

No. 31 of 2003.

*Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2004
Budget Provisions Amendment) Act 2003.*

Certified on: 13.04.04



INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 2003.

*Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2004
Budget Provisions Amendment) Act 2003.*

ARRANGEMENT OF SECTIONS.

1. Interpretation (Amendment of Section 1).
2. Rates of income Tax in relation to trust estates (Amendment of Schedule 3).
3. Rates of income tax payable by a company other than a company in the capacity of a trustee (Amendment of Schedule 4).



INDEPENDENT STATE OF PAPUA NEW GUINEA.

AN ACT

entitled

Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2004 Budget Provisions Amendment) Act 2003,

Being an Act to amend the *Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates Act* (Chapter 111),

MADE by the National Parliament to come into operation on 1 January 2004.

1. INTERPRETATION (AMENDMENT OF SECTION 1).

Section 1 of the Principal Act is amended by inserting, in alphabetical order, the following new definition :-

““incentive rate primary production income” means income from primary production derived by a company from a new primary production development project that is –

- (a) a project with a capital cost not less than K5 million; and
- (b) located in an area in which primary production of the crop or the livestock proposed was not previously carried out, or not previously carried out on a large scale; and
- (c) that is not an extension or development of an existing primary production project; and
- (d) that commenced construction, clearing or planting during the period 1 January 2004 to 31 December 2006.”.

2. RATES OF INCOME TAX IN RELATION TO TRUST ESTATES (AMENDMENT OF SCHEDULE 3).

Schedule 3.1 of the Principal Act is amended by repealing the figure “28%” and replacing it with the following:-

“30%”.

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3. RATES OF INCOME TAX PAYABLE BY A COMPANY OTHER THAN A COMPANY IN THE CAPACITY OF A TRUSTEE (AMENDMENT OF SCHEDULE 4).

Schedule 4 of the Principal Act is amended –

- (a) in Schedule 4.1, by repealing the words and brackets “(other than petroleum, mining or gas companies)” (twice occurring) and replacing them with the following:-

“(other than income derived by a company for which rates are set in Schedules 4.4, 4.8 or 4.9)”;

- (b) in Schedule 4.3, by repealing the date and figure “1 January 1993, 25%” and replacing them with the following:-

“1 January 2004, 30%”;

- (c) by repealing Schedules 4.5 and 4.6; and

- (d) by inserting the following new Schedules:-

“Sch. 4.8 – Authorised Superannuation Funds

In the case of a company that is an Authorized Superannuation Fund, the rate of income tax is 25% of the taxable income.

“Sch. 4.9 – Incentive rate primary production income

In the case of incentive rate primary production income derived by a company, the rate of income tax is 20% of the taxable income for the period commencing on the date construction, clearing or planting was started and ending at the end of the tenth full tax year after the date of commencement.”.

Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2004 Budget Provisions Amendment)

I hereby certify that the above is a fair print of the ***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2004 Budget Provisions Amendment) Act 2003*** which has been made by the National Parliament.

Clerk of the National Parliament.

I hereby certify that the ***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2004 Budget Provisions Amendment) Act 2003*** was made by the National Parliament on 2 December 2003.

Acting Speaker of the National Parliament.

