

Draft of 01/09/2022



No. of 2022.

Excise Tariff (Supplementary Budget) (Amendment) Bill 2022.

ARRANGEMENT OF CLAUSE.

Rates of Excise Duty (Amendment of Schedule 1 - Duties on Excise).



A Bill

for

An Act

entitled

Excise Tariff (Supplementary Budget)(Amendment) Bill 2022,Being an Act to amend the *Excise Tariff Act* (Chapter 107),MADE by the National Parliament to come into operation on the 01st November 2022.**RATES OF EXCISE DUTY (AMENDMENT OF SCHEDULE 1 - DUTIES ON EXCISE).**

Schedule 1 of the Principal Act is amended by repealing the excise tariff items, description of goods, the rates of excise duties and remarks shown in the Schedule and replacing them with the tariff items, description of goods, rates of excise duties and remarks as shown below -

Tariff Item	Description of Goods	Duty Rate From 01 st November 2022 to 31 st December 2022	Duty Rate from 01 st January 2023 and onwards	Unit	Remarks
2710.19.10	Diesel	Free	K0.23	Per Litre	The extension of the Excise duty exemption for another two months starting 01 st November 2022 is applicable to the public except the resource companies, international freight operators and the power producers listed in Table 1. The Companies listed in Table 1 that are exempted from Excise duty under the existing agreements will continue to apply.
2710.12.10	Petrol	Free	K0.61	Per Litre	
2710.19.90	Zoom	Free	K0.02	Per Litre	

Excise Tariff (Supplementary Budget)(Amendment)

Table 1: List of Resource companies, International freight operators and Power producers that are not eligible for the exemption.

No.	Company	Type of Company
1	ExxonMobil PNG Limited	Mining Resource
2	Ramu Nico Management (MCC)Limited	Mining Resource
3	Solway Group Mining (PNG)Limited	Mining Resource
4	Newcrest Mining Limited	Mining Resource
5	Morobe Exploration Service Limited	Mining Resource
6	K92 Mining Limited	Mining Resource
7	Hidden Valley Services Limited	Mining Resource
8	Nautilus Minerals Niugini Limited	Mining Resource
9	OK Tedi Mining Limited	Mining Resource
10	TiTelina (PNG) Limited	Mining Resource
11	Talisman Energy Niugini Limited	Mining Resource
12	Tolukuma Gold Mine Limited	Mining Resource
13	Total E & P PNG Limited	Mining Resource
14	Highlands Pacific Resources Limited	Mining Resource
15	Oil Search Limited	Mining Resource
16	Barrick (Niugini)Limited	Mining Resource
17	Wafi Golpu Services Limited	Mining Resource
18	Harmony Gold (PNG) Exploration Limited	Mining Resource
19	Simberi Gold Company Limited	Mining Resource
20	Woodlark Mining Limited	Mining Resource
21	Niuminco PTY Limited	Mining Resource
22	Morobe Consolidated Goldfields Limited	Mining Resource
23	Marengo Mining PNG Limited	Mining Resource
24	Yandera Mining Company Limited	Mining Resource
25	Swire Shipping	International Freight Operators
26	PNG Shipping	International Freight Operators
27	Inchcape Shipping Services	International Freight Operators
28	Express Freight Management	International Freight Operators
29	ANL Agencies	International Freight Operators
30	Carpenters Shipping	International Freight Operators
31	Pacific Cargo Service	International Freight Operators
32	Blue Planet Logistics	International Freight Operators
33	Deugro (PNG) Limited	International Freight Operators
34	Golden Shipping	International Freight Operators
35	Best Diamond Shipping	International Freight Operators
36	Trade Watch PNG	International Freight Operators
37	Agility Logistics Limited	International Freight Operators
38	PNG Power Ltd	Power Producers

EXPLANATORY MEMORANDUM

Excise Tariff (Supplementary Budget) (Amendment) Bill 2022

- The Marape-Rosso Government introduced a temporary exemption of excise duties on diesel, petrol and zoom products purchased by the public. The reform was aimed at addressing the high price of fuel products and cost of goods and services absorbed by the individuals, families, and businesses in PNG. The reform came into effect on 01st May and will end on the 31st October 2022, a six months exemption period.
- The Marape – Rosso government is extending the excise duty exemption on diesel, petrol, and zoom for another two months which will come into effect on the 01st November to 31st December 2022. This is to continue providing further relief to minimise the impact of increased price of fuel and cost of goods and services currently faced by the country.

