



## CERTIFICATE

I hereby certify that the following Bill (Drafts of 26/11/2019) are in accordance with the National Executive Council Decision No. NG143/2019, and the drafting instructions (Draft Bills).

*Income Tax (2020 Budget)(Amendment) Bill 2019*

*Excise Tariff (2020 Budget)(Amendment) Bill 2019*

*Customs Tariff (2020 Budget)(Amendment) Bill 2019*

  
JOHNNY BOGOMBARI

First Legislative Counsel



27<sup>th</sup> November, 2019.



**STATUTORY INSTRUMENT.**

No:            of            2019.

*Customs (Personal Effects)(2020 Budget) (Amendment) Regulation 2019.*

**ARRANGEMENT OF CLAUSE.**

Part III. - General Concession (Amendment of Schedule 1).





No.            of 2019

*Customs Tariff (2020 Budget) (Amendment) Bill 2019,*

**ARRANGEMENT OF SECTIONS.**

1. Rates of Import duty (Amendment to schedule 1).
2. Rates of Export Duty (Amendment to schedule 2).

**SCHEDULE 1.**

**SCHEDULE 2.**

*Customs Tariff (2020 Budget) (Amendment)*

**2. CHANGE FIXED LOG EXPORT DUTY RATE TO STEPPED FASHION PROGRESSIVE LOG EXPORT DUTY RATE.**

**SCHEDULE 2.**

Schedule 2 of the Principal Act is amended by repealing the tariff item, description of goods shown in the Schedule and replacing them with the tariff item and description of goods and remarks shown below -

<b>TARIFF ITEM.</b>	<b>CLASS OF GOODS.</b>	<b>RATE.</b>	<b>REMARKS.</b>												
44.03	Timber logs and poles in the rough, whether or not stripped of bark or sapwood, or roughly squared (ie, not downstream processed eg, sawn timber), of all species (other than balsa, blackbean, cordia, ebony, rosewood, teak and all conifers the export of all of which is banned)	As per the table below	Plantation Logs exempted from export duty												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left;">(FOB price, US\$/m<sup>3</sup>)</th> <th style="width: 50%; text-align: left;">(US\$/m<sup>3</sup>)</th> </tr> </thead> <tbody> <tr> <td align="center">0</td> <td>P*0.2500</td> </tr> <tr> <td align="center">Above \$60.00</td> <td>P*0.4893-3.56</td> </tr> <tr> <td align="center">Above \$100.00</td> <td>P*0.5585-4.76</td> </tr> <tr> <td align="center">Above \$150.00</td> <td>P*0.5791-12.36</td> </tr> <tr> <td align="center">Above \$200.00</td> <td>P*0.5884-16.36</td> </tr> </tbody> </table>				(FOB price, US\$/m <sup>3</sup> )	(US\$/m <sup>3</sup> )	0	P*0.2500	Above \$60.00	P*0.4893-3.56	Above \$100.00	P*0.5585-4.76	Above \$150.00	P*0.5791-12.36	Above \$200.00	P*0.5884-16.36
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No: of 2019.

***Income Tax (2020 Budget)(Amendment) Bill 2019.***

**ARRANGEMENT OF CLAUSES.**

1. Interpretation (Amendment of Section 4).
2. Imposition of income tax (Amendment of Section 11).
3. New Section 11A.

**“11A. Imposition of small business tax.”**

4. Losses of previous years (Amendment of Section 101).
5. Restriction on interest deduction (Amendment of Section 155H).
6. New Section 223A.

**“223A. Procedural rules for small business tax.”**

7. Application for review or appeal (Amendment of Section 247).
8. Notice of company provisional tax payable (Amendment of Section 275N).
9. Payment of tax (Amendment of Section 311AQ).



No.            of 2019.

