



Media Release

The signing of a Memorandum of understanding (MOU) between Milne Bay province and the Internal Revenue Commission held last Thursday in Port Moresby was Mr Sam Koim's first signing since his appointment to the top post as Commissioner General which was made known by Prime Minister this month.

The MOU signing is part of the IRC to widen its reach with connectivity and compliance activities for clients doing business in Milne Bay to ensure they comply.

A total of four provinces in the southern region; Gulf, Western, Central, and now Milne Bay have signed the MOU with Oro province still in the process.

Milne Bay Administrator Ashan Numa reported that GST collections for Milne Bay Province were down by six million last year. He said the MOU would now foster partnership between the IRC and Milne Bay Province in increasing the GST collections of which 60% is then refunded to the province.

Under the recently launched IRC Annual Plan 2020, IRC intends to increase the GST collections and make it the number one revenue earner for the country. Currently, GST sits as number three.

IRC intends to sign more MOUs this year with other provincial Governments and establish strategic partnerships to collect taxes. The Government distributes 60% of GST collected in each province back to the provincial Governments to support their provincial budgets. If the GST collected in a province is large, their proportional 60% take is large. For instance, 60% of GST refunds for NCDC is larger than the 60% for Madang province. It is therefore in the interest of all provincial governments to partner with IRC in its efforts to increase the GST collections this year.

Authorized by

Mr Sam Koim
Commissioner General

