

No. 29 of 2021.

*Excise Tariff (2022 Budget)(Amendment) Act 2021.*

Certified on 7 FEB 2022



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*Excise Tariff (2022 Budget)(Amendment) Act 2021.*

**ARRANGEMENT OF SECTION:**

1. Amendment of Schedule 1. - Duties On Excise.



No. **29** of 2021.

AN ACT

entitled

***Excise Tariff (2022 Budget)(Amendment) Act 2021,***

Being an Act to amend the ***Excise Tariff Act 1956*** (Chapter 107),

MADE by the National Parliament and deemed to come into operation on -

- (a) 1<sup>st</sup> December 2021 for Paragraph (a), (b) and (c); and
- (b) 1<sup>st</sup> January 2022 for Paragraph (d).

**1. EXCISE TARIFF (AMENDMENT OF SCHEDULE 1 - DUTIES ON EXCISE).**

Schedule 1 of the Principal Act is amended by -

(a) Repeal and replace the following tariff item, description of goods and rates of excise duty and remarks relating to Alcohol as shown below:

<b>Tariff Item</b>	<b>Description</b>	<b>From 7<sup>th</sup> September 2021 to 30<sup>th</sup> November 2021</b>	<b>From 1<sup>st</sup> December 2021 and Onwards</b>	<b>Remarks</b>
2203.00.10	Beer or mixed drinks containing beer, not more than 2.5% alcohol by volume	K88.96 per lal	K91.18 per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31 <sup>st</sup> of May and 30 <sup>th</sup> November each year.  The rates will be indexed at 2.5% bi-annual starting 1 <sup>st</sup> December 2021.
2203.00.20	Beer or mixed drinks containing beer, more than 2.5% and not more than 3.5% alcohol by volume	K114.80 per lal	K117.67 per lal	

**Excise Tariff (2022 Budget)(Amendment)**

<b>Tariff Item</b>	<b>Description</b>	<b>From 1<sup>st</sup> September 2021 to 30<sup>th</sup> November 2021</b>	<b>From 1<sup>st</sup> December 2021 and Onwards</b>	<b>Remarks</b>
2203.00.30	Beer or mixed drinks containing beer, more than 3.5% and not more than 4.5% alcohol by volume.	K130.80 per lal	K134.07per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31 <sup>st</sup> of May and 30 <sup>th</sup> November each year.  The rates will be indexed at 2.5% bi-annual starting 1 <sup>st</sup> December 2021.
2203.00.40	Beer or mixed drinks containing beer, more than 4.5% alcohol by volume.	K151.89 per lal	K155.69 per lal	
2204.10.10	Sparkling wine of fresh grapes: sold in containers holding less than 2 litres	K175.82 per lal	K180.22 per lal	
2204.10.20	Sparkling wine of fresh grapes: sold in containers holding 2 litres or more	K176.01 per lal	K180.41per lal	
2204.29.10	Wine of fresh grapes, including fortified wines, grape must; sold in containers holding less than 2 litres	K176.01 per lal	K180.41per lal	
2204.29.90	Wine of fresh grapes, including fortified wines, grape must; sold in containers holding more than 2 litres	K176.01 per lal	K180.41per lal	
2205.10.00	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances, sold in containers holding less than 2 litres	K176.01 per lal	K180.41per lal	
2205.90.00	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances, sold in containers holding 2 litres or more.	K176.01 per lal	K180.41per lal	
2206.00.10	Other - Made substantially from edible products grown in PNG with a volume of alcohol content of up to 10%	K74.98 per lal	K76.85 per lal	

