IRC’s enforcement action to foster compliance

Non-compliant and compliant taxpayers will be “named and shamed” by having their names published in the media during this year.

This was made known by IRC Commissioner General Sam Koim after his appointment to the top post was announced by Prime Minister James Marape during the 2020 Annual Work Plan launching in Port Moresby.

During the launch, Mr Marape in his speech was concerned at the staggering 10 per cent compliance rate which he said was not enough to sustain the country’s economy. He urged IRC to ensure through the launching of the work plan to work diligently and consistently and increase efforts to improve compliance and increase the rate to 50% by 2025.

Mr Koim said his vision for IRC going forward is to build the foundation of a robust, modern and efficient tax administration under his leadership to improve tax payer services, embark on a progressive digitization of taxation services, undertake compliance enforcement actions to foster compliance, and make GST as the number one revenue earner of the Government.

He said there are substantial revenue leakages that need to be addressed.

“Effective revenue collection is also hindered by inefficiencies in our systems and processes. The present state is likened to us enjoying a slice of the pie and not the full pie. Addressing all of these challenges is like taking ownership of the whole pie before growing the size of the pie. We are going to take back the slice of the pie (revenue) that is lost through leakages, tax evasion and corruption. This will be our contribution this year to the Government’s Vision to Take Back PNG”, Koim said.

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