



Papua New Guinea Tax Alert 3

IRC Digital Transformation
(ITAS & GST Monitoring System) and Immigration Update

IRC Digital Transformation (ITAS & GST Monitoring System)

On Tuesday, 17 January 2025, the IRC conducted the ITAS workshop that highlighted a major national effort to modernize PNG's tax administration and improve taxpayer services. In simple terms, the tax environment is expected to become more digital, automated, and transparent. Below is a summary of the two key systems.

1. Integrated Tax Administration System (ITAS)

The IRC is introducing a fully integrated online tax platform known as ITAS. PNG will be the fifth Pacific Island country to implement this system. Once live, it will directly be integrated with the IRC website and will transition most tax processes to an online environment.



Go-Live Date: 1 September 2026

What The IRC said this means:

- Registration, filing, payment, collection, and assessments will all be done online.
- One single platform will cover SWT, GST, CIT, withholding taxes, and other core taxes.
- The various taxes will be phased into ITAS rather than all commencing at the same time.
- It will operate similarly to the Investment Promotion Authority online portal.
- The system is powered by Bryce MTS and the "Be Informed" platform, which will centrally manage and store tax data.
- Legislative updates (such as amendments to the Income Tax Act) can be updated within the system more efficiently.

The success of this system will naturally depend on the accuracy of data submitted by taxpayers and tax agents.

Legacy issues such as statements of account not updated, unreconciled outstanding credits, delays with refunds and unassessed returns would all need to be resolved prior to migrating to the new system. The IRC has confirmed that these matters must first be reconciled and formally agreed upon. Once the migration is completed, the accounts will commence on a clean and mutually agreed basis between the IRC and the taxpayer. Those in attendance raised practical operational questions regarding return preparation, upload formats, user access, and workflow processes. Detailed operational guidelines are still being finalized and will be shared in due course by the IRC.

2. GST Digital Monitoring System (GMS)

The second reform is the GST Digital Monitoring System, designed primarily to reduce GST leakages and improve reporting accuracy.



Go-Live Date: 1 June 2026

How the IRC have said it will work:

- Integrated directly into a business's Point of Sale (POS) system.
- Every transaction at the counter is digitally recorded.
- The transaction is digitally signed and transmitted to the IRC in real time.
- A receipt with a QR code is issued to the customer.
- Customers can scan the QR code to confirm compliance.

Businesses below the GST registration threshold (K250,000 turnover) may adopt the system voluntarily.

Implementation Phases:

- Data & Registration – Businesses update and confirm details.
- Taxpayer Readiness – Modify existing POS, purchase IRC – approved devices, or use a free POS option for small businesses. (System works both online and offline).
- Enrollment & Personalization – Configure access and security settings.
- Full Compliance & Operation.

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