

NATIONAL BUDGET SUMMARY 2026/2027

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Cost-of-Living Relief & Social Welfare

Zero-rated VAT maintained for 22 essential food & hygiene items. VAT held at 12.5%. Fuel price reductions expected from July 2026. Reduced duties: plastic kitchenware 32%→15%, flavoured milk 32%→15%, plant-based protein 0% fiscal duty.

Social Support: Temporary 50% increase in welfare payments (May–Jul 2026). \$200 back-to-school grant per student for 2027. Electricity & water subsidies for households earning below \$30,000. Housing grants up to \$40,000 for low-income households.

Budget Overview

Total Expenditure: \$4.87B | Revenue: \$3.82B | Deficit: \$1.0B (7% GDP) | Debt to GDP: \$12.6B (84.8%)

Announced by Hon. Esrom Yosef Immanuel, Minister for Finance, Commerce & Business Development

Business & Investment Incentives: Tax holidays for cement manufacturing, mahogany milling, eco-tourism (30%+ iTaukei ownership), animal centres. 150% deductions for sporting facilities & training institutes. 5-year tax holiday for Peer-to-Peer Lending platforms



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Health & Medical Services (\$647M):
Construction of Fiji's first Radiotherapy & Cancer Treatment Centre at CWM Hospital.
\$120M for Lautoka & Ba Hospitals.
Investment in digital health systems and healthcare workforce training.
Education (\$883M): Free Education & Transport Assistance for all students.
Funding for teacher salaries, higher education, and skills development.

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Investments in Key Sectors

Infrastructure & Utilities: \$821M allocated to transport infrastructure including roads, bridges, jetties, and public transport improvements. \$291M to upgrade and expand water supply and wastewater infrastructure nationwide, including new water treatment plants, reservoirs, and pipelines.

Agriculture, Forestry & Sugar: Five-year tax holiday for businesses investing \$5M+ in mahogany processing.

Sugar Sector: \$96.3M for price support, cartage and fertilizer. Forestry: \$25.7M for sustainable forest management and reforestation.

Taxation & Compliance Reforms — Direct Tax: Employment Taxation Scheme extended to December 2027. 150% tax deductions for implementing Electronic Fiscal Device (EFD). Employer FNPF contribution reduced from 10% to 8%. 150% investment allowance for training centres and technical facilities.

Indirect Tax: Tourism Service Tax (TST) introduced from 1st September 2026 for operators with turnover exceeding \$2M. Import excise on new passenger vehicles: 5% to 10%; used vehicles: 5% to 15%. Duty concessions on passenger vans, surveillance cameras, aluminium structures, and PVC boards.

Investor Permits: Fast-tracked from 21 days to 5 days maximum processing time.



Taxation Reforms & Budget Summary

The 2026–2027 National Budget reflects the Government's commitment to responsible fiscal management while promoting sustainable economic growth and private sector development. It introduces tax incentives, investment measures, and customs concessions to support key industries and improve Fiji's long-term competitiveness and prosperity.