

REPUBLIC OF VANUATU

Assent: 25/08/98
Commencement: 01/08/98

BUSINESS LICENCE ACT NO. 19 OF 1998

To provide for the licensing of businesses and for matters connected therewith.

INTERPRETATION

1. In this Act unless the context otherwise requires :

“approval certificate” means an approval certificate issued by the Vanuatu Foreign Investment Board;

“business” means any lawful form of trade, commerce, profession, craftsmanship, calling or other activity carried on for the purpose of gain, provided that a person shall not be deemed to carry on a business in respect of which his sole gain is by way of salary or wages;

“Director” means the director of the department of Government responsible for the administration of business licences;

“employee” means an individual who works under a contract of employment whether written or oral and any related expression shall be construed accordingly;

“Foreign Investment Board” means the Board established by the Foreign Investment Act 1998;

“foreign investor” has the same meaning as in the Foreign Investment Act 1998;

“investment proposal” has the same meaning as in the Foreign Investment Act 1998;

“Minister” means the Minister responsible for finance;

“negative list” means the list of activities in Schedule 1 of the Foreign Investment Act 1998;

“person” includes any company or association or body of persons corporate or unincorporated;

“premises” includes buildings, ships, vehicles or other places where a business is carried on, together with any place which constitutes a necessary annex to the principal place of business;

“proprietor” means the owner of a business or any natural person or corporation carrying on a business within Vanuatu on his or its own account, in association with others or on behalf of a person outside Vanuatu ;

“reserved occupation” means an occupation declared under section 9 of the Labour (Work Permits) Act to be a reserved occupation.

BUSINESS LICENCES

2. (1) Subject to the exemptions contained in Schedule 2, no person shall carry on a business without a licence issued under this Act.
- (2) Any person (other than a person exempted under Schedule 2) who carries on a business without a licence shall be guilty of an offence.

Penalty : fine not exceeding VT 500,000 or imprisonment not exceeding 1 year or both.
- (3) Where a person is charged under this section with carrying on any business without a licence, the burden of proving that a licence was issued to him in respect of the current year shall be on that person.

LICENSING AUTHORITY

3. (1) There shall for the purposes of this Act be the following licensing authorities :

- councils;
- (a) in respect of a municipality, the Minister;
 - (b) in respect of all other areas of Vanuatu, local government
 - (c) in respect of business licences of the kind mentioned in sections 8, 9 and 10 - the Director.

- 3 -

- (2) The Director may in writing delegate his or her functions to his or her subordinate, except this power of delegation.
- (3) The instrument of delegation must state :
 - (a) the functions delegated; and
 - (b) the period of the delegation.
- (4) The following provisions apply to a delegation by the Director:
 - (a) the delegation may be made to a person by name or to the person holding, or performing the duties of, a specified office or position;
 - (b) the delegation may be made generally or limited as specified in the instrument of delegation;
 - (c) a function or power delegated, when performed by the delegate, is taken to have been performed by the Director;
 - (d) the delegation of a function does not prevent the Director from performing the function;
 - (e) if the function delegated requires the forming of an opinion by the Director, the function may be performed by the delegate on the delegate's opinion.

APPLICATION FOR LICENCES

- 4. (1) Every application for the issue or renewal of a licence under this Act shall be made to the licensing authority in such form as may be prescribed by the Director.
- (2) Any person who, without reasonable cause for believing it to be true, makes, or aids and abets the making of any false statement

in any application made under this section shall be guilty of an offence.

Penalty : a fine not exceeding VT 100,000 or imprisonment not exceeding three (3) months or both.

- 4 -

ISSUE OF LICENCE

5. (1) The issue or renewal of a licence under this Act shall be in the form prescribed by the Director.
- (2) A licence shall expire on the last day of December, or the year of issue and may be renewed.
- (3) A renewal of a licence shall be for a period of one (1) year or for such shorter period as the Minister may, by notification in the Gazette, determine in respect of any particular business activity.

FOREIGN INVESTORS' ENTITLEMENT TO BUSINESS LICENCE

6. A foreign investor who has received an approval certificate from the Foreign Investment Board for an investment proposal is entitled to be issued with the business licences specified in the certificate for the proposal.