A BILL

for

AN ACT

entitled

***Income Tax (2020 Budget)(Amendment) Bill 2019,***

Being an Act to amend the **Income Tax Act 1959**,

MADE by the National Parliament and deemed to come into operation -

- (a) in respect of Sections 1, 2, 3 and 6 in accordance with a notice in the National Gazette by the Head of State, acting with and in accordance with, the advice of the Minister; and
- (b) in respect of Section 4 on 1 January 2019; and
- (c) in respect of Section 7 on 1 January 2018; and
- (d) in respect of the remainder of the Act, on 1 January 2020.

**1. INTERPRETATION (AMENDMENT OF SECTION 4).**

Section 4 of the Principal Act is amended by inserting the following new definitions in the correct alphabetical order:

- “quarter” means the period of three months ending on 31 March, 30 June, 30 September and 31 December;
- “small business tax” means small business tax imposed under Section 11A;
- “small business taxpayer” means a person who is liable for small business tax.

**2. IMPOSITION OF INCOME TAX (AMENDMENT OF SECTION 11).**

Section 11 of the Principal Act is amended by inserting, after Subsection (2), the following new subsection:

- “(3) This section does not apply to a small business taxpayer.”.

**3. NEW SECTION 11A.**

Part III of the Principal Act is amended by inserting, after Section 11, the following new section:

**“11A. IMPOSITION OF SMALL BUSINESS TAX.**

(1) In this section -

- “business” does not include professional services;
- “professional services” means medical, dental, legal, accounting, financial, managerial, engineering, architectural, consulting, or other similar services;
- “turnover” in relation to an individual conducting a business, means the assessable income received by the person from the conduct of the business without deduction of expenditures or losses.”.

*Income Tax (2020 Budget)(Amendment)*

- (2) Subject to this Act, a small business tax is imposed on an individual conducting business who satisfies all the following conditions -
- (a) the individual conducts the business solely in PNG; and
  - (b) the individual is not a registered person for the purposes of the *Goods and Services Tax Act 2003*; and
  - (c) the individual was not subject to income tax under Section 11 for the previous tax year; and
  - (d) the total turnover of the individual for the previous tax year did not exceed the Goods and Services Tax registration threshold specified in Section 43 of the *Goods and Services Tax Act 2003*.
- (3) In determining the total turnover of an individual for a tax year for the purposes of Subsection (2)(d), the Commissioner General may have regard to the turnover of an associate or associates of the individual for the year.
- (4) Where the total turnover of an individual who is subject to tax under this section for a tax year is less than K50,000.00 -
- (a) the individual is liable for small business tax annually; and
  - (b) the amount of small business tax payable by the individual for a tax year is K400.00.
- (5) Where the total turnover of an individual who is subject to tax under this section for a tax year is K50,000.00 or more -
- (a) the individual is liable for a quarterly small business tax ; and
  - (b) the amount of small business tax payable by the individual for a quarter is 2 percent of the total turnover of the individual for the quarter.
- (6) An individual who is subject to small business tax may apply, in the prescribed form, to the Commissioner General for Section 11 to apply to the individual instead of this section.
- (7) The Commissioner General may approve an application under Subsection (6) if he is satisfied that the individual will keep proper records as required for the purposes of the income tax imposed under Section 11.
- (8) An approval under Subsection (7) takes effect from the commencement of the first fiscal year after the approval is granted and remains in force indefinitely or until the Commissioner General permits the individual to be subject to this section under Subsection (11).
- (9) Subject to Subsection (10), an individual who is subject to income tax under Section 11 for a fiscal year who satisfies Subsection (2) may apply, in the prescribed form, to the Commissioner General for permission for him to be subject to the small business tax.
- (10) An individual who has been granted permission under Subsection (7) for Section 11 to apply to him cannot make an application under Subsection (9) within three years of the date of service of the notice granting him permission for Section 11 to apply.



***Income Tax (2020 Budget)(Amendment)***

(11) The Commissioner General may approve an application under Subsection (9) if he is satisfied that there is reasonable grounds to do so and the approval shall apply from the date specified in the notice of approval.

(12) An approval under Subsection (7) or (11) may be subject to such conditions as the Commissioner General may specify in the notice of approval.

