REPUBLIC OF VANUATU

CONSOLIDATION OF THE FRENCH AND ENGLISH TEXTS OF THE LAWS OF VANUATU ACT [CAP 295]

Approval of the English Text of the Business Licence Consolidation Edition 2025 Order No. 127 of 2025

In exercise of the powers conferred on me by subsection 9(1) of the Consolidation of the French and English Texts of the Laws of Vanuatu Act [CAP 295], I, the Honourable JOB SAM ANDY, Minister of Youth, Justice and Community Services, make the following Order:

1 Approval of the English Text of the Business Licence Consolidation Edition 2025

The English Text of the Business Licence Consolidation Edition 2025 is approved.

2 Appointed day

The appointed day for the coming into operation of the Business Licence Consolidation Edition 2025 is the day on which this Order is made.

3 Commencement

This Order commences on the day on which it is made.

Made at Port Vila this 07 day of July, 2025.

REPUBLIC OF VANUATU Ministry of Justice & Community Service MINISTER Ministère de la Justice et services du Communauté RÉPUBLIQUE DE VANUATU

Honourable JOB SAM ANDY
Minister of Youth, Justice and Community Services

Commencement: 1 August 1998

CHAPTER 249

BUSINESS LICENCE

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BUSINESS LICENCE

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

1. Interpretation

In this Act unless the context otherwise requires:

"approval certificate" means an approval certificate issued by the Vanuatu Investment Promotion Authority;

"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;

"exempt supply" means a supply of goods or services in Vanuatu which is exempt from tax under paragraph 10(3)(a) and the First Schedule of the Value Added Tax Act No. 12 of 1998.

"foreign investor" has the same meaning as in the Vanuatu Foreign Investment Promotion Act [Cap. 248];

"investment proposal" has the same meaning as in the Vanuatu Foreign Investment Promotion Act [Cap. 248];

"licensing authority" means a licensing authority referred to in section 3;

"Minister" means the Minister responsible for finance;

"negative list" means the list of activities in Schedule 1 of the Vanuatu Foreign Investment Promotion Act [Cap. 248];

"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 or 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.

"Vanuatu Investment Promotion Authority" means the Board established by the Vanuatu Foreign Investment Promotion Act [Cap. 248];

"zero-rated supplies" has the same meaning as in the Value Added Tax Act No. 12 of 1998."

1A. Application of the Act to public private partnerships

To avoid doubt, this Act applies to a business that operates as a public private partnership as defined under the Public Private Partnerships Act No. 23 of 2024.

2. Business licence

(1) A person must not carry on a business without a licence issued under this Act, unless the person is exempted from paying a business licence fee under Schedule 2.

(1A) A person who is carrying on a taxable activity within the meaning of section 4 of the Value Added Tax Act [CAP 247] and who is registered under section 12 of that Act must not carry on the taxable activity unless the person has been issued with a business licence under this Act to do so.

(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.

3. Licensing authority

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

(a) in respect of a municipality, the Minister;

(b) in respect of all other areas of Vanuatu, local government councils;

(c) in respect of business licences of the kind mentioned in sections 8, 9 and 10 – the Director.

(2) The Director may in writing delegate his or her functions to his or her subordinate, except his 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.

4. Application for licences

(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 500,000 or imprisonment not exceeding six (6) months or both.

5. Issue of licence

(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 of 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.

5A Issue of security firm licence

(1) A person must apply in the form prescribed by the Director for a business licence to carry on the business of operating a security firm.

(2) A person applying for a business licence to carry on the business of operating a security firm must obtain a report from the Commissioner of the Vanuatu Police Force recommending whether or not the person is suitable to carry on such business.

(3) The Director must issue the business licence only on the recommendation of the Commissioner of the Vanuatu Police Force, and upon payment of the business licence fee payable for the licence in accordance with section 18.

5B Renewal of a security firm licence

(1) The holder of a licence issued under section 5A must apply in the form prescribed by the Director for the renewal of the licence.

(2) The Director must renew the licence if:

(a) the holder of the licence has obtained a report from the Commissioner of the Vanuatu Police Force recommending him or her to continue to carry on such business; and

(b) the holder of the licence pays the fee payable for the licence in accordance with section 18.

6. Foreign investors' entitlement to business licence

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

7. Issue of business licence – business listed in section 13

(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

(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.

8. Issue of business licence – business not listed in section 13

(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

(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.

9. Renewal of business licences

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.

10. Transfer of business licences

(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

(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

(b) in the Director or council's opinion the monopoly would not be detrimental to the public interest.

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

10A. Effect of issuing a receipt on payment of business licence fee

(1) A person can proceed to operate a business upon being issued a receipt by the Director, for the payment of the fee relating to a business referred to in section 7, 8, 9, or 10.