**Excise Tariff (2022 Budget)(Amendment)**

<b>Tariff Item</b>	<b>Description</b>	<b>From 1<sup>st</sup> September 2021 to 30<sup>th</sup> November 2021</b>	<b>From 1<sup>st</sup> December 2021 and Onwards</b>	<b>Remarks</b>
2206.00.90	Other fermented beverages	K151.70 per lal	K155.49 per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31 <sup>st</sup> of May and 30 <sup>th</sup> November each year.  The rates will be indexed at 2.5% bi-annual starting 1 <sup>st</sup> December 2021.
2208.2	<b>Spirits obtained by distilling grape wine or grape mare</b>			
2208.20.10	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing by volume not more than 50%	K219.75per lal	K225.24 per lal	
2208.20.20	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing by volume more than 50% and less than 80%	K235.76 per lal	K241.65per lal	
2208.20.90	Other, undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages	K220.03 per lal	K225.53 per lal	
<b>2208.3</b>	<b>Whiskies:</b>			
2208.30.10	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by-volume not more than 50% ;	K219.75 per lal	K225.24 per lal	
2208.30.20	Undenatured ethyl alcohol, spirits, liquors and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K235.76 per lal	K241.65 per lal	
2208.30.90	Other, undenatured ethyl alcohol, spirits, liquors and other spirituous beverages.	K220.03 per lal	K225.53 per lal	
<b>2208.4</b>	<b>Rum and tafia:</b>			
2208.40.10	Undenatured ethyl alcohol, spirits, liquors and other spirituous beverages, containing alcohol by volume not more than 50%	K219.75 per lal	K225.24 per lal	
2208.40.20	Undenatured ethyl alcohol, spirits, liquors and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K235.76 per lal	K241.65 per lal	

**Excise Tariff (2022 Budget)(Amendment)**

<b>Tariff Item</b>	<b>Description</b>	<b>From 1<sup>st</sup> September 2021 to 30<sup>th</sup> November 2021</b>	<b>From 1<sup>st</sup> December 2021 and Onwards</b>	<b>Remarks</b>
2208.40.90	Other, undenatured ethyl alcohol, spirits, liquors and other spirituous beverages.	K220.03 per lal	K225.53 per lal	<p>The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31<sup>st</sup> of May and 30<sup>th</sup> November each year.</p> <p>The rates will be indexed at 2.5% bi-annual starting 1<sup>st</sup> December 2021.</p>
<b>2208.5</b>	<b>Gin and Geneva:</b>			
2208.50.10	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume not more than 50%	K219.75 per lal	K225.24 per lal	
2208.50.20	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K235.76 per lal	K241.65 per lal	
2208.50.90	Other, undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages	K220.03 per lal	K225.53 per lal	

**Excise Tariff (2022 Budget)(Amendment)**

<b>Tariff Item</b>	<b>Description</b>	<b>From 1<sup>st</sup> September 2021 to 30<sup>th</sup> November 2021</b>	<b>From 1<sup>st</sup> December 2021 and Onwards</b>	<b>Remarks</b>
<b>2208.6</b>	<b>Vodka</b>			
2208.60.10	Undenatured ethyl alcohol, spirits, liqueurs and her spirituous beverages, containing alcohol by volume not more than 50%	K219.75 per lal	K225.24 per lal	The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31 <sup>st</sup> of May and 30 <sup>th</sup> November each year.
2208.60.20	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K235.76 per lal	K241.65 per lal	The rates will be indexed at 2.5% bi-annual starting 1 <sup>st</sup> December 2021.
2208.60.90	Other, undenatured ethyl alcohol, spirits, liquors and other spirituous beverages	K220.03 per lal	K225.53 per lal	
<b>2208.7</b>	<b>Liqueurs and cordials:</b>			
2208.70.10	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume not more than 50%	K219.75 per lal	K225.24 per lal	

**Excise Tariff (2022 Budget)(Amendment)**

<b>Tariff Item</b>	<b>Description</b>	<b>From 1<sup>st</sup> September 2021 to 30<sup>th</sup> November 2021</b>	<b>From 1<sup>st</sup> December 2021 And Onwards</b>	<b>Remarks</b>
2208.70.20	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages, containing alcohol by volume more than 50% and less than 80%	K235.76 per lal	K241.65 per lal	<p>The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31<sup>st</sup> of May and 30<sup>th</sup> November each year.</p> <p>The rates will be indexed at 2.5% bi-annual starting 1<sup>st</sup> December 2021.</p>
2208.70.90	Other, undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages.	K220.03 per lal	K225.53 per lal	
2208.90.20	Mixed drinks of a strength more than 3% alcohol by volume, not for medicinal purposes	K106.68 per lal	K109.35 per lal	
2208.90.30	Mixed drinks of a strength more than 3% and not more than 4.5% alcohol by volume, not for medicinal purposes	K130.65 per lal	K133.92 per lal	
2208.90.40	Mixed drinks more than 10% alcohol by volume, not for medicinal purposes	K689.66 per lal	K789.66 per lal	
				<p>The duty rate for Alcohol products is adjusted at 6 monthly intervals, on 31<sup>st</sup> of May and 30<sup>th</sup> November each year.</p> <p>A one-off further increase of K100.0 is applied on tariff item 2208.90.40 starting, 1<sup>st</sup> December 2021 to 31<sup>st</sup> May 2022 and 2.5% is applied bi-annually thereon</p>