ISSUE OF BUSINESS LICENCE - BUSINESS LISTED IN SECTION 13

7. (1) If a foreign investor :
 - (a) produces to the Minister an approval certificate that specifies a business licence for a business listed in section 13; and
 - (b) gives the Minister a completed application form; and
 - (c) pays the business licence fee payable for the licence, in accordance with section 18;

the Minister must direct the Director to issue to the investor the business licences specified in the certificate.

(2) If :

- (a) a person other than a foreign investor applies for a business licence for a business listed in section 13; and
- (b) the person pays the business licence fee payable for the licence, in accordance with section 18; and
- (c) if the applicant is not a citizen - the business does not involve an activity that is a reserved occupation; and

- 5 -

- (d) the business does not involve an activity that is on the negative list;

the Minister must direct the Director to issue the business licence to the person.

(3) The Minister must give the direction within seven (7) days after the foreign investor complies with subsection (1), or the person complies with subsection (2).

(4) If the Minister does not within seven (7) days direct the issue or refusal of the licence :

- (a) the Minister is taken to have approved the issue of the licence; and
- (b) the Director must issue the licence.

(5) If the business licence involves a business situated in an area that is outside a municipality, references to the Director in this section are to be read as references to the local government council for the area.

ISSUE OF BUSINESS LICENCE - BUSINESS NOT LISTED IN SECTION 13

8. (1) If a foreign investor :

- (a) produces to the Director an approval certificate that specifies a business licence for a business not listed in section 13; and
- (b) gives the Director a completed application form; and
- (c) pays the business licence fee payable for the licence in accordance with section 18;

the Director must issue to the investor the licences specified in the certificate.

(2) If :

- (a) a person, other than a foreign investor, applies for a business licence not listed in section 13; and
- (b) the person pays the business licence fee payable for the licence in accordance with section 18; and

- 6 -

- (c) the applicant is not a citizen and the business does not involve an activity that is a reserved occupation; and
- (d) the business does not involve an activity that is on the negative list;

the Director must issue the business licence to the person.

- (3) The Director must issue the business licence within five (5) working days after the foreign investor complies with subsection (1), or the person complies with subsection (2).
- (4) If the business licence involves a business situated in an area that is outside a municipality, references to the Director in this section are to be read as references to the local government council for the area.

RENEWAL OF BUSINESS LICENCES

- 9. If a person (whether a foreign investor or not) to whom a business licence was issued under section 5, 6, 7 or 8;

(a) applies for the renewal of the licence; and

(b) pays the fee payable for the licence;

the Director or local government council, as the case requires, must renew the business licence.

TRANSFER OF BUSINESS LICENCES

10. (1) Subject to this section, a business licence may be transferred.

(2) The holder of a business licence must give the Director or, if the licence was issued by a local government council, that council, notice that the holder proposes to transfer the licence.

(3) The notice must state :

(a) the business licence number; and

(b) the name and address of the holder; and

(c) the location and nature of the business; and

(d) the name and address of the transferee; and

- 7 -

(e) the date of the transfer.

(4) The Director or the local government council concerned must :

(a) cancel the existing business licence; and

(b) issue a new business licence to the transferee on payment of the business licence fee, unless :

(i) to do so would result in the transferee having a monopoly of the business concerned in the area concerned, and the transferor did not have an existing monopoly; or

(ii) the transferee is a foreign investor who does not produce an approval certificate; or

(iii) the transferee is not entitled to the business licence under this Act.

(5) However, the Director or local government council may issue the new business licence if :

(a) to do so would result in the transferee having a monopoly of the business concerned in the area concerned; but

in the Director or council's opinion the monopoly would not be detrimental to the public interest,

(b) the Director or local government council must issue the new business licence within seven (7) days of receiving the application and the fee.

