



December 2022

Latest developments at the Investment Promotion Authority (IPA)

Following our latest Pulse Edition issued in November 2022, further updates have been received from the IPA. We had previously highlighted the recent changes at the IPA and the passing of the Bill entitled the Companies (Amendment) Act 2022. The IPA has indicated that the new system is now fully functional for the creation of new business entities. Applications can be submitted on-line to form a company, register a business name or file a notice of intent to form an association.

For existing entities, data from the old legacy system is still in the process of being migrated. During the migration period only limited entity information is available when searches are undertaken. Entities with on-line accounts will not be able to make any online payments, lodgements and obtain company extracts.

The period for migration is unclear and currently the system is essentially non-functional for existing entities. We will continue to monitor the process and update when more information is available. It is likely that additional information will be required, even after full data migration is complete as the new Companies Act has introduced additional reporting requirements surrounding the recording of beneficial ownership of shares in registered entities.

As mentioned previously in our publication, all registered entities in PNG will need to re-register in the new registry within one year (from the period 1 December 2022 to 30 November 2023). This re-registration process should be completed once migration has been completed in order to verify the entity data. The IPA strongly recommends that the entity wait until the migration process has been completed before attempting re-registration as any information would need to be entered manually which may result in a duplicated record. An entity will not be able to undertake any filings with the IPA until the re-registration process has been completed. The IPA has agreed to waive any late filing fees.

If an entity does not re-register, it will be removed from the Register of Companies. If the company is not up to date with annual return lodgements, the company is required to submit all outstanding annual returns when applying for re-registration. While the nature of the user interface and the full functionality remains unclear, the messaging from the IPA is clear as they intend to enforce and enhance the level of compliance with their company registry function. We further understand that following migration, a fee will be applied to the accessing of company extracts.

Final SWT reminder

Budget 2023 was passed to provide a temporary increase to the tax free threshold for salary and wages tax from an annual level of PGK17,500 to PGK20,000. This change will be effective from 1 January 2023 to 31 December 2023. Employers should adjust their payroll calculations accordingly.

If you would like to know more about any of these developments or have any other questions, please get in touch with your usual PwC contact.

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