**Excise Tariff (2022 Budget)(Amendment)**

(b) Repeal and replace the following tariff item, description of goods and rates of excise duty and remarks relating to Tobacco as shown below -

<b>Tariff Item</b>	<b>Description</b>	<b>From 1<sup>st</sup> September 2021 to 30<sup>th</sup> November 2021</b>	<b>From 1<sup>st</sup> December 2021 and Onwards</b>	<b>Remarks</b>
2402.10.00	Cigars, cheroots and cigarillos containing tobacco	K547.31 per kg	K560.99 per kg	The duty rate for Tobacco products is adjusted at 6 monthly intervals, on 31 <sup>st</sup> of May and 30 <sup>th</sup> November each year.  The rates will be indexed at 2.5% bi-annual starting 1 <sup>st</sup> December 2021.
2402.20.10	Cigarettes of tobacco or tobacco substitutes with filter containing tobacco. Manufacturer's selling price (MSP) K16.00 and above per 25's pack <i>or</i> K640.00 per thousand sticks.	K547.31 per 1000 sticks	K560.99 per 1000 sticks	
2402.20.20	Cigarettes of tobacco or tobacco substitutes without filter containing dark fired tobacco (Spear or equivalent)	K273.70 per 1000 sticks	K280.54 per 1000 sticks	
2403.11.10	Smoking tobacco, whether or not containing tobacco substitutes in any proportion	K182.49 per kg	K187.05 per kg	
2403.11.30	Chewing tobacco	K182.49 per kg	K187.05 per kg	
2403.11.40	Snuff	K182.49 per kg	K187.05 per kg	
2403.11.50	Twist or trade tobacco	K182.49 per kg	K187.05 per kg	
2403.11.60	Stick tobacco	K182.49 per kg	K187.05 per kg	
2403.11.70	Coarse Shredded Tobacco for roll your own Cigarettes	K88.22 per kg	K90.43 per kg	
2403.91.00	"Homogenised" or reconstituted" tobacco	K253.49 per kg	K259.83 per kg	
2403.99.00	Other	K182.49 per kg	K187.05 per kg	

**Excise Tariff (2022 Budget)(Amendment)**

(c) Create new Excise Heading, second tobacco Excise Tier, as shown below -

Tariff Item	Description	From 1 <sup>st</sup> December 2021 to 30 <sup>th</sup> November 2023	Remarks
2402.20.40	Cigarettes of tobacco or tobacco substitutes with filter containing tobacco that is locally manufactured in Papua New Guinea. This item must carry a Manufacturer's Selling Price (MSP) below K16.00 per 25's pack or K640.00 per thousand sticks.	K209.67 per 1000 sticks	This second excise tier is introduced with no six-monthly excise indexation to assist local tobacco manufacturers against cheap illicit tobacco products for two years 2022 to 2023.  For local manufacturers to sell this second tier, it must first sell the main tier before qualifying for this tier (2402.20.20) to qualify. Only 50% of the main tier (2402.20.20) will be allowed to be cleared in this new tier (2402.20.40).  The second tier is intended to assist local tobacco manufacturers against cheap illicit tobacco products.

(d) by repealing the tariff item rate of excise duty relating to electric vehicles and replacing it with the following new rate:

Tariff Item.	Description	Excise Tariff Rate from 01 <sup>st</sup> January, 2021	Excise Tariff Rate from 01 <sup>st</sup> January, 2022 and onwards
8703.80.00	Other vehicles, with only electric motor for propulsion	20%	Free

I hereby certify that the above is a fair print of the *Excise Tariff (2022 Budget)(Amendment) Act 2021*, which has been made by the National Parliament.

Clerk of the National Parliament.

7 FEB 2022

I hereby certify that the *Excise Tariff (2022 Budget)(Amendment) Act 2021*, was made by the National Parliament on 30 November 2021.

Speaker of the National Parliament.

7 FEB 2022