REASONS FOR DECISION

11. If :

(a) the Minister refuses to direct the Director or the local government council to issue a business licence; or

(b) the Director or the local government council refuses to issue, renew or transfer a business licence;

- 8 -

the Minister, Director or local government council, as the case requires, must :

(c) record the decision, and reasons for the decision, in writing; and

(d) send a copy of the decision and the reasons :

(i) to the applicant; and

(ii) if the applicant is a foreign investor - to the Foreign Investment Board; and

(iii) if the applicant is a foreign investor for whom a local agent is acting - to the agent;

within seven (7) days of making the decision.

APPEAL

12. (1) A person may appeal to the Minister against a decision of the Director or local government council refusing to issue, renew or transfer a business licence.
- (2) The Minister must consider and decide the matter within 30 days.
- (3) The Minister must :
- (a) record his or her decision, and the reasons for the decision, in writing; and
 - (b) send a copy of the decision and the reasons to the person within seven (7) days of making the decision.
- (4) A person may appeal to the Supreme Court against a decision of the Minister under section 7 or under subsections (2) and (3), refusing to direct the Director or local government council to issue, renew or transfer a business licence;
- (5) The Supreme Court has jurisdiction to hear and determine an appeal brought under this section.

- 9 -

MINISTER TO APPROVE OR REFUSE APPLICATIONS IN CERTAIN CASES

13. (1) Where an application is made to a local government council or the Director for the issue or renewal of a licence to which this section applies, the local government council or the Director shall refer such application to the Minister and shall grant or refuse the application as directed by the Minister.
- (2) In giving the direction, the Minister must act in accordance with sections 6 to 12.
- (3) This section applies to licences in respect of businesses in any of the following business activity :

- Mining for minerals;
- Quarrying and Other Mining;
- Logging;
- Abattoirs and meat packing;
- Canneries;
- Oil mills;
- Bakeries and confectioneries;
- Manufacturers of food products not elsewhere specified;
- Manufacturers of prepaid animal feeds;
- Distilleries;
- Breweries;
- Manufacturers of carbonated non-alcoholic beverage;
- Manufacturers of cordials and non-carbonated, non-alcoholic Beverages;
- Manufacturers of tobacco;
- Sawmills, planing and other wood mills;
- Manufacture of wooden furniture and fixtures, artifacts and decorative small furnishing;
- Manufacture of paper, paper products, printer and publishers;
- Manufactures of chemicals, chemical products, rubber and plastics;
- Manufacture of soap and cleaning preparations;
- Ship builders and repairers;
- Manufacture of wearing apparels;
- Jewellers;
- Air conditioning and refrigeration;
- Manufacture of cement, lime and plaster;
- Manufacture of structural and fabricated metal products; and
- Commercial banks;
- Air transport operators;

- 10 -

- Tour agent;
- Trust, finance and investment companies;
- Local insurance companies;
- Insurance brokers and agents;
- Real estates, property and land developers and managers;
- Legal practitioners;
- Accounting practitioners;

- Engineering and architectural services or practitioners, surveyors and draftsman;
- Core drilling, assaying, geological and prospecting support services;
- Business, financial and management services and consultants, advertising and marketing services.

LICENCE TO BE DISPLAYED

14. (1) Every licence shall be displayed and kept displayed in a prominent place by the licence holder on the premises to which it relates and shall be made available at any hour at which such premises are normally open for business for inspection by any person authorised under this Act to demand its production.
- (2) Every licensing authority or person authorised in writing in that behalf by any licensing authority, and every police officer is authorised to demand the production of any licence issued under this Act.
- (3) A licence holder or other person having custody of a licence who, without reasonable excuse, fails to produce such licence upon lawful demand being made to him in that behalf shall be guilty of an offence.

Penalty : a fine not exceeding VT 100,000.

LICENCES LOST OR DESTROYED

15. Where it is shown to the satisfaction of the licensing authority by which a licence was issued that such licence has been lost or destroyed, it shall, upon payment of the prescribed fee, issue a duplicate of such licence to the licence holder.

