



Flash Report

4 August 2026

Issue 8-2026

Tourism Services Tax

The Tourism Services Tax Act was enacted by Parliament on 17 July 2026, introducing a new Tourism Services Tax (**TST**) regime that will take effect from 1 September 2026. The legislation imposes a 5 percent tax on the annual gross turnover of tourism service providers whose annual turnover exceeds FJD 2 million.

Tax Rate and Scope

A 5 percent TST applies to businesses providing specified tourism services where annual gross turnover exceeds FJD 2 million. Whilst the law levies the tax on annual turnover, the TST is payable by the recipient of the tourism service and is collected and remitted to the Fiji Revenue and Customs Service (**FRCS**) by the accountable person responsible for the business.

The TST must be separately disclosed on tax invoices, invoices or receipts and is not subject to VAT.

Tourism Services Covered

The Schedule to the Act specifies that the tax applies to the following Tourism Services:

- Accommodation, refreshments and related services provided by licensed hotels;
- Services provided on vessels wholly or principally engaged in carrying tourists within Fiji;
- Meals and beverages supplied in licensed bars or clubs located within hotels;
- Inbound tour services;
- Water sports and underwater activities, surfing and river safaris; and
- Similar services to those listed above.

Compliance Obligations

Monthly Filing and Payment

Accountable persons must:

- remit any outstanding TST to the FRCS by the last day of the month following collection; and
- submit a monthly return reporting turnover for that month.

Registration Requirements

Owners or managers of tourism service businesses must register specified business details with the Chief Executive Officer (**CEO**) of FRCS within 30 days before commencing operations. Tourism service businesses operating at the commencement of the Act are deemed to be registered.

Enforcement Measures

The Act contains anti-avoidance provisions permitting the CEO of FRCS to disregard or vary arrangements that have the effect of:

- reducing or altering TST liabilities;
- relieving a person from filing or payment obligations;
- evading or avoiding tax liabilities; or
- hindering the operation of the Act.

Failure to submit required returns or the submission of false or incorrect returns may result in conviction and penalties of up to FJD 25,000, imprisonment for up to 10 years, or both.

Allocation of Collections

The Act provides that the TST collected between 1 September 2026 and 31 August 2027 must be paid (by Government) to the company that owns or operates Fiji Airways.

Contact your KPMG client service personnel or member of our Business & Tax Advisory team for further information, or assistance in respect of the above.

Connect

Business & Tax Advisory

Lisa Apted
Nalin Kumar
Annie Yuen
Radika Raj
Zoë Yuen
Jonathan Fong
Natasa Dutt

Nandini Naidu
Nikita Kumar
Lavinia Lavemaau

FJ-FMsuvaoffice@kpmg.com.au
kpmg.com/fi/suva
kpmg.com/fi/nadi

Tel: +679 2298 000

home.kpmg/socialmedia



[Privacy](#) | [Legal](#)

This flash report is issued in summary form exclusively for the information of clients and employees of KPMG and should not be used or relied upon as a substitute for detailed advice or as a basis for formulating business decisions.

You have received this message from KPMG in Fiji. If you wish to unsubscribe from receiving tax newsletters, please [click here](#).

If you have any questions, please send an email to FJ-FMsuvaoffice@kpmg.com.au.

© 2026 KPMG, a Fiji partnership, is part of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.