(13) Subsection (2)(c) does not apply when determining whether the small business tax applies to an individual for the first fiscal year after the coming into force of the Act.

**4. LOSSES OF PREVIOUS YEARS (AMENDMENT OF SECTION 101).**

Section 101 of the Principal Act is amended by repealing Subsection (4C) and replacing it with the following:

“(4C) Notwithstanding any other provision of this section, no loss incurred on or before 31 December 2018 is deductible, that, under the provisions in force prior to 1 January 2019, would have been deductible from income derived in the year ended 31 December 2018 or in a later year.”.

**5. RESTRICTION ON INTEREST DEDUCTION (AMENDMENT OF SECTION 155H).**

Section 155H of the Principal Act is amended in Subsection (3) by repealing the number “3” wherever appearing, and replacing it with the following number “2”.

**6. NEW SECTION 223A.**

Part III of the Principal Act is amended by inserting, after Section 223, the following new section:

**“223A. PROCEDURAL RULES FOR SMALL BUSINESS TAX.**

(1) In this section, ‘tax period’, in relation to the small business tax, means -

- (a) for a small business taxpayer subject to Section 11A(3), the fiscal year; or
- (b) for a small business taxpayer subject to Section 11A(4), the quarter.

(2) A small business taxpayer must keep the following records:

- (a) a cash book recording daily sales, including credit sales; and
- (b) where the person employs employees, a salary or wages register; and
- (c) any other records as required by the Commissioner General.

(3) A small business taxpayer must retain the records referred to in Subsection (1) for three years after the end of the tax period to which they relate.

(4) A small business taxpayer must furnish a small business tax return -

- (a) for a small business taxpayer to whom Section 11A(3) applies, within 28 days after the end of the fiscal year; or
- (b) for a small business taxpayer to whom Section 11A(4) applies, within 28 days after the end of quarter.

***Income Tax (2020 Budget)(Amendment)***

(5) A small business tax return is a self-assessment return for the purposes of the *Tax Administration Act 2017*.

(6) The small business tax payable by a small business taxpayer for a tax period must be payable on the date that the small business tax return for the period is due.

**7. APPLICATION FOR REVIEW OR APPEAL (AMENDMENT OF SECTION 247).**

Section 247 of the Principal Act is amended by repealing Subsection (2) and replacing it with the following:

“(2) Prior to making an application to a Review Tribunal or filing an appeal in the National Court pursuant to Subsection (1), a dissatisfied taxpayer must pay to the Commissioner General -

- (a) 50 percent of any tax due and payable on the assessment the subject of the decision with which the taxpayer is dissatisfied; and
- (b) 50 percent of any additional tax which has accrued up to the date of filing of the review or appeal, pursuant to Section 262, on the tax due and payable on the assessment the subject of the decision with which the taxpayer is dissatisfied, and which has not been remitted pursuant to Subsection 262(2) prior to the making of the application or filing of the appeal by the dissatisfied taxpayer.”.

**8. NOTICE OF COMPANY PROVISIONAL TAX PAYABLE (AMENDMENT OF SECTION 275N).**

Section 275N of the Principal Act is amended by repealing Subsection (1) and replacing it with the following:

“(1) Where the Commissioner General has determined the company provisional tax for a year of tax, or a year of tax approved under Section 12A, he must issue a notice setting out the amount of tax payable and this must be paid in three equal installments which will be due and payable as follows:

- (a) first installment due 90 days from the end of the preceding year of tax or a year of tax approved under Section 12A; and
- (b) second a year of tax approved under Section 12A; and
- (c) third installment due 270 days from the end of the preceding year of tax or a year of tax approved under Section 12A.”.

