Goods & Services Tax Monitoring System (GMS): Preparation and Onboarding

A Strategic Roadmap to Compliance and Modernisation

INTERNAL REVENUE COMMISSION - PAPUA NEW GUINEA

The Mandate at a Glance

What

GMS is PNG's digital tax compliance and sales monitoring initiative.

The Deadline

The official Go-live date for mandatory implementation.

1 June 2026

DAYS REMAINING

The Scope

Implementation applies to all taxpayers, vendors, and businesses operating in PNG.

The Goal

To ensure taxes like GST are reported accurately and transparently through accredited digital systems.

Why PNG Needs the System

The Problem: The Tax Gap

Sales Suppression

Unreported Cash

Double Books

Phantomware/Zappers

PNG experiences a substantial tax gap where collected taxes fall far below actual economic activity.

The Global Solution: Fiscalization

- Proven global movement toward accredited digital systems.
- Significant increase in GST collection within 2–3 years (e.g. Belgium & Fiji).
- Increases revenue without raising tax rates.

Defining the GMS

Roboto: An electronic, real-time monitoring platform

1. Digital Recording

Every sales transaction is recorded digitally

2. Correct Calculation

GST is calculated and reported correctly automatically

3. Validation

Businesses issue fiscal receipts validated by the system
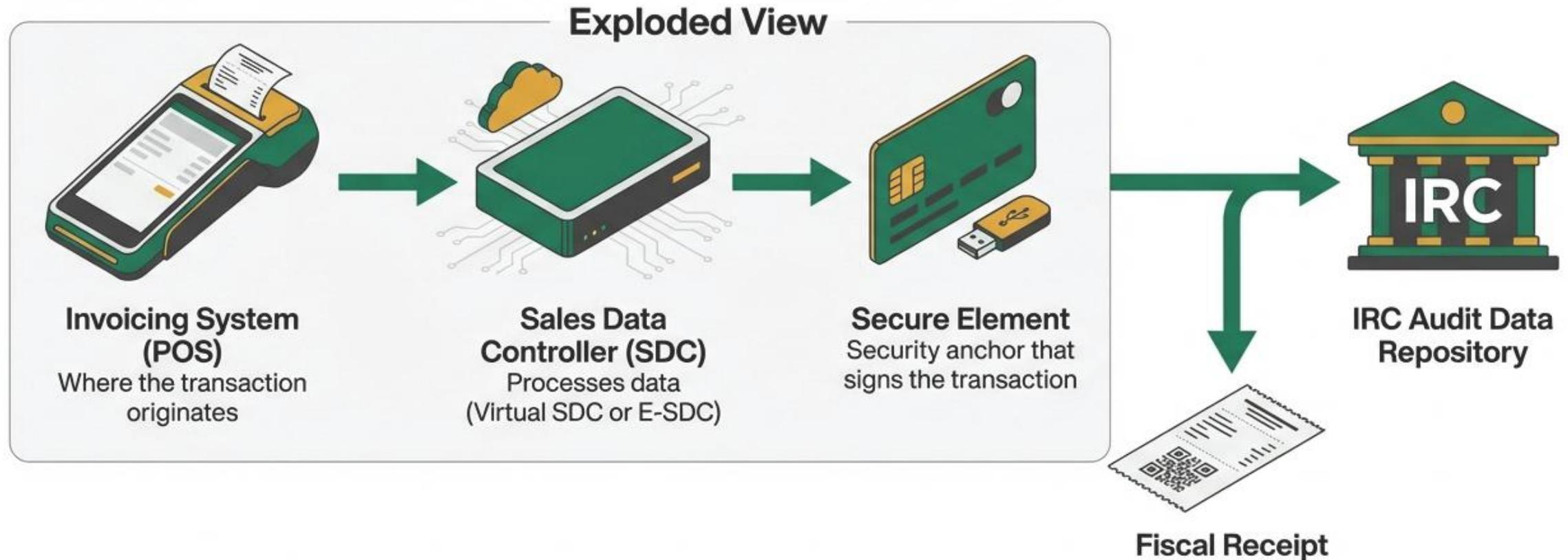
4. Prevention

