



National Gazette

PUBLISHED BY AUTHORITY

(Registered at the General Post Office, Port Moresby, for transmission by post as a Qualified Publication)

No. G184] PORT MORESBY, MONDAY, 13th DECEMBER, [1999

Income Tax Act 1959 as amended

LODGEMENT OF TAXATION RETURNS

I, David Sode, Commissioner General of Internal Revenue (hereinafter referred to as "the Commissioner General"), by virtue of the powers conferred by the Papua New Guinea *Income Tax Act 1959* as amended (hereinafter referred to as "the Act"), and all other powers me enabling, hereby require returns of all income derived during the year ended on the 31st December 1999, (or the accounting period, if any, adopted with the leave of the Commissioner General in lieu of that year), to be furnished to me on such of the forms provided for the purpose as are applicable, containing the information and particulars mentioned or referred to in the relevant forms and verified by declarations as therein set forth, and accompanied by all such balance sheets, profit and loss accounts, statements and other documents as are mentioned in the forms or as are requisite, at the appropriate places, on or before the dates hereinafter stated.

Persons Required to Furnish Returns.

Dates of lodgement - categories 1 - 14, on or by 29/02/2000, categories 15 and 16 on or by 30/04/2000.

- (1) Every person resident in Papua New Guinea whose total income from all sources, both in and out of Papua New Guinea (other than repatriation, age and invalid pensions and other exempt income as defined in the Act), included income derived by way of salary or wages where that salary or those wages were not subject to salary or wages tax in accordance with the Act and the *Income Tax (Salary or Wages Tax)(Rates) Act 1979* as amended.
- (2) Every person resident in Papua New Guinea who derived a capital amount, being an allowance, gratuity, compensation or distribution from a superannuation fund, which is deemed to be salary and wages in whole or in part because that allowance, etc, was paid in consequence of retirement from or the termination of, an office or employment.
- (3) Every person resident in Papua New Guinea who derived a housing allowance or any other allowance not fully taxed, which was deemed to be salary or wages subject to salary or wages tax in accordance with the Act and in the *Income Tax (Salary or Wages Tax)(Rates) Act 1979* as amended.
- (4) Except as provided in this item, every person resident in Papua New Guinea, whose total income from all sources, both in and out of Papua New Guinea (other than income specifically exempted from tax in the Act) consists of or includes income derived by way of investment, or income so deemed by virtue of the Act, including rent, interest, annuities, dividends, or income by way of royalties or other income from any source which is not otherwise itemised in this Notice, where that income (when taken together with any other income in this Notice and income derived by way of salary or wages, if any, whether or not subject to salary or wages tax in accordance with the *Income Tax (Salary or Wages Tax)(Rates) Act 1979* as amended), was in excess of K4,000.00,

Lodgement of Taxation Returns—continued

provided that:—

A person resident in Papua New Guinea who derived income other than salary or wages, described in this Item as investment income, where that income is gross before allowance of any deductions, rebates, or credits, and does not exceed K100.00, is not required to lodge a return of income unless especially requested to do so by the Commissioner General.

- (5) Every person resident in Papua New Guinea whose total income from all sources both in and out of Papua New Guinea, derived wholly or partly from personal exertion (other than in the capacity of an employee) from a source which is a business in the ordinary acceptation of that term or within the ordinary meaning of that term, including a professional business, where that income (when taken together with any other item of income in this Notice and income derived by way of salary or wages, if any, whether or not subjected to salary or wages tax in accordance with the *Income Tax (Salary or Wages Tax)(Rates) Act 1979* as amended, was in excess of K4,000.00.
- (6) Every person resident in Papua New Guinea being or having been a member of a partnership (other than a company) whose total income from the partnership, when taken together with income from all other sources both in and out of Papua New Guinea, including any other item of income in this Notice and income derived by way of salary or wages, if any, whether or not subjected to salary or wages tax in accordance with the *Income Tax (Salary or Wages Tax)(Rates) Act 1979* as amended, was in excess of K4,000.00.
- (7) Every person resident in Papua New Guinea whose total income from a Papua New Guinea trust estate or a foreign trust estate, when taken together with income from all other sources both in and out of Papua New Guinea including any other item of income in this Notice and income derived by way of salary or wages, if any, whether or not subjected to salary or wages tax in accordance with the *Income Tax (Salary or Wages Tax)(Rates) Act 1979* as amended, was in excess of K4,000.00.
- (8) Every trust estate or trustee of a trust estate, including a Papua New Guinea trust estate or the trustee thereof, which is or has been resident in Papua New Guinea, whose total income derived from all sources in and out of Papua New Guinea was in excess of K1.00.
- (9) Every company resident in Papua New Guinea whose total income derived from all sources, both in and out of Papua New Guinea, was in excess of K2.000.
- (10) Every non-resident person (other than a company) whose total income derived from all sources in Papua New Guinea, including income derived by way of salary or wages, if any, whether or not subjected to salary or wages tax in accordance with the *Income Tax (Salary or Wages Tax)(Rates) Act 1979* as amended, was in excess of K1.00.

provided that the following persons are not required to lodge a return of income:—

a non-resident person whose income from Papua New Guinea sources consisted solely of dividends which have borne Papua New Guinea dividend (withholding) tax or whose sole income from Papua New Guinea sources was from a prescribed contract and such income has borne Papua New Guinea foreign contractors (withholding) tax.

