

# *Working towards a better future*

*2013 Papua  
New Guinea*

## *National Budget*



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The Minister for Treasury and Finance, the Honourable Don Polye, MP handed down the 2013 National Budget on 20 November 2012.

## Executive summary

The theme of the 2013 Budget is “Sharing the Wealth and Empowering our People”.

The Government views this as a ‘people budget’ with a view towards ensuring the benefits of strong economic growth are shared more fairly. It also attempts to lower the cost of living for the people. While global economic events are impacting the volatility of commodity prices and on currency value, the Government remains very upbeat about the PNG economy and its continued robust growth.

Key components of the 2013 Budget include:

- It is expected this 2013 budget will be PNG’s biggest ever at K13 billion.
- The 2013 Budget is projecting a deficit of K2.5b and another deficit of K2.3b in 2014.
- An 87% increase in funding for the sub-national levels of Government.
- Economic growth is forecast to decline slightly to 7.2% in 2013, while inflation is forecast to be 8% in 2013.
- As with the prior year, the 2013 Budget continues to recognise the significance of the PNG LNG Project as a driver of economic growth.
- The Government has reiterated its commitment to the establishment of a sovereign wealth fund to address the downside macroeconomic risks associated with large scale projects such as the PNG LNG Project.
- A focus on raising revenues, particularly in light of the recently announced increase in costs for the LNG project.
- Major commitment to sustained planning, design, costing and implementation of key Nation Building Productive Infrastructure Investments.

## Key budget assumptions

The major assumptions on which the budget has been based are summarised in the following table. Historic indicators are also included for reference purposes.

Principal economic indicators	2011 actual	2012 est.	2013 proj	2014 proj	2015 proj	2016 proj	2017 proj
Real GDP Growth (%)	11.1	9.2	4.0	5.5	20.0	3.7	3.7
Non-mining GDP Growth (%)	13.2	9.8	3.4	1.1	4.2	4.4	4.9
Inflation (year average) (%)	8.5	4.1	8.0	7.4	5.6	5.2	5.0
Interest rates % (Kina Rate Facility)	7.8	6.8	6.8	6.8	6.8	6.8	6.8
Gold price (US\$ per ounce)	1,569	1,648	1,701	1,605	1,538	1,510	1,526
Copper price (US\$ per tonne)	8,823	7,824	8,047	7,866	7,672	7,449	7,424
Oil price (US\$ per barrel)	104	96	103	104	102	100	98
Nickel (US\$ per tonne)	-	22,909	17,454	18,681	18,681	18,681	18,681

## Financing the budget

The 2013 Budget is projected to go into a deficit of K2.5bn to enable spending on major priority areas. The following table summarises the financing requirements arising as a result of the 2013 Budget and also includes historic information for reference purposes.

Financing the budget (K millions)	2011 (actual)	2012 (est)	2013 (proj)	2014 (proj)	2015 (proj)	2016 (proj)	2017 (proj)
Total revenue and grants	9,305	10,158	10,482	11,299	13,467	14,603	15,659
Total expenditure and net lending	9,371	10,560	13,031	13,651	14,280	14,934	15,621
Budget surplus/(deficit)	(66)	(402)	(2,549)	(2,352)	(813)	(331)	38
Budget surplus / (deficit) as a % of GDP	(0.2)	(1.2)	(7.2)	(5.9)	(1.6)	(0.6)	0.1
Public debt	7,185	8,514	11,368	13,720	14,533	14,864	14,826
Debt to GDP (%)	24.1	26.1	32.0	34.6	28.9	27.5	25.5

## Revenue and grants

The total budgeted revenue and grants for 2013 are expected to be derived from the following sources:

Financing the budget (K millions)	2011 (actual)	2012 (est)	2013 (proj)
Taxation revenue*	7,904.2	8,165.3	8,631.2
Non-taxation revenue	350.3	471.9	509.5
Grants	1,025.0	1,390.5	1,211.0
Total revenue and grants	9,304.9	10,157.7	10,481.9

\* Comprises of taxes on income and profits, domestic taxes on goods and services as well as taxes on international trade

Total revenue and grants is forecast to increase from K10.2 billion to K10.5 billion in 2013, which represents a 3.2% increase over the revised 2012 projection. This is largely driven by higher collections of taxes on income and profits, domestic taxes on goods and services and taxes on international trade.