(2) The Director must ensure that a business licence is issued to a person referred to in subsection (1), within five (5) working days from the date on which the receipt is being issued.

(3) The Director may refuse to issue a business licence to a person if the person fails to comply with any of the requirements of obtaining a business licence under this Act or any other Act.

(4) To avoid doubt a person must cease to operate his or her business once the person is being informed by the Director of his or her refusal to issue the business licence.

11. Reasons for decision

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;

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 Vanuatu Investment Promotion Authority; 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.

12. Appeal

(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.

13. Minister to approve or refuse applications in certain cases

(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 activities:

Mining for minerals;
Quarrying and Other Mining;
Logging;
Abattoirs and meat packing;
Canneries;
Oil mills;
Distilleries;
Breweries;
Commercial banks;
Air transport operators;
Trust, finance and investment companies;
Local insurance companies;
Insurance brokers and agents;
Accounting practitioners;

Engineering and architectural services or practitioners, surveyors and draftsmen; Business, financial and management services and consultants, advertising and marketing services.

14. Licence to be displayed

(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 authorized under this Act to demand its production.

(2) Every licensing authority or person authorized in writing in that behalf by any licensing authority, and every police officer is authorized 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: fine not exceeding VT 100,000.

15. Licences lost or destroyed

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.

16. Power of search

A person authorized 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 there from 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.

17. Confidentiality of information

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.

18. Fees

(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 Schedule 1.

(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.

(6) Despite the provisions of this Act or any other Act, all owners of businesses are exempted from paying the business licence fee for the year ending 31 December 2020.

(7) If the owner of a business has paid the business licence fee for the year ending 31 December 2020 on or before 31 March 2020:

(a) that person is exempted from paying the business licence fee until 31 December 2021; and

(b) that person is not entitled to a refund or credit for the amount exempted.

(8) To avoid doubt:

(a) subsection (6) does not apply to Category F1 of Schedule 1; and

(b) subsection (7) applies to a person who has paid the business licence fee in part or in whole.

18A. Turnover tax

(1) A person must pay a turnover tax if that person operates a business specified in class F2, F3(a), F3(b), F3(c), F3(d) or F4 of Schedule 1.

(2) The turnover tax must be paid at a rate of 5% of the turnover of each quarter that arises from activities categorised as exempted supplies or zero-rated supplies under Schedule 1 or Schedule 3 of the Value Added Tax Act [CAP 247].

(3) The turnover tax must be paid within 14 days after the end of each quarter.

(4) For the purposes of subsections (2) and (3), "quarter" means a period of 3 months beginning on 1 January, 1 April, 1 July and 1 October of each year.

(5) This section applies despite any other provisions of this Act.

18B. Pro-rata payment of business licence fee

If a business licence is issued to a person after 31st January of each year, the fee will be paid on a pro-rata basis for each month from the first day of the month on which the business first commenced.

18C. Distrain for unpaid fee

(1) The Director may levy distress on goods (other than real property) and chattels and money of a person who is issued a licence under this Act to operate a business, if the person refuses or fails to pay any fee payable in respect of a licence issued under this Act or any other amount recoverable from the person under this Act.

(2) The Director may:

(a) apply money referred to in subsection (1) against the fee payable by the person and any other amount recoverable from the person under this Act; or

(b) provide for the disposal of any such goods or chattels by supply or otherwise to recover the amount of fee payable by the person and any other amount recoverable from the person under this Act including the costs and expenses of the disposal.

19. General provisions

(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 therefore.

(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.

(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.

20. Revenue from fees

(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.

21. Abatement of fees

(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 Schedule 1 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.

22. Reduction of fees

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.

23. Penalties

(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 authorized 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.

24. Cancellation of licence

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.

25. Rules

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.

26. Repeal

The Business Licence Act [Cap. 173] is repealed.

SCHEDULE 1

(Section 18)