POWER OF SEARCH

16. A person authorised in writing in that behalf by any licensing authority and by the Public Prosecutor may without warrant enter and search premises during normal business hours for the purposes of ascertaining the category

of the business or assessing the licence fee and the identity of the proprietor thereof. The proprietor shall make available for

inspection on demand by any such person books, documents, electronic records however recorded or any other records relating to the business and copies thereof or extracts therefrom may be made. The provisions of this section shall not derogate from any privilege or immunity arising with respect to such premises, proprietor, books, documents or records under the provisions of any law applicable thereto within Vanuatu.

CONFIDENTIALITY OF INFORMATION

17. Information relating to the business of any person obtained under section 16 shall be treated as strictly confidential and shall not be disclosed save for the purposes of any prosecution with respect to the business.

FEES

18. (1) Subject to the provisions of this Act, there shall be payable in respect of a licence issued under this Act, a business licence fee as prescribed in the First Schedule.
- (2) The fee provided in subsection (1) shall be an annual fee and shall be due and paid on the first day of the month in which the business is first commenced and thereafter -
- (a) where the fee payable does not exceed VT 20, 000, shall be paid in full on or before the 31st of January of each succeeding year;
- (b) where the fee payable exceeds VT 20,000, shall be paid in two equal instalments on or before the 31st January and 31st July each year.
- (3) The fee provided in subsection (1) together with any increase provided for in subsection (4) shall be recoverable by the licensing authority as a civil debt.
- (4) If the business licence fee has not been paid in full or in part by instalments in accordance with subsection (2), that fee or part of the fee remaining unpaid shall be increased by 10% for each month or part thereof during which the fee remains unpaid.
- (5) The Director may, with the approval of the Minister, remit in whole or in part the increase imposed under subsection (4) where :
- (a) the business becomes insolvent;

- (b) the business becomes subject to unforeseen adverse trading conditions affecting its financial capability;
- (c) an inadvertent error or omission is made in good faith in the completion of a business licence application form or in the calculation of the fee; or
- (d) undue financial hardship would be caused by the imposition of such an increase.

GENERAL PROVISIONS

19. (1) A licence shall be required in respect of each and every premises at which a business is carried on other than premises used for storage or other purposes which are incidental to the carrying on of the business :

Provided that one licence shall suffice for premises which are immediately adjacent and intercommunicating.

- (2) Where a person carries on more than one business or category of business, he shall take out a licence in respect of each business or category of business :

Provided that in any case where a person is liable to pay more than one licence fee as aforesaid and where any business is of such minor extent that it is only incidental to another business or a necessary adjunct thereto, such person shall be exempted from the obligation to take out a licence and pay any fee therefor.

- (3) Where two or more persons are carrying on a business independently of each other at the same premises a licence shall be taken out in respect of each business.

- (4) Where a licence is taken out for a newly formed business for part of a year only the fee payable shall be proportionate to the period covered by the licence and for the purpose of the assessment of that proportion any part of a month shall count as a whole month.

- (5) Where during the course of the year the nature or extent of a business changes for whatever reason thereby rendering the licence holder liable to the payment of a different licence fee he shall forthwith so inform the licensing authority and shall pay or receive such adjustment of fee as may be appropriate.

- 13 -

- (6) A licence may be surrendered to the licensing authority at any time and thereupon the licence holder shall be entitled to a proportionate refund of the licence fee commencing from the first day of the month next following.

REVENUE FROM FEES

20. (1) All fees collected by a local government council under this Act shall become part of the recurrent revenue of such council.
- (2) All fees collected by the Director or the Minister under this Act shall be paid into the Public Fund.

ABATEMENT OF FEES

21. (1) The Director, with the approval of the Minister, having regard to the actual level of turnover or gross income of any business in order to avoid hardship may, at his discretion, abate the licence fee payable in respect of any person or business by such amount not exceeding 50 percent (50%) of the fee, as he may think fit.
- (2) A local government council, having regard to the probable level of turnover or gross income of any business within the area of its jurisdiction being a business of any of the categories specified in the First Schedule and in order to avoid hardship may, at its discretion, abate the licence fee payable in respect of that business by such amount not exceeding 50 percent (50%) of the fee, as it may think fit.

