

No. 48 of 2016.

***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2017 Budget)  
(Amendment) Act 2016.***

Certified on : 22 DEC 2016



No. 48 of 2016.

***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates  
(2017 Budget)(Amendment) Act 2016.***

**ARRANGEMENT OF SECTIONS.**

1. Interpretation (Amendment of Section 1).
2. Rate of Tax Payable by Foreign Contractors (Amendment of Section 6A).
3. Rate of Dividend (Withholding) Tax (Amendment of Section 10).
4. Rates of Income Tax Payable by a Company other than a Company in the capacity of a Trustee (Amendment of Schedule 4).



No. of 2016.

AN ACT

entitled

***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates  
(2017 Budget)(Amendment) Act 2016,***

Being an Act to amend the ***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates Act 1984,***

MADE by the National Parliament and deemed to come into operation on 1 January 2017.

**1. INTERPRETATION (AMENDMENT OF SECTION 1).**

Section 1 of the Principal Act is amended by repealing the definitions of “incentive rate petroleum operations” and “new petroleum project”.

**2. RATE OF TAX PAYABLE BY FOREIGN CONTRACTORS (AMENDMENT OF SECTION 6A).**

Section 6A of the Principal Act is amended by repealing the figure “48%” and replacing it with the following figure:

“15%”.

**3. RATE OF DIVIDEND (WITHHOLDING) TAX (AMENDMENT OF SECTION 10).**

Section 10 of the Principal Act is amended by repealing Paragraphs (a), (b), (c) and (d) and replacing them with the following new paragraphs:

- “(a) dividends (other than unit trust dividends) paid by a resident company is 15%;
- and
- (b) dividends received by a resident company from a source outside Papua New Guinea is 15%.”.

**4. 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 in Schedule 4.4 by repealing Subsection (1) and replacing it with the following new subsection:

“(1) The rate of tax in respect of income from mining, petroleum and gas operations is 30% of the taxable income.”.

***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates  
(2017 Budget)(Amendment)***

I hereby certify that the above is a fair print of the ***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2017 Budget)(Amendment) Act 2016*** which has been made by the National Parliament.

  
Acting Clerk of the National Parliament.

22 DEC 2016

I hereby certify that the ***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2017 Budget)(Amendment) Act 2016*** was made by the National Parliament on 8 November 2016.

  
Speaker of the National Parliament.

22 DEC 2016