

**FORM
S2**

PAPUA NEW GUINEA INTERNAL REVENUE COMMISSION

PNGIRC - Your Partner in Nation Building

INCOME TAX ACT 1959 AS AMENDED

IRC OFFICE USE ONLY

**Salary and Wages
Withholding Tax**

Taxpayer Identification Number (TIN):

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

REMITTANCE BY GROUP EMPLOYER**NAME AND ADDRESS OF TAXPAYER (EMPLOYER)**

| | | | | | | | |
|----------------------------------|------------------------------------|--|--|--|------------------|--|--|
| NAME OF TAXPAYER: | | | | | | | |
| CONTACT / REPRESENTATIVE: | | | | | | | |
| PHONE No: | | | | | | | |
| E-MAIL ADDRESS: | | | | | | | |
| MAILING ADDRESS | SECTION No: | | | | LOT No: | | |
| | STREET / SUBURB / DISTRICT: | | | | | | |
| | P.O. BOX: | | | | | | |
| | COUNTRY: | | | | PROVINCE: | | |
| | CITY / POST OFFICE: | | | | | | |
| | CARE OF (C/-): | | | | | | |

INSTALMENT DEDUCTIONS

| | | |
|---|--|--------------------|
| 1. Establishment (if applicable) to which this payment relates. (If your payroll is only processed through one location office, leave blank) | | |
| FOR THE MONTH OF: | | YEAR: |
| | | |
| 2. The number of employees on payroll at the end of the month: | | ¹⁰ K |
| 3. Total Salary & Wages paid to all employees: (Note: this is the gross amount of salary/wages, before tax was deducted) | | ²⁰ K |
| 4. The number of employees for whom Salary or Wages Tax was deducted during the month was: | | ³⁰ |
| NOTE: IF THERE WERE NO EMPLOYEES "NIL" SHOULD BE INSERTED AND THE STATEMENT MUST STILL BE COMPLETED AND FORWARDED TO THE INTERNAL REVENUE COMMISSION. LINE 2 (ABOVE) IS FOR EMPLOYEES WHOSE SALARY AND WAGES WERE SUCH THAT THEY DO NOT REQUIRE SWT DEDUCTIONS. | | |
| 5. The total Salary or Wages paid to employees for whom SWT deductions were made: (Note: this is the gross amount of salary/wages, before tax was deducted) | | ⁴⁰ K |
| 6. The total amount of Salary or Wages Tax deductions made from employees' Salary or Wages during the month was: (i.e. total tax deducted): | | ⁵⁰ K |

SIGNATURE OF PUBLIC OFFICER (OR DELEGATED AUTHORISED PERSON)

I declare that the information that I have provided is true and correct in every detail and discloses a full and complete statement of the facts. I understand that the law imposes heavy penalties for false and misleading statements.

SIGNED:

DATE:

NOTES

An employer who contravenes, or fails to comply with any of the requirements of Section 299 of the Income Tax Act 1959 is guilty of an offence.

A remittance accompanied by this form completed and signed by the Group Employer or a person authorised by him/her must be forwarded to the Commissioner General Internal Revenue each month. If no deductions have been made the form should be endorsed "NIL" and forwarded to the Commissioner General Internal Revenue. Deductions made during each calendar month should be remitted to the Commissioner General Internal Revenue not later than 7 days after the end of that month.

Late Payment - Where an amount (in this subsection referred to as the "principal amount") payable to the Commissioner General by a group employer under this section remains unpaid after the expiration of the period within which it is required to be paid-

- (a) the principal amount continues to be payable by the group employer to the Commissioner General; and
 (b) the group employer is liable to pay to the Commissioner General additional tax by way of penalty being-
- (i) an amount (in this subparagraph referred to as the "relevant penalty amount") equal to 20% of the principal amount; and
 - (ii) an amount at the rate of 20% per annum of the sum of so much of the principal amount as remains unpaid and so much of the relevant penalty amount as remains unpaid, computed from the expiration of that period.

The Commissioner General may, in any case, for reasons she/he thinks sufficient, remit any additional tax payable under the provisions of this section.

EXAMPLE

The following example may assist you with the completion of this form.

XYZ Enterprises has 10 staff.

7 of these staff earn 390 kina per fortnight. The 3 managers earn 900 kina per fortnight.

All 10 staff have 3 or more dependents and have completed their declarations. As a result, the 7 staff earning 390 kina have no Salary & Wages Tax (SWT) deducted from their salaries. However, the 3 managers earning 900 Kina per fortnight have 87.61 kina of SWT deducted from their fortnightly pay (calculated using the Salary and Wages Tax Rate Table provided by the IRC).

XYZ Enterprises' S2 Form for February 2015 will look like this:

INSTALMENT DEDUCTIONS - SAMPLE

| | |
|--|--------------------------|
| 1. Establishment (if applicable) to which this payment relates. <small>(If your payroll is only processed through one location office, leave blank)</small> | Head Office - Lae |
| FOR THE MONTH OF: | YEAR: |
| September | 2015 |
| 2. The number of employees on payroll at the end of the month: | 10.0 |
| 3. Total Salary & Wages paid to all employees: <small>(Note: this is the gross amount of salary/wages, before tax was deducted)</small> | K 11,040.00 |
| <small>(7 employees x K390 x 2 fortnights = K5,640 + 3 employees x K900 x 2 fortnights = K5,400 = TOTAL: K11,040)</small> | |
| 4. The number of employees for whom Salary or Wages Tax was deducted during the month was: | 3.0 |
| <small>NOTE: IF THERE WERE NO EMPLOYEES "NIL" SHOULD BE INSERTED AND THE STATEMENT MUST STILL BE COMPLETED AND FORWARDED TO THE INTERNAL REVENUE COMMISSION. LINE 2 (ABOVE) IS FOR EMPLOYEES WHOSE SALARY AND WAGES WERE SUCH THAT THEY DO NOT REQUIRE SWT DEDUCTIONS.</small> | |
| 5. The total Salary or Wages paid to employees for whom SWT deductions were made: <small>(Note: this is the gross amount of salary/wages, before tax was deducted)</small> | K 5,400.00 |
| 6. The total amount of Salary or Wages Tax deductions made from employees' Salary or Wages during the month was: (i.e. total tax deducted): | K 525.66 |
| <small>(3 employees x 87.61 x 2 fortnights = K525.66)</small> | |

HOURS FOR PAYMENT: 8:30 A.M. TO 3:30 P.M. MONDAY TO FRIDAY.

CHEQUES SHOULD BE MADE PAYABLE TO 'COMMISSIONER GENERAL INTERNAL REVENUE' AND MARKED 'NOT NEGOTIABLE'.

PAYMENTS MAY BE MADE ELECTRONICALLY THROUGH YOUR BANK WITHOUT NEEDING TO VISIT AN IRC OFFICE. FOR DETAILS SEE www.irc.gov.pg
 PAYMENTS MAY ALSO BE MADE VIA EFTPOS. TAX FORMS AND GUIDES ARE AVAILABLE FOR DOWNLOAD FROM THE IRC WEB SITE www.irc.gov.pg



MOST PEOPLE PAY THEIR TAXES ON TIME