RATES OF BUSINESS LICENCE FEE

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
CLASS A - MINING, QUARRY AND LOGGING		
Category A. Mining, Quarrying and Logging	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	1. Class A licence includes the importing of materials required in mining, quarrying, logging and sawmill business operations. 2. Includes the extraction, dressing, smelting, crushing, etc. and the beneficiations 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 sawmills, pulp mills or otherwise converting establishments which are beneficially owned by the same persons, are classified under Category B.
CLASS B - MANUFACTURING INDUSTRIES AND TRADE		
Category B. Manufacturing Industries and Trades	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million;	1. Manufacturing means any process which transforms inorganic or organic substances into new products. 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. 4. Holders of a Class B Licence are permitted to sell, wholesale or retail, without a D2 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
	1,000,000 for gross turnover of 200 million or more.	
CLASS C - CONSTRUCTION INDUSTRIES AND TRADE		
Category C. Construction, Industries and Trade	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	Generally class C: 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. 3. Holders of Class C Licences are not permitted to import and directly re-sell any materials, supplies etc., without a D2 licence.
CLASS D - IMPORTATION AND RE-EXPORT		
Category D1. Importers	10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	D1. A category D1 license is required for businesses that import merchandise with the intention of re-exporting the goods without substantially transforming them. "Transformation" means creating a new and different good that is distinct from the raw materials used to create it.
Category D2. Retailer or Wholesaler	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million;	D2. A category D2 license is required for businesses which sell wholesale or retail merchandise of every description including butchers, but excluding open-air vendors and mobile shops. It covers the direct importing of goods for re-sale within the country.

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
	50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
Category D2(a). Specialty Shop		"Specialty Shop" means a retail shop other than a general merchandising trading shop that: (a) sells one type of product including items and services associated with that product; and (b) the operator of the shop has a high level of knowledge and skill in the product that is being sold and is able to provide high quality service and expert guidance to customers in relation to that product.
Category D3 Hotels, Motels, Resorts, Restaurants, Cafes, Bars & Other Accommodations		
D3(a). Hotels & Resorts Accommodations		
D3(b). Motels & Self Contained		
D3(c). Unique		
D3(d). Holiday Homes		
D3(e). Guest Houses		
D3(f).Island Bungalows		
D3(g). Home Stays		
D3(h). Camp Sites		
D3 (i). Restaurants		
D3(j). Cafes		
D3(k). Bars		

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
Category D4 Take-Away Food Outlets and Catering Services		
D4(a). Take- aways		
D4(b). Catering Services		
Category D5. Open-Air Vendors, Mobile Shops and Door-to-door Sales	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	D5. (i) Applies to all vendors carrying out open-air or under movable shelters including vendors of cooked foodstuffs. (ii) Does not apply to vendors of local agricultural products, raw fish (including shells) or locally made artifacts.
CLASS E - TRANSPORTATION, STORAGE FACILITIES AND TOURISM SERVICES		
Category E1. Transportation, storage facilities and tourism services	10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
E1(a) Air Transportation		
E1(b) Sea Transport	10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million;	

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
	100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
E1(c) Land Transport	10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
Category E2. Storage Facilities	10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
Category E3. Tourism Transportation, Products & Services		
E3(1). Air Tourism Transports		
E3(2). Sea Tourism Transports		
E3(2a). Water Transports		

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
E3(2b). Yacht or Boat Charters		
E3(3). Land Tourism Transport		
E3(3a). Land Transports		
E3(3b). Tours & Transfers		
E3(4). Tourism Tours & Activities		
E3(4a). Educational & Interest Tours		
E3(4b). Travel Agency		
E3(4c). Inbound Operator		
E3(4d). Tour Guide		
E3(4e). Handy Craft & Arts Shop		
E3(5). Tour Products (Sea/Water Based Activities)		
E3(5a). Marine & Water Adventure		
E3(5b). Scuba Diving		
E3(5c). Game Fishing Tour		
E3(6). Tour Products (Land Based Activities)		
E3(6a). Land Adventures		
E3(6b). Traditional & Cultural Activity		
E3(6c). National Park		
E3(6d). Conservation Area		

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
E3(6e). Other Services		
CLASS F - FINANCIAL AND MONETARY INSTITUTIONS INSURANCE AND REAL ESTATE COMPANIES, PROFESSIONAL AND BUSINESS SERVICES		
Category F1. Commercial Banks	7.00% of turnover for the licencing year subject to a minimum fee of 5,500,000	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. (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 exchange difference. "exchange difference" is the difference resulting from translating a given number of units of one currency into another currency at difference exchange rates.
Category F2. Other Financial Institutions	5.00% of turnover for the licensing year 5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	'Turnover' means: (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 institution; where the 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		
F3. (a) Domiciled Vanuatu licensed insurance company	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million;	'Turnover' is gross premiums, other than premiums paid in respect of policies that represent supplies subject to VAT at 12.5% under Value Added Tax Act 1998

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
	100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
F3. (b) Non domiciled Vanuatu licensed insurance company	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
F3. (c) Insurance Agents	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
F3. (d) Insurance Brokers	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 20,000 for gross turnover of 4 million or more but less than 10 million;	