The composition of the tax revenue is as follows:

Taxation revenue (K million)	2013 (projection)	% change on 2012	2012 (projection)	2011 (actual)
Personal income tax	2,608.0	2.7	2,538.4	2,158.8
Company tax	1,891.5	4.4	1,811.2	1,543.4
Dividend withholding tax	197.3	4.6	188.7	290.7
Mining and petroleum tax	1,207.5	6.2	1,136.5	1,903.2

Taxation revenue (K million)	2013 (projection)	% change on 2012	2012 (projection)	2011 (actual)
Interest withholding tax	45.1	0.0	45.1	40.4
Other direct tax	119.5	6.0	112.7	96.3
Gaming tax	146.5	9.9	133.3	111.3
Taxes on income and profits	6,215.5	4.2	5,965.8	6,144.1
Domestic taxes on goods and services	1,613.4	8.8	1,482.3	1,040.8
Taxes on international trade	802.3	11.0	717.3	719.3
Total taxation revenue	8,631.2	5.7	8,165.3	7,904.2

In 2013, tax revenues are not expected to increase as significantly as they have in past years with the deceleration of the domestic economy and the slowdown in the PNG LNG construction activities. Taxation revenue is projected to increase by 5.7% over the revised 2012 projections, with ongoing increases in collections on personal taxes and company taxes.

## Service delivery and development expenditure

The total appropriation for 2013 comprises:

Recurrent and development expenditure budget (K millions)	2011 (actual)	2012 (est)	2013 (projection)
Service delivery expenditure	5,346.7	6,123.1	7,235.0
Development and capital investment expenditure	3,249.2	4,437.0	5,795.8
Total	8,595.9	10,560.1	13,030.8

Service delivery and development expenditure is forecast to increase for 2013 by 23.4% over the 2012 budget to a level 51.6% higher than the 2011 outcome.

### The service delivery expenditure

The service delivery budget is responsible for funding the ongoing delivery of essential services and will support the public agencies which in turn deliver essential services, such as: teachers, health workers, medicines, protective services and road maintenance.

One of the key improvements made to the Budget in 2013 is the introduction of forward estimates, which is seen as a major reform to service delivery funding to promote more effective and efficient implementation of the Medium-term Development Plan.

Total service delivery expenditure is forecast to increase by 18.2% from K6.1 billion to K7.2 billion in 2013.

Major policy initiatives in 2013 for the service delivery expenditure are:

- ***Sustaining the education sector into the future***
  - Funding for all agencies, provinces and Div207 items under Education will receive an increase in funding of K483.5m, from K1,361.1m to K1,844.6m

- Tuition free education will receive K682m in 2013, an increase of K30m to now include extension to Grades 11 and 12 and a further K11m to fund national school exams

- **Ongoing commitment to the health sector**

- Funding for all agencies in Health, provinces and Div207 items under Health will receive an increase in funding of K177.6m, from K710.5 to K888.1
- The implementation of free primary health care will include increased infrastructure funding for hospitals such as the K300.0m over four years (K50.5m in 2013) for POM General Hospital.

- **Increased focus on the transport infrastructure sector**

- Service delivery expenditure on transport infrastructure will increase by K37.0m, from K281.8m to K318.8m, primarily to fund road and bridge maintenance.
- The bulk of the funding for the transport infrastructure sector is provided through the Development and Capital Investment expenditure.

- **Boosting law and order manpower capabilities**

- Service delivery expenditure for law and order is projected to increase by K105.4m, an increase from K874.1m to K979.5m, an increase of 12.1%
- The 2013 Budget includes funding of K275.7 (K53.4m in 2013) to implement the 'Modernisation of the Royal PNG Constabulary Package' which supports 2,000 new recruits over five years (400 graduates a year).

## The development and capital investment expenditure

The development and capital investment expenditure for 2013 is 30.6% higher than 2012, increasing to K5.8 billion. All The large increase reflects the Government's commitment to investing in projects that will further development opportunities for Papua New Guineans. The development and capital expenditure budget will be funded through the following:

Funding for the development budget (k millions)	2012 (est)	2013 (projection)
Direct government funding – 'ordinary'	2,437.0	2,567.0
New loans from domestic and foreign sources	-	1,243.0
Infrastructure tax credits	130.0	130.0
Concessional loans	479.0	644.0
Commercial loans	0.0	-
Grants	1,391.0	1,211.0
<b>Total</b>	<b>4,437.0</b>	<b>5,795.0</b>

## Establishment of a sovereign wealth fund

The Government remains committed to the establishment of a sovereign wealth fund. This fund will have a single governance framework for the Government to manage a Stabilisation Fund and a Development Fund. The sovereign wealth fund will be onshore managed, offshore invested and onshore spent, and will integrate fully with the budget and fiscal framework.