- (11) Every trust estate, or foreign trust estate, or the trustee thereof, which is not a resident of Papua New Guinea whose total income derived from all sources in Papua New Guinea was in excess of K1.00.
- (12) Every non-resident company whose total derived from all sources in Papua New Guinea was in excess of K2.00, provided that the following companies are not required to lodge a return of income:—
a non-resident company whose income from Papua New Guinea consisted solely of dividends which have borne Papua New Guinea dividend (withholding) tax or whose sole income from Papua New Guinea was from a prescribed contract and such income has borne Papua New Guinea foreign contractors (withholding) tax.
- (13) Every provident, benefit or superannuation fund being resident in Papua New Guinea whose total income derived from all sources in or out of Papua New Guinea, or where non-resident whose total income derived from all sources in Papua New Guinea, in each case, exceeds K2.00.
- (14) Every public authority for the purposes of Section 24(3) of the Act, prescribed as being taxable, whose total income derived from all sources exceeds K2.00.

Lodgement of Taxation Returns—continued

- (15) Every religious and charitable institution whether or not exempt from income tax, whose income from any business or commercial undertaking in or out of Papua New Guinea exceeds K2.00.
- (16) Every provincial government, local government and local level government body, by whatever name known, whose income from any business or commercial undertaking or activity, other than from the provision of normal council services, exceeds K2.00.

Every partnership is required to lodge a return showing the income of the partnership and the return is required to be furnished on or before 29th February, 2000 by the partner resident in Papua New Guinea or by any one of them. Where there is no partner resident in Papua New Guinea, the return is required to be furnished by the agent in Papua New Guinea for the partnership.

A return of the total income of every trust is required to be furnished, on or before 29th February, 2000 by the trustees thereof resident in Papua New Guinea or by any one of them. Where there is no trustee resident in Papua New Guinea, the return is required to be furnished by the agent in Papua New Guinea for the trustee.

A training levy return is required to be furnished, on or before 29th February, 2000 by every employer whose annual payroll is over K100,000.00 during the year ended 31st December, 1999.

Every agent for a principal, whether resident, or non-resident, is required to furnish a return demanded of his principal.

A return of the amounts paid or payable in or out of Papua New Guinea in respect of the carriage of passengers, livestock, mails or goods shipped in Papua New Guinea in a ship belonging to or chartered by a person whose principal place of business is out of Papua New Guinea is to be furnished by the master of the ship or the agent or other representative in Papua New Guinea of the owner or charterer. Such return showing the amounts paid or payable during the year ended 31st December, 1999 is required to be furnished on or before 30th April, 2000.

Every company is required to furnish in addition to the return of income, separate statements to accompany the return showing:—

- (a) the name and address of each company, whether resident or non-resident, to which dividends, royalties, management fees and/or interest was paid or credited, and the amount paid or credited during the period covered by the returns.
- (b) the name and address of each individuals taxpayer, whether resident or non-resident, to whom dividends, royalties, management fees, and/or interest in excess of K500.00 were paid or credited, and the amount paid or credited to each during the period covered by the return.
- (c) the total amount of interest paid or credited, during the period covered by the return, to debenture holders who are not residents of Papua New Guinea on money secured by debentures of the company, and used in Papua New Guinea, or used in acquiring assets for use or disposal in Papua New Guinea, and to depositors who are not residents of Papua New Guinea on money lodged at interest in Papua New Guinea with the company.
- (d) the total amount of interest paid or credited during the period covered by the return, in respect of debentures payable to bearer, the names and addresses of the holders of which are not supplied to the Commissioner General.
- (e) the name and address of each non-resident insurance company or insurer with whom an insurance contract has been entered into and the amount of the insurance premium paid to them during the period covered by the return.
- (f) in the case of insurance companies reinsuring with non-resident:—
 - (i) the name and address of the non-resident reinsurer
 - (ii) the amount of the premiums paid or credited to each such insurer during the period covered by the return.
 - (iii) whether an election in terms of Section 209(2) of the Act is enclosed.

Every person or institution holding money lodged at interest in Papua New Guinea is required to furnish, in addition to their return of income, a statement showing the name and address of each depositor to whom interest in excess of K500.00 was paid or credited and the amount of interest paid or credited to each depositor during the year ended 31st December, 1999.

Failure to duly furnish any of the required returns render the person concerned liable to a penalty of not less than K100.00 or more than K2,000.00 as determined by a court of competent jurisdiction plus K50.00 for each day during which the failure continues.

Lodgement of Taxation Returns—*continued*

Note:—Where a taxpayer has an approved substituted accounting period the final day of that substituted accounting should be understood, for the purposes of this notice, as applying wherever this notice uses the words "31st December, 1999".

Dated this 31st day of December, 1999.

D. SODE,
Commissioner General of Internal Revenue.