



# PNG Pulse

## Keeping you informed

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### IRC in the news

Nearing the first half of 2026, the IRC continues to be on top of taxpayer engagement and ongoing compliance efforts to ensure robust and efficient tax collection. The IRC released several updates and notices, including:

- The IRC reported on its delivery of strong Q1 2026 collections, with revenue up 37% from last year. The IRC states that their exceeding of expected collections was thanks to enhanced compliance and taxpayer engagement. In terms of numbers, major collections continue from growth in SWT and GST as well as continued momentum from reforms. However, the IRC also noted the impact of a one-off Mining and Petroleum Tax surge from early payments and high commodity prices.
- PNG officers from the IRC and PNG Customs showcased the outcomes of their management projects at the 11th Pacific Manager Development Program (PMDP) Recall Day in Port Moresby, marking the culmination of a regional leadership program. The projects demonstrated tangible operational improvements and reinforced PNG's commitment to capacity building, regional collaboration, and public sector reform.
- The IRC reports that it has completed its nationwide 2025 - 2026 GST Zero-Rated Household Goods Compliance Inspection, with findings in the Islands Region revealing significant non-compliance among retailers. Warning letters have been issued to non-compliant businesses, with the IRC signaling stronger enforcement action to ensure GST relief intended for households is passed on to consumers.
- With the opening of its Hela provincial office, the IRC has completed its Highlands regional rollout. This initiative has progressed from the vision under the former Commissioner General, to delivery under the Acting Commissioner General – enhancing service delivery and reinforcing the Commission's role in supporting revenue growth and public services. The new Tari office strengthens local service delivery and partnerships and follows strong revenue outcomes.

### Digitalisation of the IRC – ITAS / GMS launch status

The IRC's journey towards a digital future continues through two key systems. Being the ITAS (replacing the SIGTAS administration system), and the GMS system (collecting real time transaction data for tracking GST). Both initiatives continue to be under development. The timetable for release had been anticipated as mid-2026, and although a slight further delay is anticipated, taxpayers should be thinking through their preparations. The roll out of the systems will be phased in terms of the range of taxpayers impacted and the nature of taxes brought into the new platforms.

Taxpayers should be particularly focused on understanding and monitoring their tax balances and wherever possible, renewed efforts to clean up existing matters will likely ease future transitions to the new systems.

### Treasury welcomes pre-Budget submissions

The Department of Treasury has slightly extended the pre-Budget submission period for the 2027 National Budget, with stakeholders invited to provide tax submissions on or before 22 May 2026. The submissions will be reviewed and considered as part of the 2027 Budget process aimed to address gaps in the Income Tax Act 2025, enhance tax revenue, and support long-term economic growth.

The appetite for new fiscal policy initiatives as part of the annual budget cycle has been somewhat reduced recently with the focus being on the introduction of the Income Tax Act 2025. However, with the IRC's transitional period for full implementation of the new income tax coming to an end, the process of evolving the new normal for tax administration will be a combination of IRC guidance as well as further legislative reform as the understanding of the full impact of the Income Tax Act 2025 grows.

### **IPA matters**

For entities that failed to meet IPA compliance obligations and were de-registered in December 2023, the IPA had allowed an extended 'grace period' to 30 April 2026 to enable these entities to complete their compliance obligations. However, the grace period has not been extended further. Accordingly, entities that remain de-registered after 30 April 2026 will require a court order from the National Court to apply for reinstatement.

The IPA remains committed to improving compliance, instigating and enforcing processes and rules that seek to enhance the integrity of their role as company registrar. We also anticipate that the IPA compliance function will play an important role in the country's response to grey listing by FATF with areas such as recording of beneficial ownership being identified as part of enhanced international practices.

Entities doing business in PNG should be aware of their compliance obligations, including the timeframe for reposting changes to the data being maintained by the IPA. Penalties do apply for missing notification and reporting deadlines.

For more information on these or other topics, reach out to your PwC contact.

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