The Sovereign Wealth Fund Organic Law, which sets out the PNG SWF governance and drawdown arrangements, was enacted by Parliament in February 2012 and is expected to progress throughout 2013.

## Reform priorities for 2013

The 2013 Budget highlights the need for ongoing reform to support economic growth and the government is committed to developing and promoting a competitive private sector through:

- Promoting and enhancing competition
- Improving economic regulation
- Developing more effective and efficient competitive markets
- Reducing impediments to business development and investment.

The 2013 Budget also highlights the Government's commitment to public sector reform to promote sustainable provision of public services to the people of Papua New Guinea. The State Owned Enterprises (SoEs) sector is an area of focus through the establishment of Community Service obligations, robust dividend policies and improving the performance of these enterprises.

# Taxation developments and amendments

The 2013 Budget sees the introduction of a number of changes to the tax laws, namely a change to PNG's thin capitalisation rules and the issuance of "Nil Assessments".

## Corporate and personal tax rates

There has been no change to the general corporate income tax rates of 30% for residents and 48% for non-residents. There has also been no change to the personal tax rates that have applied from 1 July 2012.

*From 1 January 2013 the rates for residents will continue to be as follows:*

Taxable income (K)	Tax thereon (K)	Rates on tax on excess (%)
10,000	Nil	22
18,000	1,760	30
33,000	6,260	35
70,000	19,210	40
250,000	91,210	42

*From 1 January 2013 the rates for non-residents will continue to be as follows:*

Taxable income (K)	Tax thereon (K)	Rates on tax on excess (%)
Nil	Nil	22
18,000	3,960	30
33,000	8,460	35
70,000	21,410	40
250,000	93,410	42

## Thin Capitalisation Rules

The key income tax reform in the 2013 Budget is to extend thin capitalisation rules – that currently apply only to taxpayers in the extractive industries – to all companies in PNG.

Thin Capitalisation rules apply to prevent taxpayers from incurring excessive levels of debt. By excessively gearing their investments companies are able to claim greater tax deductions through the interest expense charged on such debt. Thin capitalisation rules typically feature a debt equity ratio which limits the amount companies can borrow from related parties relative to their equity. Any interest charged on debt which exceeds this ratio will not be deductible for corporate tax purposes.

Currently, PNG's thin capitalisation rules, which feature a debt equity of ratio of 3:1, apply only to taxpayers in the natural resource (mining, oil, gas) sector. However, from 2013, PNG's thin capitalisation rules will apply to PNG companies across all industries. The permitted 3:1 gearing ratio is retained for resource companies. However all other companies are subject to the 2:1 limit.

Thin capitalisation will not apply to approved financial institutions – that is, financial institutions are not themselves subject to the 2:1 limit.

If the 2:1 ratio is breached a proportion of the interest on foreign debt will be denied as a tax deduction. The rules will not operate to deny interest deductions on domestic debt – whether borrowed from a related or unrelated party.



A key aspect of the thin capitalisation rules is that “debt” and “equity” are defined by reference to accounting concepts. These accounting concepts, and the presentation of a taxpayer’s balance sheet, will become critical in establishing compliance with the prescribed gearing ratio.

## Nil Assessments

A priority of the government is to provide businesses in PNG with certainty and fairness regarding their tax obligations. In particular, taxpayers who have properly sought to comply with the tax system should be afforded certainty at some point in time, regardless of whether an error has been made.

The current legislation recognises taxpayers with a taxable income and tax payable as an assessment. However there is currently no provision which clearly allows for a nil Assessment to be an assessment. The effect of this is that the time limit for amendment of a tax return may not apply.

The 2013 Budget introduces an amendment to the legislation within the *Income Tax Act 1959* recognising a Nil Assessment as an assessment. This will ensure that taxpayers with Nil Assessments are afforded the same certainty and fairness as those with positive assessments.