REDUCTION OF FEES

22. The licensing authority may reduce the fee in respect of :
- (a) part time businesses; or
- (b) newly formed businesses.

Provided that no reduction shall be in excess of 50 percent (50%) of the fee and provided further that no such reduction shall be granted to newly formed businesses for more than three (3) consecutive years, in respect of any one licence holder.

- 14 -

PENALTIES

23. (1) Any person who fails to pay a requisite licence fee including any increase imposed in accordance with section 18 (4) within a period of six (6) months from the date when the fee is due shall be guilty of an offence and liable on conviction to a fine not exceeding VT 500,000.
- (2) Any person who fails to comply with any condition imposed in accordance with section 5 shall be guilty of an offence and liable on conviction to a fine not exceeding VT 50,000.
- (3) Any person who obstructs the proper exercise of the powers of an authorised person under section 16 shall be guilty of an offence and liable on conviction to a fine not exceeding VT 100,000 or to imprisonment not exceeding three (3) months or to both.
- (4) Any person who knowingly makes a false declaration for the purposes of evading or attempting to evade all or any part of the licence fee payable under this Act shall be guilty of an offence and liable on conviction to a fine not exceeding VT 500,000 or to imprisonment not exceeding one (1) year or to both.
- (5) Where an offence under subsections (1), (2) and (4) of this section has been committed by a corporate body, every person who at the time of the commission of the offence was a director, general manager, secretary or other senior officer of that body corporate or acting or purporting to act in any such capacity shall be guilty of the offence unless he proves that the offence was committed without his consent or knowledge and that he exercised all such diligence to prevent the commission

of the offence as he ought to have exercised having regard to the nature of his functions and capacity and in all the circumstances.

CANCELLATION OF LICENCE

24. Where a licence holder is convicted of any offence under this Act or any law providing for the payment of a tax, or value added tax or customs or excise duty, the Minister may cancel his licence, and no refund of fees shall be payable.

RULES

25. The Minister may make rules and may prescribe anything which is necessary or convenient to be prescribed for the carrying out or giving effect to, but which is not inconsistent with, this Act.

- 15 -

REPEALS

26. The Business Licence Act [CAP. 173] is repealed.

COMMENCEMENT

27. This Act shall be deemed to have come into force on the first day of August 1998.

Section 18

SCHEDULE 1

RATES OF BUSINESS LICENCE FEE

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
CLASS A MINING, QUARRYING AND LOGGING		
Category A. Mining, Quarrying and Logging	20 000	1. Class A licence includes the importing of materials required in mining, quarrying, logging and sawmill business operations.
plus for each non-citizen employee, principal or partner engaged in the business	90 000	2. Includes the extraction, dressing, smelting, crushing, etc. and the beneficiation in any way of any mineral or mineral ore other than stone, gravel, clay or sand. 3. (i) Includes the extraction, dressing, crushing or otherwise treating to render marketable stone, gravel, clay or sand. (ii) Excludes the manufacture of

structural clay and cement products such as bricks, concrete blocks and tiles, which is licensed under Category B.

4. (i) Includes logging camps, logging contractors and lodgers engaged in cutting timber and in producing rough, round, hewn or riven forest or wood raw materials.
- (ii) Logging and woods operations conducted in combination with saw mills, pulp mills or otherwise converting establishments which are beneficially owned by the same persons, are classified under Category B.

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
CLASS B		
MANUFACTURING INDUSTRIES AND TRADE		
Category B. Manufacturing Industries and Trades	20 000	1. Manufacturing means any process which transforms inorganic or organic substances into new products.
plus for each non-citizen employee, principal or partner engaged in the business	90 000	2. Covers the importing of materials and supplies required in the manufacturing processes.
		3. Does not include imports for resale (either wholesale or retail) without transformation or adaptation and not subjected to manufacturing or repairing process. (A Category D1 Import

Licence is required for all such imports plus a D3 Licence is required for direct resale).

4. Holders of a Class B Licence are permitted to sell, wholesale or retail, without a D3 Licence, through one outlet, those goods or products which they have processed, produced or manufactured in Vanuatu. The one outlet is restricted to the manufacturing business headquarters or adjacent premises.

