



March 2023

IPA developments

The IPA on-line registry upgrade is ongoing. The on-line registry went off-line on 21 November 2022 with the view that it would be up and running on 1 December 2022. The most recent indications are that the migration should be completed by early April 2023. Once the data migration is complete, all entities will need to undertake a re-registration process with the IPA before any documents can be lodged. It is possible to undertake registrations of new entities before the migration of data and the full update of the new registry. As part of this process, it is now clear that there is additional data being collected through the registration including more personal data on directors.

While the overall migration has certainly not progressed as originally indicated, it does look like there is light at the end of the tunnel and that the system will likely be perceived by most stakeholders as a definite upgrade. Those who have items included on the company registry should get ready to move forward with the confirmation of their data migration and re-registration over the coming weeks and months.

IRC in the news

The IRC's campaign for outreach to taxpayers has been continuing with a range of events being covered in the press. The target continues to be raising awareness of SWT changes and visiting workplaces to provide tax updates.

The IRC has also been continuing its international engagement through the attendance at the most recent performance management workshop arranged by the Pacific Islands Tax Administrators Association (PITAA). The workshop was focussed on best practices in performance management for those working in tax administration. As the IRC vision continues to be building a robust modern and efficient tax administration then the introduction of enhanced performance management techniques should be a welcome addition to the agency. The IRC will also be hosting PITAA's annual heads meeting later in 2023.

Enhanced IMF engagement for PNG

A significant funding package for PNG was recently announced by the IMF. The approval is for a new program of support equivalent to more than USD 900 million over a roughly three year period through the Extended Credit Facility (ECF) and the Extended Fund Facility (EFF). The goal of the program is to support PNG's reform agenda.

This program comes on the heels of the agreement to sustain a more permanent IMF presence in PNG and the expectations that this will bring more visits and technical assistance. One of the key pillars expected to be a focus of the IMF support and engagement is with respect to fiscal developments.

IRC's Mining focus

Further to the public notice issued by the IRC announcing the commencement of audits into a number of major mining companies operating in PNG, the IRC and Treasury has also been hosting teams of visitors from the Intergovernmental Forum on Mining which is a body established through the International Institute for Sustainable Development. The goal of the organisation is to support national governments to achieve the UN's Sustainable Development Goals through a focus on mining governance. The visit also crossed over with a visit from an OECD

tax team that continues to engage with PNG's IRC and Treasury on matters relating to issues such as the BEPS agenda.

Taxpayers should recognise the efforts of the IRC and Treasury to continue to engage with a range of peers and other types of stakeholders internationally. This can potentially lead to a more connected view for those responsible for fiscal policies as well as their implementation in PNG.

Expansion of IRC's technology suite

The IRC has been proposing digital tools and the use of data analytics as part of the process of enhancing their operations. Over the past years announcements have been made in relation to tracking tools for IRC vehicles, keystroke monitoring for measuring employee productivity, the creation of dashboards for the real time measurement of collections from different provinces etc. These developments have been mainly focussed internally for the IRC.

For applications designed for use by taxpayers, the most significant example to date is MyIRC which was launched more than 12 months ago. While this interface has attracted some users, the functionality remains limited and there is no clear deadline for including a lodgement function nor to extend the payment function beyond certain credit and debit cards. However, another taxpayer focussed app has now been made available. The Track Tru IRC app is designed to enable taxpayers to validate a Certificate of Compliance (CoC) that is presented to them. It is expected that CoCs will be generated with a QR code that can be authenticated through the app. The IRC's expectation is the app will reduce the likelihood of paying agencies relying on an invalid CoC and thereby not withholding from the relevant prescribed payments.

Restructure at the IRC

The IRC recently announced a new leadership team for the organisation. The restructure and reshuffle has had the effect of more clearly defining a "third wing" for the organisation. Historically, the broad responsibilities of the more internal functions sat with the Commissioner for Services and the external taxpayer-facing functions were grouped under the leadership of the Commissioner for Taxes. The new structure retains these two elements (although renamed), and then adds a number of divisions that report directly to the Commissioner General. This final group of functions include governance and reform, internal audit and integrity, tax intelligence and tax crime.

The new structure can be seen as reflecting the key interest of the Commissioner General in those divisions that are now reporting directly to his office. The Commissioner General has been vocal in his support for internal integrity measures and has declared that he will pursue tax crimes where necessary.

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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