**9. PAYMENT OF TAX (AMENDMENT OF SECTION 311AQ).**

Section 311AQ of the Principal Act is amended by repealing Subsection (1) and replacing it with the following:

“(1) An amount determined by the Commissioner General to be the estimated taxable income liable to tax under this division must be taxed at the rates declared by the *Income Tax and Dividend (Withholding) Tax Rates Act* (Chapter 111) and must be payable in three instalments as follows:

- (a) first installment due 90 days from the end of the preceding year of tax or a year of tax approved under Section 12A; and
- (b) second installment due 180 days from the end of the preceding year of tax or a year of tax approved under Section 12A; and
- (c) third installment due 270 days from the end of the preceding year of tax or a year of tax approved under Section 12A.”.



No.            of 2019.

***Excise Tariff (2020 Budget)(Amendment) Bill 2019.***

**ARRANGEMENT OF CLAUSE.**

Amendment of Schedule 1- Duties On Excise.



No. of 2019

A BILL

For

AN ACT

entitled

***Excise Tariff (2020 Budget)(Amendment) Bill 2019,***Being an Act to amend the *Excise Tariff Act 1956* (Chapter 107),

MADE by the National Parliament and deemed to come into operation –

- (a) for Paragraphs (a), (b), and (c), on 1 December 2019; and  
 (b) for Paragraph (d), on 1 January 2020.

**EXCISE TARIFF (AMENDMENT OF SCHEDULE 1 - DUTIES ON EXCISE).**

Schedule 1 of the Principal Act is amended by -

- (a) repealing the tariff item, description of goods and rates of excise duty and remarks relating to alcohol as shown in the Schedule and replacing the tariff item, description of goods and rates of excise duty and remarks relating to alcohol as shown below -

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>From 1<sup>st</sup> December 2018 to 31<sup>st</sup> December 2019.</b>	<b>From 1<sup>st</sup> December 2019 until 31<sup>st</sup> May 2020.</b>	<b>From 1<sup>st</sup> June 2020 and onwards.</b>	<b>Remarks.</b>
2203.00.10	Beer or mixed drinks containing beer, not more than 2.5% alcohol by volume	K69.69 per lal	K76.85 per lal	80.69 per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31 <sup>st</sup> of May and 30 <sup>th</sup> November each year.
2203.00.20	Beer or mixed drinks containing beer, more than 2.5% and not than 3.5% alcohol by volume	90.15 per lal	K99.17 per lal	K104.12 per lal	

**Excise Tariff (2020 Budget)(Amendment)**

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>From 1<sup>st</sup> December 2018 to 31<sup>st</sup> December 2019.</b>	<b>From 1<sup>st</sup> December 2019 until 31<sup>st</sup> May 2020.</b>	<b>From 1<sup>st</sup> June 2020 and on wards.</b>	<b>Remarks.</b>
2203.00.30	Beer or mixed drinks containing beer, more than 3.5% and not more than 4.5% alcohol by volume.	K102.72 per lal	K112.99 per lal	K118.64 per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31 <sup>st</sup> of May and 30 <sup>th</sup> November each year.
2203.00.40	Beer or mixed drinks containing beer, more than 4.5% alcohol by volume.	K119.29 per lal	K131.21 per lal	K137.78 per lal	
2204.10.10	Sparkling wine of fresh grapes: sold in containers holding less than 2 litres	K126.57 per lal	K137.23 per lal	K146.19 per lal	A one off increase of 10% is applied starting 1 <sup>st</sup> December 2019 to 31 <sup>st</sup> May 2020 and 5% is applied bi-annually thereon.
2204.10.20	Sparkling wine of fresh grapes: sold in containers holding 2 litres or more	K126.71 per lal	K139.38 per lal	K146.35 per lal	
2204.29.10	Wine of fresh grapes, including fortified wines, grape must; sold in containers holding less than 2 litres	K126.71 per lal	K139.38 per lal	K146.35 per lal	
2204.29.90	Wine of fresh grapes, including fortified wines, grape must; sold in containers holding more than 2 litres	K126.71 per lal	K139.38 per lal	K146.35 per lal	
2205.10.00	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances, sold in containers holding less than 2 litres	K126.71 per lal	K139.38 per lal	K146.35 per lal	
2205.90.00	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances, sold in containers holding 2 litres or more	K126.71 per lal	K139.38 per lal	K146.35 per lal	
2206.00.10	Other fermented beverages (for example cider, perry, mead), mixtures of fermented beverages and non-alcoholic beverages, made from fruit grown in Papua New Guinea	K58.88 per lal	K129.54 per lal	K136.0 per lal	

