



## **PRESS RELEASE**

**31<sup>st</sup> AUGUST 2007**

The writing off debts by Fiji Islands Revenue and Customs Authority (FIRCA) is normally the last resort after all avenues of debt recovery is fully exhausted says Acting Chief Executive Officer Mr. Parmod Achary.

“Therefore debt levels do not reflect the inability to perform. A major portion of the debts is a result of assessments raised as part of the normal duties required in the Tax Legislations are employed,” he said.

He said tax arrears as at 31 July 2007 totaled \$155.9 million. Out of this government arrears were \$20.4m and statutory bodies, owed \$6.4m. Parts of this debt were inherited from former Inland Revenue department.

“We intend to write-off about \$6M in uncollectible debt. This is a standard practice of any business, in writing off debts after all avenues of collection have been exhausted. In some cases the taxpayer has migrated, closed business, died or become bankrupt. This does not reflect FIRCA’s inability to perform,” he said.

The write offs are normal function and these debts are pre - 1999 debts and FIRCA is simply carrying out its normal responsibilities by cleaning up

unrecoverable taxpayers accounts. The write off processes is very strict as it ensures that all legislated recovery measures were strictly actioned.

A special project team consisting of senior staff is set up within the Debt Management Unit to address and provide personalised service to ensure debts are recovered.

**PARMOD ACHARY**  
**Acting Chief Executive Officer**  
**FIJI ISLAND REVENUE AND CUSTOMS AUTHORITY**