



INTERNAL REVENUE COMMISSION



TAXPAYER GUIDE

INTEREST WITHHOLDING TAX FORMS



The Internal Revenue Commission has recently modified the process and stationery for Interest Withholding Tax. The new process is a result of an on-going effort on the part of the IRC to improve service delivery, reduce compliance costs for taxpayers, and standardise forms.

NEW MONTHLY REMITTANCE FORM

A new Monthly Remittance form for the Interest Withholding Tax has been issued. This form is called an I1 – “Interest Withholding Tax Remittance Advice Form”, and this replaces any other monthly forms issued in prior years. You may download a copy of the I1 form from the IRC website at http://www.irc.gov.pg/tax_forms.html, request a copy by Email at SIGTAS@irc.gov.pg, or pick up a copy in person from the IRC office of your choosing. The form may be completed by hand, or completed electronically.

The traditional, multiple carbon copy forms are no longer in use and have been replaced by a much simpler form in order to make it easier for taxpayers to comply with their obligations.

The new I1 form looks like this:

FORM I1						PLACE SIGTAS BAR CODE HERE (20 digits - 10 lines)	
Interest Withholding Tax		PAPUA NEW GUINEA INTERNAL REVENUE COMMISSION PNGIRC - Your Partner in Nation Building				Taxpayer Identification Number (TIN):	
		INCOME TAX ACT 1978 AS AMENDED					
INTEREST WITHHOLDING TAX REMITTANCE ADVICE FORM							
NAME AND ADDRESS OF TAXPAYER							
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/O):					
INTEREST WITHHOLDING TAX DEDUCTIONS							
TAX PERIOD (MONTH):				YEAR:			
TOTAL INTEREST PAID				L.W.T. DEDUCTED		TOTAL ENCLOSED	
K				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: _____			
INFORMATION FOR PAYING AUTHORITY MAKING IWT DEDUCTIONS							
a) Interest Withholding Tax is payable no later than 21 days after the end of the month in which the interest was paid.							
b) Penalty for late payment - 20 per centum per annum.							
c) This form must be completed and forwarded to the "Commissioner General Internal Revenue" P.O. Box 777, Port Moresby together with the payment of Interest Withholding Tax deducted.							
HOURS FOR PAYMENT: 9:30 A.M. TO 3:30 P.M. MONDAY TO FRIDAY INCLUSIVE.							
CHEQUES SHOULD BE MADE PAYABLE TO COMMISSIONER GENERAL INTERNAL REVENUE AND MARKED 'NOT NEGOTIABLE'.							

Note: TINs are issued centrally from Revenue Haus in Port Moresby; however the Provincial IRC offices can receive TIN applications and submit them for processing on your behalf.

- The Interest Withholding Tax Remittances section lists each month of the year. Write here the amounts you have remitted to the IRC for each month. These are the amounts that were paid with each monthly return throughout the year. *Total (1)* is the sum of the amounts for the twelve months.
- In the *Total (2)* box, copy from page 2 the total Tax Deductions from the schedule of the payments made for the year (detailed in the table on page 2).

Page 2:

- The Details of Interest Withholding Tax Deducted schedule requires the TIN, Name and Address, Gross Amount and Tax Deducted totals for each recipient for the whole year. Only one line per person/business is required and this represents the total amounts paid to that person/business. Do not list each payment made to the person/business, just the totals for the year.
- Please note that where *Total (2)* from the schedule of the deductions (on page 2) does not match *Total (1)* then your balances do not reconcile for the year and you should review your information and correct any errors. If your Reconciliation Statement totals do not match then a detailed explanation is required.

SUBMISSION OF SCHEDULE ELECTRONICALLY

The IRC has now made available the opportunity to submit an electronic file of the schedule data. That enables taxpayers to submit their schedule to the IRC in an excel template. The excel template is available from the IRC and can be submitted via e-mail or on other physical media such as CD or DVD.

Templates for the electronic completion of the schedule extract may be requested by e-mailing

SIGTAS@IRC.gov.pg

A sample extract from the template looks like this:

	A	B	C	D
1	TAXPAYER IDENTIFICATION NUMBER (TIN)	NAME AND ADDRESS OF PERSON/BUSINESS	GROSS AMOUNT	TAX AMOUNT DEDUCTED
2				
3				
4				
5				
6				

The electronic submission can be delivered

- By e-mail to payments@irc.gov.pg (preferred)
- On physical media and either posted or delivered to your local IRC office.

IRC CONTACT DETAILS

For further information on the new process contact:

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