**Excise Tariff (2020 Budget)(Amendment)**

<b>TARIFF ITEM.</b>	<b>DESCRIPTION</b>	<b>From 1<sup>st</sup> December 2018 to 31<sup>st</sup> December 2019.</b>	<b>From 1<sup>st</sup> December 2019 until 31<sup>st</sup> May 2020.</b>	<b>From 1<sup>st</sup> June 2020 and on wards.</b>	<b>Remarks.</b>
2206.00.90	Other fermented beverages	K119.14 per lal	K131.05 per lal	K137.61 per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31st of May and 30th November each year.  A one off increase of 10% is applied starting 1st December 2019 to 31st May 2020 and 5% is applied bi-annually thereon..
2208.2	<b>Spirits obtained by distilling grape wine or grape mare</b>				
2208.20.10	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing by volume not more than 50%	K126.55 per lal	K139.21 per lal	K146.16 per lal	
2208.20.20	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing by volume more than 50% and less than 80%	K135.77 per lal	K149.34 per lal	K156.81 per lal	
2208.20.90	Other, undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages	K126.71 per lal	K139.38 per lal	K146.35 per lal	
<b>2208.3</b>	<b>Whiskies:</b>				
2208.30.10	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by-volume not more than 50% ;	K126.55 per lal	K139.21 per lal	K146.16 per lal	
2208.30.20	Undenatured ethyl alcohol, spirits, liquors and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K135.77 per lal	K149.34 per lal	K156.81 per lal	
2208.30.90	Other, undenatured ethyl alcohol, spirits, liquors and other spirituous beverages.	K126.71 per lal	K139.38 per lal	K146.35 per lal	
<b>2208.4</b>	<b>Rum and tafia:</b>				
2208.40.10	Undenatured ethyl alcohol, spirits, liquors and other spirituous beverages, containing alcohol by volume not more than 50%	K126.55 per lal	K278.41 per lal	K292.33 per lal	
2208.40.20	Undenatured ethyl alcohol, spirits, liquors and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K135.77 per lal	K149.34 per lal	K156.81 per lal	

**Excise Tariff (2020 Budget)(Amendment)**

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>From 1<sup>st</sup> December 2018 to 31<sup>st</sup> December 2019.</b>	<b>From 1<sup>st</sup> December 2019 until 31<sup>st</sup> May 2020.</b>	<b>From 1<sup>st</sup> June 2020 and on wards.</b>	<b>Remarks.</b>
2208.40.90	Other, undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages.	K126.71 per lal	K139.38 per lal	K146.35 per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31st of May and 30th November each year.
<b>2208.5</b>	<b>Gin and Geneva:</b>				A one off increase of 10% is applied starting 1st December 2019 to 31st May 2020 and 5% is applied bi-annually thereon.
2208.50.10	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume not more than 50%	K126.55 per lal	K139.21 per lal	K146.16 per lal	
2208.50.20	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K135.77 per lal	K149.34 per lal	K156.81 per lal	
2208.50.90	Other, undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages.	K126.71 per lal	K139.38 per lal	K146.35 per lal	
<b>2208.6</b>	<b>Vodka:</b>				

