

CUSTOMER NOTICE

Annual Threshold Limits and Tax Clearance Certificate

Dear Valued Customers,

This is to notify those that regularly remit funds offshore via Internet Banking or Telegraphic Transfer at the Branches.

When you reach the Annual Threshold Limit of K500,000.00 allocated by IRC, you will not be able to remit any additional funds offshore or use your VISA Debit Card for offshore transactions until a Tax Clearance Certificate to cover future offshore remittances is furnished to the Bank and registered.

Making reference to Section 81 of the Central Banking Act 2000 and Section 90A of the Income Tax Regulations:

- Section 81 (1) (a) of the Central Banking Act 2000 stipulates that an Authorised Dealer may not give authority for a transaction specified in the Gazettal Notice dated 18th May 2018 without first considering the tax clearance obligations in accordance with Section 354C of the Income Tax Act 1959
- Section 90A of the Income Tax Regulation stipulates, for the purposes of Section 354B and 354C of the Income Tax Act, a tax clearance certificate is required for any transactions which, separately or together, involve or bring about directly or indirectly, the transfer out of Papua New Guinea in any fiscal year of more than K500,000.00 (or its equivalent in foreign currency).

Therefore, to avoid any inconvenience of offshore remittances including usage of VISA Debit cards, we encourage you to keep track of your offshore remittances and ensure that you apply for a Tax Clearance Certificate with IRC once you are about to reach your Annual threshold limit. And as soon as you receive your Tax Clearance Certificate be sure to bring a copy to your Domicile Branch or Relationship Manager to have it registered in the System.