

EXPLANATORY MEMORANDUM

National Roads Authority (2017 Budget)(Amendment) Bill 2016

This bill proposes an amendment to transfer 4 toea of the imported diesel excise component to National Roads Authority. This is in addition to the 4 toea National Roads Authority receives currently from the local excise on diesel.

This measure is intended to ensure the National Roads Authority is sufficiently funded to perform its mandated functions and responsibilities effectively by maintaining the national road network in good condition for accessibility and longevity.

SECOND READING SPEECH

NATIONAL ROADS AUTHORITY (2017 BUDGET)(AMENDMENT) BILL 2016

MR SPEAKER,

THIS BILL PROPOSES AN AMENDMENT TO TRANSFER 4 TOEA OF THE IMPORTED DIESEL EXCISE COMPONENT TO NATIONAL ROADS AUTHORITY. THIS AMENDMENT WILL ENSURE THE NATIONAL ROADS AUTHORITY IS SUFFICIENTLY FUNDED TO MAINTAIN NATIONAL ROADS NETWORK IN GOOD CONDITION.

MR SPEAKER, I COMMEND THE BILL.



No. of 2016.

National Roads Authority (2017 Budget Provisions)(Amendment) Bill 2016.

ARRANGEMENT OF CLAUSE.

Establishment and Operation, etc., of the Road Fund (Amendment of Section 30).



No. of 2016.

A BILL

for

AN ACT

entitled

National Roads Authority (2017 Budget Provisions)(Amendment) Bill 2016,

Being an Act to amend the *National Roads Authority Act 2003,*

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

**ESTABLISHMENT AND OPERATION, ETC., OF THE ROAD FUND
(AMENDMENT OF SECTION 30).**

Section 30 of the Principal Act is amended -

- (a) by repealing Subsections 1A, 1B and 1C and replacing them with the following:

“(1A) Insofar as the provisions of the *Public Finances (Management) Act 1995* apply to the collection and transfer of public revenue directly to the Road Fund under Subsections (1B) or (1C), those provisions shall be deemed to be complied with.

(1B) From the excise duty on sales of all diesel products both manufactured in country and imported into the country under Item 2710.19.10 of Schedule 1 of the *Excise Tariff Act 1956*, the following amount shall, on collection, be transferred by Papua New Guinea Customs Services at monthly intervals directly to the Road Fund:

- (a) for diesel sales on both in country manufactured and imported diesel which the excise duty collected is at a rate of 10 toea per litre or greater - four toea per litre; and
- (b) for diesel sales on both in country manufactured and imported diesel which the excise duty collected is at a rate less than 10 toea per litre - four toea per litre.

(1C) The Papua New Guinea Customs Services is hereby authorised, for the purposes of payment to the Road Fund under Subsection (1B), to deal with excise duty collections on diesel sales in a manner approved by the Papua New Guinea Customs Services.” ; and

- (b) in Subsection (2), by repealing Paragraph (i), and replacing it with the following paragraph:

“(i) excise duty collections on both manufactured and imported diesel be transferred to the Fund under the provisions of Subsection (1B).”.