**Excise Tariff (2020 Budget)(Amendment)**

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>From 1<sup>st</sup> December 2018 to 31<sup>st</sup> December 2019.</b>	<b>From 1<sup>st</sup> December 2019 until 31<sup>st</sup> May 2020.</b>	<b>From 1<sup>st</sup> June 2020 and on wards.</b>	<b>Remarks.</b>
2208.60.10	Undenatured ethyl alcohol, spirits, liqueurs and her spirituous beverages, containing alcohol by volume not more than 50%	K126.55 per lal	K139.21 per lal	K146.16 per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31st of May and 30th November each year.  A one off increase of 10% is applied starting 1st December 2019 to 31st May 2020 and 5% is applied bi-annually thereon..
2208.60.20	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K135.77 per lal	K149.34 per lal	K156.81 per lal	
2208.60.90	Other, undenatured ethyl alcohol, spirits, liquors and other spirituous beverages	K126.71 per lal	K139.38 per lal	K146.35 per lal	
<b>2208.7</b>	<b>Liqueurs and cordials:</b>				
2208.70.10	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume not more than 50%	K126.55 per lal	K139.21 per lal	K146.16 per lal	



**Excise Tariff (2020 Budget)(Amendment)**

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>From 1<sup>st</sup> December 2018 to 31<sup>st</sup> December 2019.</b>	<b>From 1<sup>st</sup> December 2019 until 31<sup>st</sup> May 2020.</b>	<b>From 1<sup>st</sup> June 2020 and on wards.</b>	<b>Remarks.</b>
2208.70.20	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K135.77 per lal	K149.34 per lal	K156.81 per lal	<p>The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31st of May and 30th November each year.</p> <p>A one off increase of 10% is applied starting 1st December 2019 to 31st May 2020 and 5% is applied bi-annually thereon.</p>
2208.70.90	Other, undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages.	K126.71 per lal	K139.38 per lal	K146.35 per lal	
2208.90.20	Mixed drinks of a strength more than 3% alcohol by volume, not for medicinal purposes	K83.78 per lal	K92.15 per lal	K96.76 per lal	
2208.90.30	Mixed drinks of a strength more than 3% and not more than 4.5% alcohol by volume, not for medicinal purposes	K102.60 per lal	K112.86 per lal	K118.50 per lal	
2208.90.40	Mixed drinks more than 4.5% alcohol by volume, not for medicinal purposes	K119.15 per lal	K131.06 per lal	K137.62 per lal	

**Excise Tariff (2020 Budget)(Amendment)**

- (b) repealing the tariff item, description of goods and rates of excise duty and remarks relating to tobacco as shown in the Schedule and replacing the tariff item, description of goods and rates of excise duty and remarks relating to tobacco as shown below -

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>From 1<sup>st</sup> December 2018 to 31<sup>st</sup> December 2019.</b>	<b>From 1<sup>st</sup> December 2019 to 31<sup>st</sup> May 2020.</b>	<b>From 1<sup>st</sup> June 2020 and onwards.</b>	<b>Remarks.</b>
2402.10.00	Cigars, cheroots and cigarillos containing tobacco	K429.81 per kg	K472.79 per kg	K496..43 per kg	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31st of May and 30th November each year.  A one off increase of 10% is applied starting 1st December 2019 to 31 <sup>st</sup> May 2020 and 5% is applied bi-annually thereon.
2402.20.10	Cigarettes of tobacco or tobacco substitutes with filter containing tobacco. Manufacturer's selling price (MSP) K16.00 and above per 25's pack or K640.00 per thousand sticks.	K429.81 per 1000 sticks	K472.79 per 1000 sticks	K496..43 per 1000 sticks	
2402.20.20	Cigarettes of tobacco or tobacco substitutes without filter containing dark fired tobacco (Spear or equivalent)	K214.94 per 1000 sticks	K236.43 per 1000 sticks	K247.26 per 1000 sticks	
2403.11.10	Smoking tobacco, whether or not containing tobacco substitutes in any proportion	K143.31 per per kg	K157.64 per kg	K165.52 per kg	
2403.11.30	Chewing tobacco	K143.31 per per kg	K157.64 per kg	K165.52 per kg	
2403.11.40	Snuff	K143.31 per per kg	K157.64 per kg	K165.52 per kg	
2403.11.50	Twist or trade tobacco	K143.31 per per kg	K157.64 per kg	K165.52 per kg	
2403.11.60	Stick tobacco	K143.31 per per kg	K157.64 per kg	K165.52 per kg	
2403.11.70	Coarse Shredded Tobacco for roll your own Cigarettes	K69.29 per kg	K76.21 per kg	K80.03 per kg	
2403.91.00	"Homogenised" or reconstituted" tobacco	K199.06 per kg	K218.97 per kg	K229.91 per kg	
2403.99.00	Other	K143.31 per per kg	K157.64 per kg	K165.52 per kg	