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
CLASS C		
CONSTRUCTION INDUSTRIES AND TRADE		
Category C. Construction, Industries and Trade	10 000	Generally class C :
plus for each non-citizen employee, principal or partner engaged in the business	90 000	<ol style="list-style-type: none"> 1. Covers importing of materials and supplies required in the construction, repair and maintenance business. 2. Does not include imports for resales (either wholesale or retail) without transformation or adaptation, and not subjected to the construction, repairing or maintenance processes. (A Category D1 Import Licence is

required for all such imports, plus a D2 licence is required for direct resale).

3. Holders of Class C Licences are not permitted to import and directly re-sell any materials, supplies etc., without holding D1 and D2 Licences.

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
CLASS D		
WHOLESALE AND RETAIL MERCHANDISING TRADES		
Category D1. Importers	10 000	<p>D1.(i) Subject to paragraph (ii) a Category D1 licence is required as a supplementary licence by importing business of all classes.</p> <p>(ii) Importing means direct importing for resale (without transformation), wholesale or retail, of merchandise of any description, but excludes :</p> <p>(a) the direct importing of equipment, materials or supplies for</p>

		<p>use in the business and not purchased for resale ;</p> <p>(b) the direct importing of equipment, materials or supplies for use or for transformation by the business in mining, manufacturing, construction or repairing processes (Class A, B & C), or for use in transport operations (Class E), or for use in businesses of Classes F, G or I;</p> <p>(iii) Resale or wholesale under Category D1 includes acting as agents in buying or selling merchandise to other business.</p>
Category D2. Retailer or Wholesaler	20 000	D2. (i) A Category D2 licence is required for businesses which sell wholesale or retail merchandise of every description and includes butchers .
plus for each non-citizen employee, principal or partner engaged in the business	90.000	
CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
		<p>(ii) Business in the merchandising trades who are holders of D1 must also hold a D2 licence.</p> <p>(iii) Excludes open-air vendors and mobile shops.</p>
Category D3. Hotels, Motels, Restaurants, Cafes and Bars	20 000	D3. Hotels operating recreational and personal services require in addition appropriate licences for those services.
plus for each non-citizen employee, principal or partner engaged in the business	90 000	
Category D4. Take-Away Food Outlets	5 000	D4. Licence must be held by all take-away or fast-food outlets in addition to any D licence required.
plus for each non-citizen employee, principal or partner	90 000	

engaged in the business

Category D5. Open-Air Vendors, Mobile Shops and Door-to-door Sales

5 000

D5. (i) Applies to all vendors, carrying out their trade in the open air or under movable shelters including vendors of cooked foodstuffs.

plus for each non-citizen employee, principal or partner engaged in the business

90 000

(ii) Does not apply to vendors of local agricultural products, raw fish (including shells) or locally made artifacts.

CLASSES AND CATEGORIES OF BUSINESS

**ANNUAL FEE
(VATU)**

REMARKS

CLASS E

**TRANSPORTATION, STORAGE
FACILITIES AND TOURISM SERVICES**

Category E. Transportation, Storage Facilities and Tourism Services

20 000

plus for each non citizen, principal or partner engaged in the business

90 000

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
CLASS F FINANCIAL AND MONETARY INSTITUTIONS INSURANCE AND REAL ESTATE COMPANIES, PROFESSIONAL AND BUSINESS SERVICES		
Category F1. Commercial Banks		
2.00% of turn over for the licencing year	2.00%	F1. (i) Commercial bank includes combined trading and savings bank activities, accepting deposits of money, lending of money and in particular, accepting deposits of money withdrawable by cheque.
subject to a minimum fee of	5 000 000	

(ii) “Turnover” means net interest income (interest income less interest expense) plus income from all other operational fees, charges and commissions made by the bank, but excluding foreign exchange earnings.

