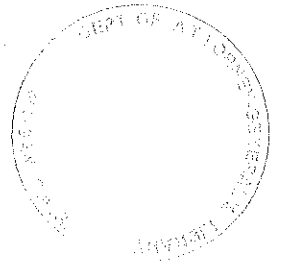


DO NOT REMOVE



No. 14 of 1996.

Income Tax (Amendment) Act 1996.

Certified on : 18.9.96

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1996.

Income Tax (Amendment) Act 1996.

ARRANGEMENT OF SECTIONS.

1. Exemption of public authorities, etc., (Amendment of Section 24).
2. Exemption of certain interest income (Amendment of Section 35).
3. Deduction by Employer from salary or wages (Amendment of Section 299D).

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1996.

AN ACT

entitled

Income Tax (Amendment) Act 1996,

Being an Act to amend the *Income Tax Act 1959,*

MADE by the National Parliament to be deemed to have come into operation -

- (a) in respect of Section 1 - on 19 July 1995; and
- (b) in respect of Section 2 - on 1 May 1995; and
- (c) in respect of Section 3 - on 1 January 1995.

1. EXEMPTION OF PUBLIC AUTHORITIES, ETC., (AMENDMENT OF SECTION 24).

Section 24(2) of the Principal Act is repealed and is replaced with the following:-

"(2) The revenue of a Provincial Government or of a Local-level Government, imposed or received by way of fees or taxes or National Government grants pursuant to or provided for under the *Organic Law on Provincial Governments and Local-level Governments*, is exempted from income tax."

2. EXEMPTION OF CERTAIN INTEREST INCOME (AMENDMENT OF SECTION 35).

Section 35 of the Principal Act is amended -

- (a) in Subsection (1), by repealing the definition of "financial institution" and replacing it with the following:-

" 'financial institution' means the *Bank of Papua New Guinea* or a bank or a licensed financial institution licensed under the *Banks and Financial Institutions Act* (Chapter 137)."; and

Income Tax (Amendment)

(b) in Subsection (2)(b)(i), by inserting immediately after the words "financial institution" the following:-

"(except that in the case where the financial institution is the Bank of Papua New Guinea the person must be a bank or financial institution licensed under the *Banks and Financial Institutions Act* (Chapter 137))".

3. DEDUCTION BY EMPLOYER FROM SALARY OR WAGES (AMENDMENT OF SECTION 299D).

Section 299D(6) of the Principal Act is amended by repealing the reference "Section 65E(i)(c)" and replacing it with the following:-

"Section 65E(i)(e)".

I hereby certify that the above is a fair print of the *Income Tax (Amendment) Act 1996* which has been made by the National Parliament.

Clerk of the National Parliament.

I hereby certify that the *Income Tax (Amendment) Act 1996* was made by the National Parliament on 17 July 1996.

Acting Speaker of the National Parliament.