

# FORM PR1

Prescribed Royalty  
Withholding Tax



PAPUA NEW GUINEA INTERNAL REVENUE COMMISSION

**PNGIRC - Your Partner in Nation Building**

PLACE SIGTAS  
BAR CODE HERE  
25.4mm x 50.8mm

Taxpayer Identification Number (TIN):

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Effective date: 1 Sep 2014

INCOME TAX ACT 1959 AS AMENDED

## PRESCRIBED ROYALTY WITHHOLDING TAX REMITTANCE ADVICE FORM

### NAME AND ADDRESS OF TAXPAYER (WITHHOLDER)

NAME OF TAXPAYER:					
CONTACT / REPRESENTATIVE:					
PHONE No:					
E-MAIL ADDRESS:					
MAILING ADDRESS	SECTION No:			LOT No:	
	STREET / SUBURB / DISTRICT:				
	P.O. BOX:				
	COUNTRY:		PROVINCE:		
	CITY / POST OFFICE:				
	CARE OF (C/-):				

### TAX PERIOD

TAX PERIOD (MONTH):	YEAR:

### DETAILS OF PRESCRIBED ROYALTIES PAID TO RESIDENTS OF P.N.G.

TOTAL ROYALTIES PAID	ROYALTY TAX DEDUCTED	TOTAL REMITTED
<sup>10</sup> K	<sup>20</sup> K	K

NOTE: DO NOT INCLUDE AMOUNTS THAT ARE NOT SUBJECT TO WITHHOLDING TAX DEDUCTIONS

I declare that the information that I have provided is true and correct in every detail and discloses a full and complete statement of the facts. I understand that the law imposes heavy penalties for false and misleading statements.

SIGNED: ..... DATE: .....

### NOTICE

A remittance accompanied by this form and signed by or on behalf of the person, partnership, company or Public Authority making the deductions should be forwarded to: Commissioner General, Internal Revenue Commission, P.O. Box 777, Port Moresby.

For additional information please refer to page 2 of this form.

## INFORMATION FOR PERSONS MAKING PRESCRIBED ROYALTY PAYMENT DEDUCTIONS

Prescribed Royalty Payments are defined as follows:

A prescribed royalty payment is a payment that-

(a) arises out of any of the following activities:

- (i) the exploration, taking, extraction, processing, transport or conveyance of any form of **hydrocarbon** and all activities incidental or ancillary to such exploration, taking, extraction, processing, transport or conveyance; or
- (ii) the exploration, taking, extraction, processing, transport or conveyance of any **mineral** and all activities incidental or ancillary to such exploration, taking, extraction, processing, transport or conveyance; or
- (iii) activities of the kinds listed in the definition of “**fishing** operations” under Section 4 of the Income Tax Act 1959 or listed in the definition of “fishing” under Section 2 of the Fisheries Management Act 1998 and all activities incidental or ancillary to such activities; or
- (iv) activities of the kinds listed in the definition of “timber operations” under Section 166 of the Income Tax Act 1959 and all activities incidental or ancillary to such activities; and

(b) is made by reason of the activity being performed on or in the vicinity of customary land or in waters adjacent to customary land.

Five percent (5%) of the gross amount of such payments are to withheld and remitted to the Commissioner General no later than fourteen (14) days after the end of the month that the payment is made.

### NOTES

- (1) A remittance accompanied by this form completed and signed by the paying authority or a person authorised by him/her must be furnished to the Papua New Guinea Internal Revenue Commission each month. If no tax deductions have been made, this form should be endorsed "NIL" and forwarded to the Papua New Guinea Internal Revenue Commission.  
Deductions made during each calendar month must be remitted to the Commissioner General Internal Revenue not later than 14 days after the end of that month.
- (2) **Additional tax for late payment.** Where an amount deducted is not paid by the required date, additional tax for late payment is payable as follows.  
20 per cent flat of the amount deducted plus 20 per cent per annum of the amount deducted and of the 20 per cent flat additional tax calculated from the date required to be paid to the date of payment.

HOURS FOR PAYMENT: 8:30 A.M. TO 3:30 P.M. MONDAY TO FRIDAY.

CHEQUES SHOULD BE MADE PAYABLE TO 'COMMISSIONER GENERAL INTERNAL REVENUE' AND MARKED 'NOT NEGOTIABLE'.

PAYMENTS MAY BE MADE ELECTRONICALLY THROUGH YOUR BANK WITHOUT NEEDING TO VISIT AN IRC OFFICE. FOR DETAILS SEE [www.irc.gov.pg](http://www.irc.gov.pg)

PAYMENTS MAY ALSO BE MADE VIA EFTPOS. MOST TAX FORMS AND GUIDES ARE AVAILABLE FOR DOWNLOAD FROM THE IRC WEB SITE [www.irc.gov.pg](http://www.irc.gov.pg)