**Excise Tariff (2020 Budget)(Amendment)**

(c) create new excise heading, second tobacco excise tier, as shown below -

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>From 1<sup>st</sup> December 2019 to 30<sup>th</sup> November 2021.</b>	<b>Remarks.</b>
2402.20.40	Cigarettes of tobacco or tobacco substitutes with filter containing tobacco that is locally manufactured in Papua New Guinea. This item must carry a Manufacturer's Selling Price (MSP) below K16.00 per 25's pack <i>or</i> K640.00 per thousand sticks.	K209.67 per 1000 sticks	<p>This second excise tier is introduced with no six monthly excise indexation to assist local tobacco manufacturers against cheap illicit tobacco products for two years 2020 to 2021.</p> <p>For local manufacturers to sell this second tier, it must first sell the main tier before qualifying for this tier (2402.20.20) to qualify. Only 50% of the main tier (2402.20.20) will be allowed to be cleared in this new tier (2402.20.40).</p> <p>The second tier is intended to assist local tobacco manufacturers against cheap illicit tobacco products.</p>

**Excise Tariff (2020 Budget)(Amendment)**

- (d) repealing the tariff item, description of goods and rates of excise duty and remarks relating to pre used vehicles as shown in the Schedule and replacing the tariff item, description of goods and rates of excise duty and remarks relating to pre used vehicles as shown below -

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>Duty Rates up to 1<sup>st</sup> January 2020.</b>	<b>Duty rates from 1<sup>st</sup> January 2020.</b>
8703.21.00	<b>--Of a cylinder not exceeding 1,000cc</b>		
8703.21.10	--Brand new	60%	20%
8703.21.19	--Used/Recondition	80%	20%
<b>8703.22.00</b>	<b>--Of a cylinder capacity exceeding 1,000cc but not exceeding 1,500cc</b>		
8703.22.10	--Brand new	60%	20%
8703.22.19	--Used/Recondition	80%	20%
<b>8703.23.00</b>	<b>--Of a cylinder capacity exceeding 1,500cc but not exceeding 3,000cc</b>		
8703.23.10	--Brand new	60%	20%
8703.23.19	--Used/Recondition	80%	20%
<b>8703.24.00</b>	<b>--Of a cylinder capacity exceeding 3,000cc</b>		
8703.24.10	--Brand new	60%	20%
8703.24.19	--Used/Recondition	80%	20%
<b>8703.24.30</b>	<b>--Three-Wheeled light weight vehicles</b>		
8703.24.31	--Brand new	60%	20%
8703.24.39	--Used/Recondition	80%	20%
<b>8703.24.50</b>	<b>--Sports and racing cars</b>		
8703.24.51	--Brand new	110%	40%
8703.24.59	--Used/Recondition	120%	40%
<b>8703.24.60</b>	<b>--Security Van</b>		
8703.24.61	--Brand new	15%	15%
8703.24.69	--Used/Recondition	20%	20%
<b>8703.31.00</b>	<b>--Of a cylinder capacity exceeding 1,500cc</b>		
8703.31.10	--Brand new	60%	20%
8703.31.19	--Used/Recondition	80%	20%
<b>8703.32.00</b>	<b>--Of a cylinder capacity exceeding 1,500cc but not exceeding 2,500cc</b>		
8703.32.10	--Brand new	60%	20%
8703.32.19	--Used/Recondition	80%	20%
<b>8703.33.10</b>	<b>--Of a cylinder capacity exceeding 2,500cc but not exceeding 2, 700cc</b>		