Under the new amendment, a Nil Assessment will be a statement from the IRC which states that no tax is payable. However, a Nil Assessment will not be an assessment of the quantum of losses a taxpayer can carry forward. This means losses will be reviewed when claimed as a deduction by the taxpayer against future income, and the IRC will have 3 or 6 years to review the losses from this point in time.

## Regulation 10I of the Income Tax Act – Gas Oil ratio

Gas and Oil projects are taxed differently under the *Income Tax Act 1959*; each governed by their own specific tax rules under the Act. The most significant differences between the two concerns a 30% corporate tax rate applying to designated gas projects, and 45% for oil projects, while designated gas projects are subject to the additional profits tax while petroleum projects are not.

Hence, determining whether a project is an oil or gas project may have significant tax implications.

Regulation 10I of the *Income Tax Regulations 1959* outlines the conditions for determining when a petroleum project or part of a petroleum project exceeds the prescribed ratio of gas production to oil production, for the purposes of conversion to a designated gas project.

Under Regulation 10I, the gas oil ratio focuses on the petroleum resource that is extracted and does not require any gas or oil to be sold. The petroleum resource is considered a designated gas project where a field has an aggregate average produced gas oil ratio of at least five thousand cubic feet of gas per stock tank barrels of oil produced at standard conditions.

Under the current legislation, a petroleum project could become a designated gas project despite not selling any gas produced. However, this undermines the broad intent for the different tax regimes associated with income from oil sales and gas sales. The policy intent is for these differing tax regimes to relate to the production and sale of oil and the production and sale of gas. It is not the intention of the law to allow a field which only sells petroleum to be taxed as if it was selling gas (or vice versa).

This amendment is intended to correct the law by applying the gas oil ratio on the gas and oil resources for sale. This is to ensure that the petroleum and gas resources produced for sale are used as the basis of applying the correct income tax regime.

## Import / Excise Duties

The 2013 Budget contains a number of customs and excise amendments that will take effect from 1 January 2013.

### *Import Duty on Poultry and Plywood*

Given the high cost of conducting business, related infrastructure, law and order and utilities such as water and electricity, the Government will provide short term assistance to domestic industries involved in producing plywood and poultry.

Import tariffs for poultry and plywood will be increased to provide interim support to these industries affected by the recent Tariff Reduction Program (TRP) and other business costs. Treasury has indicated that during 2013 it will conduct a

review of the tariffs rates and costs of doing business in PNG. The review is expected to determine the future direction of the TRP.

The import tariff of poultry will increase from K2.00 per kilogram to K2.20 per kilogram while the import tariff on plywood will increase from 35% to 50%.

### *Excise Duty on Tobacco products*

Inflation over the past few years has reduced the real value of excise rates (as current indexation rates are capped at 5% per annum). In response, in the 2012 Budget, the Government increased excise duty on tobacco products by 15%. This increase restored the real excise rates to 2008 levels.

The rationale for the Government in increasing this excise is twofold:

- (1) the linkage between tobacco and increased health risks, and excise duties on smokers help cover higher health costs,
- (2) the Government will provide free primary health care to individuals and are seeking to recover costs incurred by those who consume tobacco products.

The Government will increase the excise duty on tobacco products by a further 10% in 2013.

### *Excise Duty on Pre-used Motor Vehicles*

The current value of excise duties ranges from 10% to 110% of a vehicle's import value, depending on the engine capacity and the type of vehicle. The excise duty is levied on the total landed cost (vehicle cost, insurance and freight) regardless of whether it is brand new or pre-used motor vehicles.

However, taxpayers are currently able to undervalue pre-used vehicle imports by conducting two separate telegraphic transfers, lodging a return based on the lower cost to reduce their tax liabilities. Setting a minimum threshold value for pre-used vehicles will address this tax avoidance.

In addition, vehicle congestion on PNG roads has increased significantly in recent years. To limit further congestion, the Government is increasing excise duties on pre-used imported motor vehicles.

Excise rates will be increased by 10% and for pre-used motor vehicles in the category 1 and 4 and 20% for those in categories 2 and 3 as shown in the table below. Further, all pre-used motor vehicles landed cost will be subject to a minimum value threshold for tax purposes that will range from USD3,000 to USD10,000 depending on engine capacity or vehicle type.

