



# PUBLIC NOTICE



## GST ZERO-RATING OF ESSENTIAL GOODS

**Effective 1st June 2025 – 30th June 2026**

The Internal Revenue Commission (IRC) hereby informs the general public and the business community that, as part of the Government's response to ongoing cost-of-living pressures, the following essential goods will be zero-rated for Goods and Services Tax (GST) effective 1st June 2025 to 30th June 2026.

This means no GST shall be charged on the sale of the following items:

No.	Item	Description
1	Baby Diapers	All types of baby diapers
2	Tinned Fish	Includes mackerel, tuna, sardines, salmon, anchovies, etc.
3	Cooking Oil	All edible vegetable oils (soya bean, canola, olive, coconut, mustard oil, etc.)
4	Biscuits	All varieties including cream and salted biscuits
5	Wheat Flour	Plain, self-raising, and wholemeal (wheat-based only)
6	Chicken	Fresh, sliced, frozen, processed, and packed
7	Instant Noodles	All types packaged with seasoning (excluding pasta)
8	Coffee	Ground, powdered, or beans (excluding iced/hot coffee drinks)
9	Tinned Meat	All varieties including beef (Ox & Palm), chicken, pork (Tulip), etc.
10	Rice	Common rice types (including basmati, jasmine, long grain, brown rice, etc.)
11	Sanitary Pads & Tampons	All types
12	Soap	All solid bar soaps (excluding liquid hand wash and dishwashing liquids)
13	Tea	All types and packaging (excluding iced/hot tea drinks)

### NOTICE TO BUSINESSES, RETAILERS AND SUPPLIERS:

The Government's intention is to provide direct relief to consumers. All registered suppliers, retailers, and traders are legally required to adjust their pricing to reflect the zero-rating of GST on the listed goods.

You must not charge GST on these items during the zero-rating period.

Any failure to pass on the tax relief to consumers—whether by continuing to apply GST or by retaining prices at pre-zero-rating levels—will be treated as non-compliance with tax laws. Offenders will be subject to penalties under the Goods and Services Tax Act 2003 and other relevant laws.





1. For the avoidance of doubt, goods in this Notice that were imported or supplied and held in stock prior to 1 January 2025, shall not qualify for the zero-rating.
2. Subject to condition (3), expenses directly incurred by the importer or manufacturer in respect of goods listed in this Notice during the relief period, shall be allowed as an input tax credit for purposes of the Goods and Services Tax Act 2003 (the Act) as amended.
3. No input tax credit shall be allowed to the importer or manufacturer for expenses incurred directly on the importation and supply of the goods in this Notice during the relief period, where:
  - a. The price of the goods when sold to the final consumer was not reduced by an amount equal to zero-rating envisaged under the Act and this Notice; or
  - b. The goods are stockpiled and resold at an inflated price after the relief period.
4. The onus shall be on the taxpayer to substantiate to the satisfaction of the Commissioner General that conditions in condition (3)(a) and (b) did not occur.

These may include:

- Financial penalties
- Recovery of amounts wrongly collected
- Suspension or cancellation of GST registration
- Prosecution for tax offences

## JOINT ENFORCEMENT

Compliance enforcement will be conducted by the IRC, in close partnership with the Independent Consumer and Competition Commission (ICCC) and PNG Customs Service. These agencies will monitor pricing behaviour, investigate complaints, and take appropriate enforcement actions.

We call on all members of the business community to cooperate in good faith and support this important policy by ensuring that consumers fully benefit from the GST exemptions.

Let us work together to deliver real savings for Papua New Guinean families.

For further information or to report suspected non-compliance, please contact:

Email: Joseph Evari [evarij@irc.gov.pg](mailto:evarij@irc.gov.pg), Akosita Moi [moiga@irc.gov.pg](mailto:moiga@irc.gov.pg), James Napi [napij@irc.gov.pg](mailto:napij@irc.gov.pg), and Desmond Yako [yakod@irc.gov.pg](mailto:yakod@irc.gov.pg)

Authorised by:

Sam Koim, OBE  
Commissioner General  
Internal Revenue Commission

Date: 19<sup>th</sup> May 2025