



IMPORTANT INFORMATION FOR BUSINESS LICENSE

Any person or company that intends to carry out any business activity for the sole purpose of making profit **MUST** obtain a business license (BL) under the Business License Act No. 19 of 1998

How do I obtain a Business License?

- Complete the Business License Application Form. The application may require you to provide the following documents from the Vanuatu Financial Services Commission (VFSC):
 1. Business Trade Name if it is a sole trader (one owner)
 2. VFSC Partnership Certificate if business has more than one owner
 3. Incorporation Certificate – if it is a company limited by shares
- Further, depending on the nature of your Business, you may be asked to provide relevant supporting documents as referred to in Table 1.1)
- Application forms are available at the taxpayer service office in Port Vila, Luganville and Lenakel or can be accessed from the website
- Foreign investors however, are required to submit copy of the Vanuatu Investment and Promotion Authority (VIPA) Approval Certificate

How much does a new business license cost?

1. Schedule 1 of the Business License Act provides for the license based on the business turnover starting with a basic fee of VT 10,000 for turnovers of less the 4 million Vatu.
2. Fees are applied on business activities under each category and location/premises at which the business is conducted
3. Fees will be charged on a pro-rata basis for new applications lodged during the year.

For Example, if you lodge a new business license application in the month of June:

$$\text{BL FEE} = \text{Category Fee} * \text{Remaining No. of the months}/12 \text{ Example:} = \text{D2} * 6/12$$

$$= 10,000 * 6/12$$

$$= \text{VT}5,000$$

Table 1.1 - Categories that requires additional documents

Category	Business Activity	Required Documents
Category D3	Motels, Hotels, Restaurants, Cafes, bars, other accommodation services	<ul style="list-style-type: none"> • Tourism Permit • Municipal Permit for food drink related
Category E1 (b)	Sea Transport Operators	<ul style="list-style-type: none"> • Certificate of Registry • Manning Certificate • Sea Worthy Certificate
Category E3	Tourism Transportation Products and Services	<ul style="list-style-type: none"> • Copies of updated municipal permit, • books for transport providers • Tourism Permit
Category F4	Other Professional and Business Services <ul style="list-style-type: none"> • Legal Practitioners 	<ul style="list-style-type: none"> • Law Council approval for unconditional admission (new applicants only)
Category G1	Human & Animal Health Services (All human health practitioner that fall under this category (Refer to Business License Application form)	<ul style="list-style-type: none"> • Health Practitioner Board Certificate from the Ministry of Health
Category G2c	Educational Services (Kinder Garden School, Account teacher & language tuition, schools and institution conducted for profit	<ul style="list-style-type: none"> • Certificate from the Ministry of Education • Certificate from the Vanuatu Qualification Authority (VQA) - Tertiary Level

what is the process of renewing a business license?

1. Complete the Business License Application Form
2. Provide a record of the previous year's actual business income
3. If there were any changes in business ownership, attach supporting document from VFSC
4. Submit the completed form with all required documents (VFSC Trade Name or Partnership Certificate etc).
5. Additional documents as referred to in table 1.1 may be required depending on the nature of your business

How much does it cost to renew a business license?

1. Renewal fees are based on the previous gross turnover.
2. If multiple categories are renewed, license fees are charged on each category's turnover.

Example:

Categories C (Construction) and D2 (Retail) with a total turnover of 6 million.
BL Fee: Separate the total income - C (VT 1 million & D2 (VT5 Million). C - VT10,000 + D2 - VT20,000= VT30,000

Note: fees are based on turnover per the schedule as shown in the application form:

$$\text{Turnover VT} = 0 - \text{VT}3,999,999 = 10,000 \text{VT Turnover VT} = \text{VT}4,000,000 - \text{VT} 9,999,999 = \text{VT}20,000 \text{VT}$$

Are there any penalty fees for late business license renewals?

A 10% monthly penalty applies to the principal fee.

$$\text{Example: } \text{VT}30,000 \times 20\% \text{ (2 months)} = \text{VT}6,000 \text{ penalty.}$$