Vehicle Category	Current Excise Rates	Excise Rates from 2013
Trucks & special purpose vehicles, Tractors above 4 litres, Motorcycles, PMVs, Security Vans, Chassis with motor	10%	20%
Open-backed, double cab vehicles	40%	60%
Small-medium cars (engine 1.5 – 2.7 litres)	60%	80%
Large cars (engine exceeding 2.7 litres)	110%	120%

## GST Distribution

The revenue raised by the Government from the Goods and Services Tax (GST) is shared between the provinces (60%) and the National Government (40%). While provinces retained the legal right to impose their own sales or services taxes, any province that did this would forfeit their share of the GST revenue. This effectively stopped provinces from introducing sales and services taxes in addition to the GST, avoiding detrimental effects on business's supply chains.

Following a review of the inter-governmental financing system by the National Economic and Fiscal Commission in 2008, changes were made to GST distributions between the provinces, and the Goods and Services Tax Revenue Distribution Act was repealed and merged with a new Act called the *Inter-governmental Relations (Functions and Funding) Act 2009*.

As part of these changes, the provision that caused provinces to forfeit their share of the GST Revenue if they imposed a sales or services tax was inadvertently abolished. As a result, a number of provinces are now introducing sales and services taxes on top of the GST. However, the imposition of sales and services tax over and above GST has serious economic, administrative and long run revenue implications and goes against the Government's tax policy of ensuring a level playing field across all industries and sectors of the economy.

This Government recognises the funding needs of the provinces and has improved the funding available to the provinces in the 2013 Budget. The 2013 Budget will provide to the provinces an additional K445 million in direct funding. This additional funding should remove the need for provinces to implement the inefficient taxes to meet their funding needs.

Based on the economic, administrative, long-run revenue implications and the increased funding to provinces, the 2013 Budget introduces an amendment to the *Inter-governmental (Functions and Funding) Act 2009* to restore the provision in the tax law that causes provinces that impose a sales or service tax to forfeit their share of the GST revenue.

This provision will not affect Bougainville owing to guarantees on GST payments under the Peace Agreement.

## Bookmakers Turnover Tax

In 2009 reforms were introduced through the Inter-Government Funding Arrangement (IGFA) legislated in the *Inter-Governmental Relations (Functions and Funding) Act 2009*. One such reform abolished the *Bookmakers Act 1974* and redirected 100% of the Bookmakers Turnover Tax to the Provinces.

Previously, the *Bookmakers Act 1974* cross-referenced that the distribution of Bookmakers Turnover Tax be made in accordance with the *Gaming Control Act 2007*. The *Gaming Control Act 2007* stated that 100 per cent of the Bookmakers Turnover Tax be paid into the Consolidated Revenue Fund. While the *Bookmakers Act 1974* was abolished as part of the reforms in 2009 via the Inter-Government Funding Arrangement, no amendment was made to the cross-reference in the *Gaming Control Act 2007*, creating a legal anomaly between the new *Inter-Governmental Relations (Functions and Funding) Act 2009* and the *Gaming Control Act 2007*.

Under this budget section 211(b) of the *Gaming Control Act 2007* will be repealed to correct this legal anomaly. This will allow the *Inter-Governmental Relations (Functions and Funding) Act 2009* to take precedence in the distribution of the Bookmakers Turnover Tax, consistent with the reforms in the Inter-Government Funding Arrangement.

## Minor Technical amendments

The 2013 Budget contains a number of minor technical amendments that correct drafting errors in the relevant legislations administered by the Commissioner General of the IRC or Commissioner for PNG Customs Services. These may be summarised as follows:

### 1. Amendments to the Income Tax Act 1959

- replace all reference to "Division III.9C" in Section 6D of the *Income Tax, Dividend Withholding Tax, Interest Withholding Tax (Rates) Act 1984* with "Division III.9B" as there is no Division III.9C in the *Income Tax Act 1959*. Section 6D of *Income Tax, Dividend Withholding Tax, Interest Withholding Tax (Rates) Act 1984* provides for the relevant tax rate to be applied to the qualifying taxpayers for the tourism accommodation incentive. This incentive is contained in Division III.9B of the *Income Tax Act 1959*.
- add the words "in accordance with Section 25A of this Act" after the words "Commissioner General" as they appear first in Subsection 69E(1) of the *Income Tax Act 1959*

- to repeal the words "other than money" after the words "money or property" as they appear first in Subsection 69E(1) of the *Income Tax Act 1959*. Section 69E(1) provides a tax deduction for charitable donations.

