




BUREAU OF REVENUE & TAXATION
MINISTRY OF FINANCE
P.O. BOX 6069 KOROR, REPUBLIC OF PALAU 96940
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IMPORTANT GROSS REVENUE TAX ANNOUNCEMENT

THE BUREAU OF REVENUE AND TAXATION WISHES TO INFORM THE BUSINESS COMMUNITY THAT FOLLOWING A COMPREHENSIVE LEGAL REVIEW BY THE BUREAU AND THE OFFICE OF THE ATTORNEY GENERAL OF RPPL 9-18 WHICH WAS INTENDED TO ALLOW FOR UP TO \$5,000 SALARY AND WAGE DEDUCTIBLES FOR NON-CITIZEN(S) EMPLOYEES UNDER THE GROSS REVENUE TAX (GRT) PROVISION OF THE LAW, A DETERMINATION HAS BEEN MADE TO SHOW THAT THE INTENDED BENEFIT LACKED LEGAL BASIS. THEREFORE, STARTING JULY 1, 2019, THE BUREAU OF REVENUE AND TAXATION WILL NO LONGER ACCEPT GRT FILINGS THAT WILL SEEK THE NON-CITIZEN SALARY AND WAGE CREDIT OF UP TO \$5,000. THE DECISION WILL REMAIN IN EFFECT UNTIL ANY NEW DEVELOPMENT FROM APPROPRIATE LAWMAKING INSTITUTIONS OF THE GOVERNMENT IS UNDERTAKEN TO ADDRESS THIS SPECIFIC MATTER.

THE BUREAU OF REVENUE AND TAXATION REASSURES THE PUBLIC OF ITS COMMITMENT TO UPHOLD THE LAWS OF THE REPUBLIC AND APOLOGIZES FOR THE UNTIMELINESS OF THIS DISCOVERY. WE ENDEAVOR TO ASSIST ALL TAXPAYERS AND THE ENTIRE BUSINESS COMMUNITY TO ENSURE THAT THEIR TAX RETURNS AND PAYMENTS ARE PROPERLY PROCESSED. WE SEEK YOUR UNDERSTANDING AND CONTINUED COOPERATION AS WE ALL WORK TOGETHER TO DEVELOP OUR COUNTRY.

THANK YOU FOR YOUR UNDERSTANDING AND PLEASE DO NOT HESITATE TO CONTACT OUR OFFICE AT 488-2580/3303 OR VISIT US AT NGESEKES, KOROR WITH ANY QUESTIONS OR CONCERNS YOU MAY HAVE.



RHINEHART SILAS
ACTING DIRECTOR