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
	50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
Category F4. Other Professional and Business Services	5% applies on zero-rated supplies and exempt supplies; For taxable supplies – 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	'Turnover' means: (a) net interest income (interest income less interest expense) (b) all other operational gross income including trustee, corporate, administration management fees and commissions plus all other operational charges made by the institution: where the operation gross income is charged at a rate of zero percent or an exempt supply under the Value Added Tax Act 1998.
Category F5 Designated Citizenship Agents	VT100,000	Designated Citizenship Agents are approved agents of the Government of Vanuatu, with the business licence being a criteria for approval.
CLASS G - PERSONAL, SOCIAL, RECREATIONAL AND REPAIR SERVICES		
Category G1. Medical and Dental Practitioners, Optometrists, Chiropractors, Osteopaths, Nursing Services and Veterinary Services	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million;	

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
	500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
Category G2. Personal, Social, Recreational and Repair Services	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
G2(a). Recreational Services		
G2(b). Barber and Beauty Services		
G2(c). Educational Services		
G2(d). Repairs & Other Services		
CLASS I – UTILITIES		
Category I1. Electricity Generation and Distribution Companies	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million;	

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
	250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
Category I2. Telegraphic and Communication	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	I2. Includes both national and international telephone, telegraphic and telecommunication services.
Category I3. Water Works, Distribution and Supply Companies and Providers	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million; 20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	I3. Includes the collection purification distribution, supply and sale of water to household, industrial and commercial users.
Category I4. Radio and Television Broadcasting Companies and Providers	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 10,000 for gross turnover of less than 4 million;	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.

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
	20,000 for gross turnover of 4 million or more but less than 10 million; 50,000 for gross turnover of 10 million to less than 20 million; 100,000 for gross turnover of 20 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 100 million; 500,000 for gross turnover of 100 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	The printing and or publishing of newspaper, periodical etc. is covered under Category B.
CLASS J - ARTIST AND SCULPTORS		
Category J. Artists and Sculptors	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 50,000 for gross turnover of 10 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
CLASS K – PLANTERS, FARMERS, DAIRYMEN, MARKET AND OTHER GARDENERS, STOCK BREEDERS, VEGETABLE AND FRUIT HAWKERS		
Category K. Planters, Farmers, Dairymen, Market and other Gardeners, Stock Breeders, Vegetable and Fruit Hawkers	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 50,000 for gross turnover of 10 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 200 million; 1,000,000 for gross turnover of 200 million or more.	
CLASS L – FISHERMEN		
Category L. Fishermen	5% applies on zero-rated supplies and exempt supplies; For taxable supplies- 50,000 for gross turnover of 10 million to less than 50 million; 250,000 for gross turnover of 50 million to less than 200 million;	

CLASSES AND CATEGORIES OF BUSINESS	ANNUAL FEE (VATU)	REMARKS
	1,000,000 for gross turnover of 200 million or more.	

SCHEDULE 2

(Section 2)

EXEMPTION FROM LICENCES

Teachers and professors in schools or institutions not conducted for profits

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

A credit union registered under the Credit Unions Act [Cap. 256]

A person operating a micro finance or micro credit scheme that is registered with the Vanuatu Financial Services Commission as a charitable organisation

A business with a gross turnover of less than 4 million.

Table of Amendments

1	*Amended by Acts 9 of 1999, 37 of 2006*
1A	*Inserted by Act 24 of 2024*
2(1)	*Substituted by Acts 34 of 2010, 30 of 2013*
2(1A)	*Inserted by Act 34 of 2010*
2(2)	*Amended by Acts 34 of 2010, 30 of 2013*
2A	*Inserted by Act 34 of 2010*
2A	*Repealed by Act 30 of 2013*
4	*Amended by Act 9 of 1999*
5A, 5B	*Inserted by Act 19 of 2007*
10A	*Inserted by Act 15 of 2011*
13	*Amended by Act 6 of 2000*
18(6) – (8)	*Inserted by Act 2 of 2021*
18A	*Inserted by Acts 6 of 2000, 11 of 2023*
18A	*Substituted by Acts 37 of 2006, 23 of 2023*
18A	*Repealed by Act 2 of 2021*
18B,18C	*Inserted by Act 45 of 2005*
Sched 1	*Amended by Acts 6 of 2000, 50 of 2000, 29 of 2001, 5 of 2004, 45 of 2005, 1 of 2006, 13 of 2006, 37 of 2006, 19 of 2007, 34 of 2010, 15 of 2011, 30 of 2013, 30 of 2014, 6 of 2016, 8 of 2018, 2 of 2021, 11 of 2023, 23 of 2023*
Sched 2	*Amended by Acts 6 of 2000, 5 of 2004, 6 of 2016*
Throughout	*"Foreign Investment Board" updated to "Vanuatu Investment Promotion Authority", and "Foreign Investment Act" updated to "Vanuatu Foreign Investment Promotion Act"*