



PRESS RELEASE

In response to the report in the *The National* on Monday, August 21, 2017, on “Commission vows to look for missing K10million”, the IRC wishes to clarify that this information is not correct. The IRC does not owe K10million in GST to the East Sepik Provincial Government for this year. The correct amount has already been disbursed.

GST distributions to provinces are based on the economic activities of each province from registered businesses. The formula to ascertain the distribution is based on the ***Inter-Governmental Relations (Function and Funding) Act 2009***. For this year, 2017, distributions, the IRC has endeavoured to distribute all of the amounts of GST expected and budgeted from in the 2017 National Budget. For East Sepik, the GST distributed as of last month was K1.5million. GST is distributed to provinces on the 21st day of each month as required by law. No administrative fee for the administration and collection of the GST in the provinces is deducted from the IRC’s efforts in collecting provincial GST. The formula caters for GST refunds to be paid first to eligible registered taxpayers before distribution to provinces. IRC always distributes provincial GST on the 21st day each month to provinces.

The public are encouraged to purchase your goods and services only from GST registered businesses. Businesses with an annual turnover of above K200, 000 who do not have a TIN with the IRC should do so immediately and those who have registered but not lodged returns should lodge GST returns by the 21st day of each month.

IRC has commenced enforcement activities on non-compliant taxpayers.

To ensure everyone pays their fair share of tax and increase taxpayer base, the IRC also has an office at Investment Promotion Authority (IPA) POM to register taxpayers and issue taxpayer identification number (TIN) at the same time a business registers with IPA.

IRC also has provincial offices in most of the provinces except Western and Gulf Province and IRC encourages the public to access these offices. Apart from the provincial offices the public can access tax information on its website **www.irc.gov.pg**.

IRC thanks those businesses who comply and pay your correct taxes on time.

IRC is committed to working closely with provincial administrations to broaden the GST registered tax base for businesses in each province and to ensure an increased level of tax compliance.

In order to develop our country we all have to contribute our fair share of taxes based on what we earn so we can be able to benefit from improved Government services in health, infrastructure and education.

Authorised By

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