

No. 20 of 2006.

*Excise Tariff (2007 Budget Amendment) Act 2006.*

Certified on : 16.05.07



No. of 2006.

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*Excise Tariff (2007 Budget Amendment) Act 2006.*

**ARRANGEMENT OF SECTIONS.**

1. New Section 3A.

**"3A. EXEMPTION FOR RAMU NICKEL PROJECT."**

2. Duties on Excise (Amendment of Schedule 1).



No. of 2006.

AN ACT

entitled

*Excise Tariff (2007 Budget Amendment) Act 2006,*

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

MADE by the National Parliament to come into operation –

- (a) in respect of Section 1 – on 10 August 2006; and
- (b) in respect of the remainder of the Act – on 1 January 2007.

**1. NEW SECTION 3A.**

The Principal Act is amended by inserting after Section 3 the following new section :-

**“3A EXEMPTION FOR RAMU NICKEL PROJECT.**

“(1) In this section unless contrary intention appears -

“Mining Development Contract – Ramu Nickel Project” means the Mining Development Contract – Ramu Nickel Project that was signed on 26 July 2000 by the Independent State of Papua New Guinea, Ramu Nickel Limited and Orogen Minerals (Ramu) Limited as amended by the Mining Development Contract Amendment Agreement Ramu Nickel Project that was signed on 10 August 2006 by the Independent State of Papua New Guinea, MCC Ramu NiCo Ltd, Ramu Nickel Limited, Mineral Resources Ramu Limited and Mineral Resources Madang Limited;

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“commencement of the tax holiday”,  
“consumables”, “contractor”, “joint  
venturer”, “manager” and “project” have  
the same meanings respectively as in the  
Mining Development Contract – Ramu  
Nickel Project;

“Schedule II” means Schedule II of the Mining  
Development Contract – Ramu Nickel  
Project;

“Schedule III” means Schedule III of the Mining  
Development Contract – Ramu Nickel  
Project.

"(2) Subject to Subsections (3) and (4), the following goods  
are exempt from excise duty:-

- (a) for the life of the project, all hydrocarbons  
products to be used or consumed as fuel for the  
project's powerhouse including without  
limitation, heavy oils, bunker C oils, furnace oils  
and diesel;
- (b) all goods and consumables to be used or  
consumed for or by the project and which are  
imported by or on behalf of the joint venturers  
or any of them or by the manager prior to the  
fifth anniversary of the commencement of the  
tax holiday.

"(3) This section does not apply in respect of goods and  
consumables specified in Schedule II.

"(4) The exemption under Subsection (1) applies and  
extends to goods and consumables to be used or consumed for the  
project which are imported by the manager or by any contractor  
provided that the requirements of Schedule III are first satisfied  
whenever the benefit of this provision is claimed."

**2. DUTIES ON EXCISE (AMENDMENT OF SCHEDULE 1).**

Schedule 1 of the Principal Act is amended by repealing the tariff item,  
description of goods, and rates of excise duty and remarks shown in the following and  
replacing them with the tariff item, description of goods, the rates of excise duty and  
remarks shown below:-

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<b>Tariff Item</b>	<b>Description of goods</b>	<b>Duty rate from 1/01/07</b>	<b>Remarks</b>
2403.10.60	"Coarse Shredded tobacco for Roll Your Own cigarettes"	K29.18 Per Kg until 31/12/2007 then the rate applying to 2403.10.50 (Twist or trade tobacco)	The duty rate for tobacco (and alcohol) products is adjusted at 6 monthly intervals, on 31 <sup>st</sup> of May and 30 <sup>th</sup> November each year.  The adjustment is calculated by multiplying the duty rate then applicable, by the lesser of the Consumer Price Index (CPI) movement in the previous 6 month period, or 2.5%. The adjustment as calculated is added to the duty rate then applicable, to give the new duty rate. The new duty rate after each adjustment will replace the previous duty rate and will apply from the first day of the next month ie. from 1 <sup>st</sup> June and 1 <sup>st</sup> December.
2710.00.13	Aviation Gasoline (Av-Gas)	Free	From 1 January 2007
2710.19.40	"Pre-mixed Gasoline-oil fuel (eg Zoom)" from refinery gate or at the point of import.	K0.30 per Litre until 31/12/2007 then the rate applying to 2710.11.10 (Gasoline)	

I hereby certify that the above is a fair print of the **Excise Tariff (2007 Budget Amendment) Act 2006** which has been made by the National Parliament.

*Clerk of the National Parliament.*

I hereby certify that the **Excise Tariff (2007 Budget Amendment) Act 2006** was made by the National Parliament on 28 November 2006.

*Speaker of the National Parliament.*

