



PAPUA NEW GUINEA TAXATION REVIEW (2013 – 2015)

RELEASE OF OTHER INDIRECT TAXES ISSUE PAPER NO. 10

The Tax Review Committee has on the 21st September, 2015 released its tenth in a series of issues papers as part of the Fiscal Regime (Taxation and Non-Taxation) Review.

This paper looks at other indirect taxes including Stamp Duty, gambling taxes, and Departure Tax. It also briefly considers environmental taxes. These taxes generate significant additional tax revenue and may contribute to factors such as efficiency, fairness and simplicity.

The revenue raised by stamp duties on property and similar interests is significant and cannot easily be replaced without significant changes to the overall structure of the tax system.

Gambling taxes are an economically efficient source of revenue but do not appear to have much impact on addressing problem gambling. This paper discusses the general increasing trend of revenue from these taxes and the legislative framework to control gambling through licensing. It is important to see that revenues derived from gambling should be channelled through the budgetary process and to discourage hypothecation of taxes.

Since the introduction of the K30 Departure Tax in 1988, the rate has not been adjusted either through indexation or to reflect the costs of the upkeep of the airport facilities and security.

A copy of the paper, information on how to make submissions and further background on the Review can be found at the tax review website (www.taxreview.gov.pg).

The closing date for submissions is Tuesday 6th October, 2015.

To obtain a hard copy of the paper or for any other enquiries, please contact the Secretariat via email info@taxreview.gov.pg or by phone (325 5977).

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