*Excise Tariff (2020 Budget)(Amendment)*

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>Duty Rates up to 1<sup>st</sup> January 2020.</b>	<b>Duty rates from 1<sup>st</sup> January 2020.</b>
8703.33.11	--Brand new	60%	20%
8703.33.19	--Used/Recondition	80%	20%
<b>8703.33.90</b>	<b>--Of a cylinder capacity exceeding 2,700cc</b>		
8703.33.91	--Brand new	110%	40%
8703.33.99	--Used/Recondition	120%	40%
<b>8703.90.30</b>	<b>--Three wheeled light weight vehicles</b>		
8703.90.31	--Brand new	60%	20%
8703.90.39	--Used/Recondition	80%	20%
<b>8703.90.50</b>	<b>--Sports and racing cars</b>		
8703.90.51	--Brand new	110%	40%
8703.90.59	--Used/Recondition	120%	40%
<b>8703.90.60</b>	<b>--Security Van</b>		
8703.90.61	--Brand new	15%	15%
8703.90.69	--Used/Recondition	20%	20%
<b>8704.10.00</b>	<b>--Dumpers designed for off-highway use</b>		
8704.10.10	--Brand new	15%	15%
8704.10.19	--Used/Recondition	20%	20%
<b>8704.21.10</b>	<b>--Utility trucks (double cab vehicles with a separate open back), G.V.W not exceeding 3.5 tonnes</b>		
8704.21.11	--Brand new	40%	20%
8704.21.19	--Used/Recondition	60%	20%
<b>8704.21.90</b>	<b>--G.V.W not exceeding 5 tonnes (other than sub heading 8704.21.10)</b>		
8704.21.91	--Brand new	15%	15%
8704.21.99	--Used/Recondition	20%	20%
<b>8704.22.00</b>	<b>--G.V.W exceeding 5 tonnes but not exceeding 20 tonnes</b>		
8704.22.10	--Brand new	15%	15%
8704.22.19	--Used/Recondition	20%	20%

*Excise Tariff (2020 Budget)(Amendment)*

<b>TARIFF ITEM.</b>	<b>DESCRIPTION.</b>	<b>Duty Rates up to 1<sup>st</sup> January 2020.</b>	<b>Duty rates from 1<sup>st</sup> January 2020.</b>
<b>8704.23.10</b>	<b>--Delivery trucks and vans of all kinds</b>		
8704.23.11	--Brand new	15%	15%
8704.23.19	--Used/Recondition	20%	20%
<b>8704.23.20</b>	<b>--Refrigerated or insulated lorries</b>		
8704.23.21	--Brand new	15%	15%
8704.23.29	--Used/Recondition	20%	20%
<b>8704.23.30</b>	<b>--Refuse collectors</b>		
8704.23.31	--Brand new	15%	15%
8704.23.39	--Used/Recondition	20%	20%
8704.23.90	--G.V.W exceeding 20 tonnes		
8704.23.91	--Brand new	15%	15%
8704.23.99	--Used/Recondition	20%	20%
<b>8704.31.10</b>	<b>--Utility trucks(double cab vehicles with a separate open back), G.V.W not exceeding 3.5 tonnes</b>		
8704.31.11	--Brand new	40%	20%
8704.31.19	--Used/Recondition	60%	20%
<b>8704.31.90</b>	<b>--G.V.W not exceeding 5 tonnes (other than subheading 8704.21.10)</b>		
8704.31.91	--Brand new	15%	15%
8704.31.99	--Used/Recondition	20%	20%
<b>8704.90.20</b>	<b>--Refrigerated or insulated lorries</b>		
8704.90.21	--Brand new	15%	15%
8704.90.29	--Used/Recondition	20%	20%
<b>8704.90.30</b>	<b>--Refuse collectors</b>		
8704.90.31	--Brand new	15%	15%
8704.90.39	--Used/Recondition	20%	20%