## 2. Amendments to the National Roads Authority Act 2003

Since the demerger of Customs from the Internal Revenue Commissioner, the PNG Customs Service has been responsible for the collection and administration of the functions provided under Section 30 of the *National Roads Authority Act 2003*. Therefore the amendment is a consequential amendment required to reflect the current position. The National Roads Act will be amended as follows:

- substitute all references to the "Internal Revenue Commission" as it appears in Subsections 30(1B) and 30(1C) of the National Roads Act with the words "Papua New Guinea Customs Services."
- substitute the reference to the words "Commissioner General of Internal Revenue" in Subsection 30(1C) of the National Roads Authority Act with "Commissioner for Customs".

## 3. Amendments to the Forestry Act 1991

The PNG Customs Services is also responsible for the collection of the log export development levy imposed under Section 121A of the *Forestry Act 1991*. Therefore, references to "Commissioner General" are to be substituted with "Commissioner of Customs".

The Forestry Act 1991 will be amended to correct a drafting error so as to substitute the reference to "Commissioner General" in Subsection 121A(3) of the *Forestry Act 1991* with "Commissioner for Customs".

# Future Development of taxation policy

## Review of the Mining & Petroleum Taxation regime

In the early 2000's the tax provisions applying to the Mining, Gas and Petroleum projects underwent major amendments. The significant reform was designed to stimulate investment and business activity in these sectors.

The aim of these reforms was to make the resource taxation regime more attractive to investors in order to arrest the decline in the investment in the resource sector at that time. Over recent years, PNG has seen significant investment in the resource sector which is partly due to the early 2000's tax reforms and strong demand for resources driven by growth in China and India.

The Government has forecasted that strong growth is likely to continue over the medium term in light of continuing exploration activities and continued strong demand internationally in the forward years. It is therefore important that the PNG Government and its people receive an appropriate share of profits from these non-renewable resources.

The Department of Treasury with technical assistance from the International Monetary Fund will be conducting a review into mining and petroleum taxation in 2013. The purpose of the review is to determine the appropriateness of the mining and petroleum taxation arrangements compared to similar resource rich countries.

The implementation of any review recommendations will be subject to approval by the Government.

## Additional Profits Tax – restatement of existing tax policy

Additional Profits Tax (APT) is levied only on designated gas projects – it does not apply to mining and petroleum projects.

The APT was effectively abolished in the early 2000's, as part of the Government's successful policy to stimulate investment in the resources sector. However, in 2008 a change to the definition of "designated gas project" resulted in the APT being reinstated for all gas projects. This has generated debate among participants in the gas sector about the scope of the APT and policy intent of the Government.

In the 2013 Budget the Government has restated its position that there are no plans to change or otherwise limit the application of the APT.

## Medium Term Revenue Outlook – 2013-2017

The 2013 Budget also proposes a number of medium to longer term tax-related actions which are designed to lift revenues in the next five years. These include:

*Increased focus on tax compliance:* this is needed to improve revenues and includes continuing strong support for the financing of the Internal Revenue Commission and the revenue collection parts of PNG Customs Services through the budget process.

*Review of Taxation:* a review of PNG's tax system is overdue. Funding is being provided in the 2013 Budget for the first stage of the review which will focus on the appropriateness of current resource tax arrangements.

*Improve the integrity of the tax base:* improving the integrity of the tax base is needed to reverse the fall in resource revenues. The tax system is severely compromised when concessions are provided to specific projects or taxpayers:

- The use of project agreements to create special tax arrangements for individual projects has encouraged a wide range of investors to seek a growing list of additional tax concessions, even when forms of tax relief are already provided by tax law for investors in the type of business involved;
- Project agreements containing project specific tax concessions have created an uneven playing field on which businesses have to operate;
- The PNG LNG project concessions were based on a first mover basis for this particular industry and should not be used as a benchmark for future projects; and
- Often the concessions sought are difficult to cost, but in many cases they have the effect of depriving the Government of significant amounts of revenue.

The PNG Budget commentary has been prepared to provide an overview of the general issues raised in the 2013 Budget. It does not cover exhaustively the subjects discussed. When specific issues occur in practice it is necessary to refer to the laws and regulations and to obtain appropriate professional advice.

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