SECOND READING SPEECH

EXCISE TARIFF (SUPPLEMENTARY Budget)(AMENDMENT) BILL 2022

MR SPEAKER,

THE BILL PROPOSES AN AMENDMENT TO THE *EXCISE TARIFF ACT 1956* TO CONTINUE THE EXEMPTION ARRANGMENT OF THE EXCISE DUTY ON DIESEL, PETROL AND ZOOM PRODUCTS. THE PROPOSAL IS TO CONTINUE TO ADDRESS THE HIGH PRICES OF FUEL PRODUCTS AND COST OF GOODS AND SERVICES THAT INDIVIDUALS, FAMILIES AND BUSINESSES ARE FACING.

MR SPEAKER, I COMMEND THE BILL.



OFFICE OF THE STATE SOLICITOR

CERTIFICATE OF NECESSITY

I, **DANIEL ROLPAGAREA**, State Solicitor of the Independent State of Papua New Guinea;

having considered the proposed **Excise Tariff (Supplementary Budget)(Amendment) Bill 2022** and having formed the opinion that the Bill is necessary for the intended purposes;

hereby grant this Certificate pursuant to Section 13B of the *Attorney General Act 1989*.

Dated this 31st day of August 2022.



DANIEL ROLPAGAREA
State Solicitor

Draft of 01/09/2022



No: of 2022.

Goods and Services Tax (Supplementary Budget)(Amendment) Bill 2022.

ARRANGEMENT OF CLAUSE.

Exempt Supplies (Amendment of Section 25).



A BILL

for

AN ACT

entitled

Goods and Services Tax (Supplementary Budget)(Amendment) Bill 2022,

Being an Act to amend the ***Goods and Services Tax Act 2003,***

MADE by the National Parliament to come into operation on the 01st November 2022.

EXEMPT SUPPLIES (AMENDMENT OF SECTION 25).

Section 25 of the Principal Act is amended by adding immediately after Subsection (9) the following new subsections:

“(10) Subject to Subsection (11), the supply of petrol, diesel, zoom and kerosene supplied for the use of households and small and medium-sized businesses, shall be exempted from tax under this Act, for the period from 1st November to 31st December 2022.

(11) The exemption under Subsection (10) shall not apply where the supply is imported or supplied for the sole use in carrying on the operations of a resource company, international freight operator or power producer.”.

EXPLANATORY MEMORANDUM

Goods and Services (Supplementary Budget)(Amendment) Bill 2022.

The Bill proposes amendments to the *Goods and Services Act 2003* to:

1. Introduce a two months extension on the GST exemption for Diesel, Petrol, Zoom and Kerosene products starting 01st November to 31st December 2022.
2. In April 2022, the Marape Government introduced a temporary exemption of GST on the diesel, petrol and zoom products purchased by the public. The reform was aimed to address the high price of fuel products and cost of goods and services absorbed by all the individuals, families, and businesses in PNG. The reform came into effect on 01st May and will end on the 31st October 2022, a six months exemption period.
3. The Marape-Rosso Government is taking the inflationary matter resulted from international events like Ukraine-Russian war seriously and therefore will continue to extend the exemption for another two months after 31st October to continue addressing the costs of living pressures the PNG families and businesses are going through because of the high price of goods and services including fuel products.

SECOND READING SPEECH

GOODS AND SERVICES (SUPPLEMENTARY BUDGET)(AMENDMENT) Bill, 2022.

THE BILL PROPOSES AMENDMENT TO THE *GOODS AND SERVICES TAX ACT 2003* TO:

- i. EXTEND THE GOODS AND SERVICES TAX EXEMPTION FOR DIESEL, PETROL, ZOOM AND KEROSENE APPLIED TO BUSINESSES AND TAXPAYERS FOR ANOTHER TWO MONTHS STARTING 01ST NOVEMBER 2022.
- ii. THIS TEMPORARY TAX RELIEFS ARE TO CONTINUE HELPING ALL INDIVIDUALS, FAMILIES AND BUSINESSES IN RESPONSE TO THE ONGOING HIGH RETAIL PRICE OF FUEL PRODUCTS THAT ARE CURRENTLY BORNE BY THE PUBLIC.
- iii. THE RELIEF WILL COME INTO EFFECT ON THE 01ST NOVEMBER AND END ON 31ST DECEMBER 2022.

MR SPEAKER, I COMMEND THE BILL.



OFFICE OF THE STATE SOLICITOR

CERTIFICATE OF NECESSITY

I, **DANIEL ROLPAGAREA**, State Solicitor of the Independent State of Papua New Guinea;

having considered the proposed **Goods and Services (Supplementary Budget)(Amendment) Bill 2022** and having formed the opinion that the Bill is necessary for the intended purposes;

hereby grant this Certificate pursuant to Section 13B of the *Attorney General Act 1989*.

Dated this 31st day of August 2022.

A large, stylized handwritten signature in black ink, consisting of several loops and a long trailing line.

DANIEL ROLPAGAREA
State Solicitor