

**From:** [All-Staff/All-Student Email Distribution](#)  
**To:** [laucala-staff](#)  
**Subject:** Fringe Benefit Tax 2012  
**Date:** Wednesday, January 25, 2012 9:36:39 AM

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Dear All Staff,

Further to e-mail below, we have now received confirmation that the 2% access for senior staff is treated as a cash benefit and is therefore taxable in the hands of the employee. Normal PAYE tax applies as per current practice.

Please call Kolinio Boila in ext 32116 or [boila\\_k@usp.ac.fj](mailto:boila_k@usp.ac.fj) for any enquiries on tax.

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**From:** All-Staff/All-Student Email Distribution  
**Sent:** Monday, January 23, 2012 3:49 PM  
**To:** laucala-staff  
**Subject:** Fringe Benefit Tax 2012

Dear Staff,

As you might be aware by now, the Fiji Government introduced a new Fringe Benefit Tax (FBT) legislation this year. The following changes impacts your tax liability for 2012:

1. Housing and vehicle benefits – tax now on USP;
2. Medical claims – tax is on USP if USP pays for the bills directly to Doctors and pharmacies. For those who claim for reimbursements from the University for bills in which you paid cash upfront to get the service, this portion will be taxable in the hands of the employee because it automatically becomes a cash benefit. Such claims once approved will be paid through payroll, effective immediately.
3. Children's Education Allowance – tax is on USP if USP pays for tuition fees directly to schools. For those who claim for reimbursements, this will be regarded as a cash benefit, so will be taxable in the hands of the employee. Such claims once approved will be paid through payroll, effective immediately.
4. Fee concession (of 75%) – tax now on USP;
5. 2% super access for senior staff – we are awaiting formal advise from FIRCA on this. For January 2012 pay, tax is calculated normally as being income in the hands of the employee. Should the advise to be received from FIRA is otherwise, the adjustment will be made in your pay in February.

If you need further clarifications, please contact Mr Kolinio Boila on ext 32116 or e-mail [boila\\_k@usp.ac.fj](mailto:boila_k@usp.ac.fj).

**Kind Regards**

**Kolinio Boila**  
**Finance Manager**