Category F2. Other Financial Institutions

2.00% of turn over for the licencing year	2.00%	‘Turnover’ means :
subject to a minimum fee of	300 000	(a) net interest income (interest income less interest expenses)
		(b) all other operational gross income including trustee, corporate, administration , management fees and commissions plus all other operational charges made by the <i>institution</i> ;

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
		where that operational gross income is charged at a rate of zero percent or an exempt supply under the Value Added Tax Act 1998
Category F3. Insurance		‘Turnover’ is gross earned premiums, other than premiums paid in respect of policies that represent supplies subject to VAT at 12.5% under Value Added Tax Act 1998
F3.(a) Domiciled Vanuatu licensed insurance company	2.00%	
F3.(b) Non domiciled Vanuatu licensed insurance company	2.00%	
F3.(c) Insurance Agents	20 000	
F3.(d) Insurance Brokers	200 000	

plus for each non citizen, principal or partner engaged in the business 90 000

Category F4. Other Professional and Business Services 20 000

plus for each non citizen, principal or partner engaged in the business 90 000

'Turnover' means:

(a) net interest income (interest

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
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2.00%

income less interest expenses)

(b) all other operational gross income including trustee, corporate, administration management fees and commissions plus all other operational charges made by the institution;

where that operational gross income is charged at a rate of zero percent or an exempt supply under the Value Added Tax Act 1998

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
CLASS G PERSONAL, SOCIAL, RECREATIONAL AND REPAIR SERVICES		
Category G1 Medical and Dental Practitioners Optometrists, Chiropractors, Osteropaths, Nursing Services and Veterinary Services	20 000	
plus for each non citizen employee, principal or partner engaged in the business	90.000	
Category G2. Personal, Social, Recreational and Repair Services	20 000	
	90 000	
plus for each non citizen employee principal or partner engaged in the business		

CLASSES AND CATEGORIES OF BUSINESS		ANNUAL FEE (VATU)	REMARKS
CLASS I			
UTILITIES			
Category I1	Electricity Generation and Distribution Companies	20 000	
	plus for each non-citizen employee, principal or partner, engaged in the business	90 000	
Category I 2.	Telegraphic and Communication Services Companies and Providers	20 000	I2. Includes both national and international telephone, telegraphic and telecommunication services.
	plus for each non citizen employee, principal or partner, engaged in the business	90 000	
Category I 3.	Water Works, Distribution and Supply Companies and Providers	20 000	I3. Includes the collection, purification distribution, supply and sale of water to household, industrial and commercial users.
	plus for each non citizen employee, principal or partner, engaged in the business	90 000	
Category I4.	Radio and Television Broadcasting Companies and Providers	20 000	I4. Includes radio and television stations engaged in the production and dissemination to the public of oral and visual programmes. Includes close circuit television and relay stations.
	plus for each non citizen employee, principal or partner, engaged in the business	90 000	
			The printing and or publishing of newspaper, periodical etc. is covered under Category B.

SCHEDULE 2

EXEMPTION FROM LICENCES

Teachers and professors in schools or institutions not conducted for profits

Artist and sculptors

Planters, farmers and dairymen, market and other gardeners, stock breeders, vegetable and fruit hawkers

Fishermen

Masters, officers and crews of merchant or trading vessels unless they are engaged in business

Non-proprietary clubs, whose main purpose is social, cultural, sporting or educational and are not conducted for profit

Religious missions and ministers of religion

Exporters of any products from Vanuatu

REPUBLIC OF VANUATU

BILL FOR THE

BUSINESS LICENCE ACT NO. OF 1998

Arrangement of Sections

1. Interpretation
2. Business licences
3. Licensing authority
4. Application for licences
5. Issue of licence
6. Foreign investors' entitlement to business licence
7. Issue of business licence - business listed in section 13
8. Issue of business licence - business not listed in section 13
9. Renewal of business licences
10. Transfer of business licences
11. Reasons for decision
12. Appeal
13. Minister to approve or refuse applications in certain cases
14. Licence to be displayed
15. Licences lost or destroyed
16. Power of search
17. Confidentiality of information
18. Fees
19. General provisions
20. Revenue from fees
21. Abatement of fees
22. Reduction of fees
23. Penalties
24. Cancellation of licence
25. Rules
26. Repeals
27. Commencement