



Date: 9 October 2024

**Public Notice No. 13 of 2024**

**Implementation of the Kava Export Tax at 2%**

**To all Kava Exporters, Licensed Customs Brokers & the General Public**

With effective from **Friday, 1<sup>st</sup> November 2024**, the Department of Customs and Inland Revenue (DCIR) will impose a **2% tax** on the export of kava products. This tax will be applicable to the following kava products, including Piper metysticum [kava] in minced form, Piper metysticum [kava] in dried chips form & piper metysticum [kava] in powder form which refers to Tariff Item **1211.90.10, 1211.90.20 and 1211.90.30** respectively.

The imposition of this export tax is in accordance with the amendment of Export Duties Act No.35 of 2021.

**The Kava export tax is at 2% FOB. FOB, stands for Free on Board.** This means the Exporter/Seller is responsible for delivering the goods[kava] to the ship at the designated port of shipment then the buyer is responsible for all costs from that point onward.

**A 2% FOB tax on kava exports** means that the exporter must pay 2% of the total value [statistical value] of the kava goods at the time of shipment to the government. This duty is calculated based on the invoice value of the shipment.

**Key Points to Consider;**

- **Duty Calculation:** The tax amount is calculated as 2% of the FOB value of the kava export. For example, if the FOB value is VT1,000,000, the tax would be VT20,000.
- **Payment:** The tax must be paid to the customs cashier before the shipment can be released for export.
- **Compliance:** Exporters must ensure they are in compliance with all relevant export regulations and documentation requirements. This include obtaining export permits, providing customs export declarations, and paying any additional fees or taxes.

For any queries, please contact the Design & Monitoring Section on 33010 or email: [tarifftrades@vanuatu.gov.vu](mailto:tarifftrades@vanuatu.gov.vu)

  
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