-18. Stock and flow of tax arrears.	- Table 13 of Attachment III - Standard Operating Procedures DMS.pdf - Debt write off SOP June 2024.pdf
P6-19. Scope of verification actions taken to detect and deter inaccurate reporting.	- Tax Audit plan – Compliance Division - August 2024-July 2025 Consolidated audit results - SOP – Audit and Compliance (updated July 2025) - Case Review – Presentation template - Screenshot of audit management system - Audit report template - TOR – Audit review panel - VMS analysis 2024-2025 KPI's
P6-20. Use of large-scale data-matching systems to detect inaccurate reporting.	VMS analysis
P6-21. Initiatives undertaken to encourage accurate reporting.	- Tax Administration Act 2009 – Section 64 Binding Private Rulings - Private Rulings & SIG's issued Aug 2023 – July 2024
P6-22. Monitoring the tax gap to assess inaccuracy of reporting levels.	VAT Gap analysis 2019-2021

Indicators	Sources of Evidence
P7-23. Existence of an independent, workable, and graduated dispute resolution process.	• Tax Administration Act (Sections 16 -21). • FRCS Organizational Structure • FRCS Alternative Dispute Resolution Framework • Alternative Dispute Resolution (ADR) Framework • Screenshot Dispute Resolution Process in TPOS
P7-24. Time taken to resolve disputes.	• Table 14 of Attachment III
P7-25. Degree to which dispute outcomes are acted upon.	• Act-10-of-2025-Value-Added-Tax-Budget-Amendment-Act-2025. • SOP Amendment (email) • Case Laws
P8-26. Contribution to government tax revenue forecasting process.	• 2025-2026 Forecast Projection update • Forecast Discussion (email from MoF) • FRCS-MoF Forecast Discussion and Agreement (email) • Revenue Analysis Borad Paper May 2025 • VAT Refund Allocation Ratio
P8-27. Adequacy of the tax revenue accounting system.	• JV 112025 FRCS Revenue June 2025iii.
P8-28. Adequacy of tax refund processing.	• VAT Act • VAT Refunds SOP • FRCS_ NTIS_ Credit and Refund Process User Manual • Screenshot of the risk filters in NTIS • Pending Refund Reason Detail • Ageing Merged • VAT Refund Manual Verification • FRCS Refund Schedule September 2025
P9-29. Internal assurance mechanisms.	• Internal Audit Charter 2023 • Screenshot of SharePoint – SOP and Policies • Audit Trail of NTIS users • Audit Trail of Access Workflow • IT_NTIS Access Request Form • Internal Audit Annual Plan 2025-2026 • Internal Audit Annual Plan 2024/2025 • Institute of Internal Auditors Seminar (email) • Code of Conduct • No Gift Policy • Conflict of Interest Policy • Disciplinary Policy and Procedures • FY24-25 Ethical Standard Unit Integrity Awareness • Integrity Awareness Session Attendance Sheet

Indicators	Sources of Evidence
	• SOP for Integrity related cases • Integrity Case Update
P9-30. External oversight of the tax administration.	• FRCS Annual Report 2021-2022 • FRCS Annual Report 2023-2024 (not published) • Audit Act – Section 11 Financial audits • Audit Act – Section 13 Performance Audits • FICAC website: https://www.ficac.org.fj/legislation.html • Financial Management Letter FY2023-2024 issued by OAG • Audit Act – Section 25 Publication of reports • FICAC Annual Report 2022-2023
P9-31. Public perception of integrity.	• FRCS Customer Satisfaction Survey 2019 • FRCS Customer Satisfaction Survey 2020
P9-32. Publication of activities, results and plans.	• FRCS Annual Report 2021-2022 • FRCS Annual Report 2023-2024 (not published) • FRCS Strategic Plan 2023-2025 • FRCS Annual Report 2023-2024 • Working draft FRCS Strategic Plan 2025-2028 • FRCS Annual Corporate Plan 2024-2025 • SOP for the Corporate Plan and Statement for Corporate Intent

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