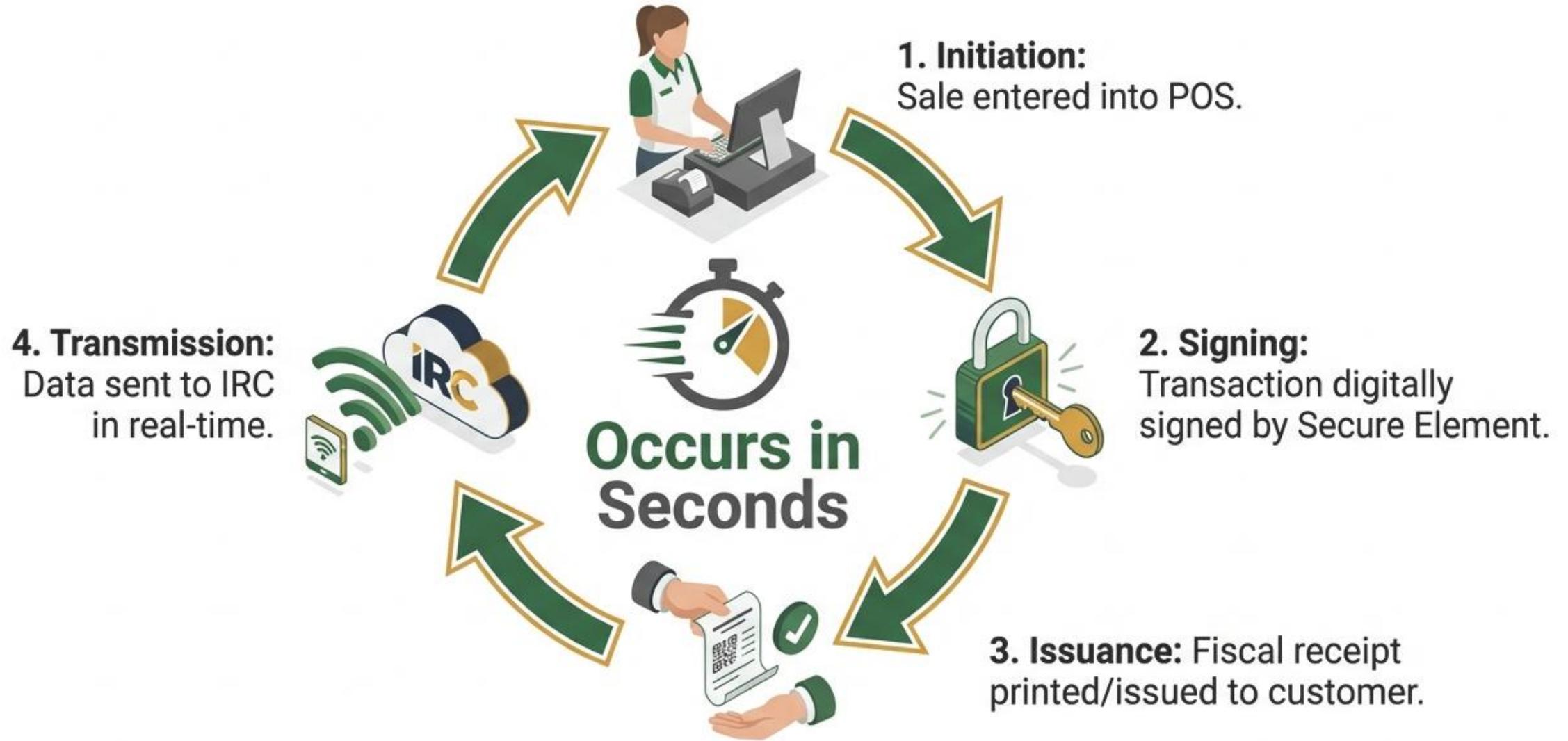Real-time transmission prevents manipulation via phantomware

Roboto
The system strengthens transparency and creates a level playing field for all businesses.

The Technical Architecture: Electronic Fiscal Device (EFD)

Exploded View

Invoicing System (POS)
Where the transaction originates

Sales Data Controller (SDC)
Processes data
(Virtual SDC or E-SDC)

Secure Element
Security anchor that signs the transaction

IRC

IRC Audit Data Repository

Fiscal Receipt

The Transaction Flow

1. Initiation: Sale entered into POS.

2. Signing: Transaction digitally signed by Secure Element.

3. Issuance: Fiscal receipt printed/issued to customer.

4. Transmission: Data sent to IRC in real-time.

Occurs in Seconds

iRC

Ensures transparency without disrupting the speed of service.

Taxpayer Readiness Phase 1: Data & Registration

Update Details
Ensure business contact information and authorised personnel details are current with the IRC.

Communication Channel
Maintain an active email address for all official correspondence and login credentials.

Registration
Prepare to register into the system immediately once official registration opens.

Taxpayer Readiness Phase 2: Hardware Compliance

Requirement: You must have an accredited Electronic Fiscal Device (EFD).

Upgrade Existing

Modify current POS to meet technical accreditation standards

Purchase New

Buy a new accredited POS/EFD from the approved vendor list.

Free POS Option

Use the IRC-provided free POS (Ideal for smaller operators)

Accreditation is mandatory to ensure the system is secure, reliable, and legally compliant.

Taxpayer Readiness Phase 3: Enrolment & Personalisation

1 Access & Security

Receive login for GMS Taxpayer Administration Portal (GMS TAP). Set up 2FA.
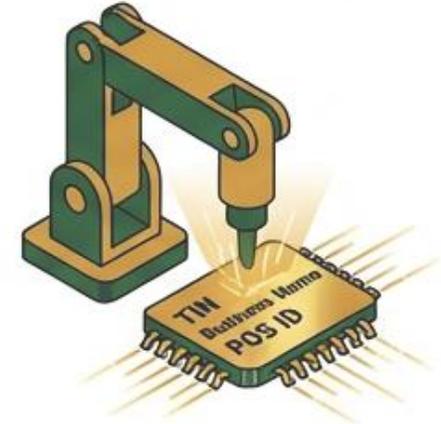
2 Request Secure Element

Smart Card | **Digital File**

Choose Smart Card (Offline/Online) or Digital Certificate (Online only).

3 Personalisation

IRC embeds your TIN, Location Name, and Unique ID of your secure element into the device.

STATUS: FULLY COMPLIANT.
Authorised to issue fiscal receipts.

Vendor Obligations & Preparation

For POS Providers, Software Developers, and Resellers

Mandatory Accreditation

Accreditation is required before any POS or E-SDC can be used in the GMS.

Testing Environment

Use the Developer Portal / Sandbox in GMS TAP to test and submit products.

Customer Support

Provide ongoing support to taxpayers during the onboarding process.

Understanding Accreditation Types

Transferable Accreditation

Target: Developers, Manufacturers, Resellers.

Accredits a POS/E-SDC version for mass sale to any taxpayer in PNG.

Non-Transferable Accreditation

Target: Specific Taxpayers with custom needs.

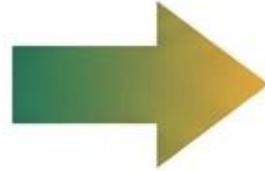Accredits a solution for **exclusive own use. Cannot be sold or lent.**

Every version update must undergo accreditation before release.

The Accreditation Lifecycle
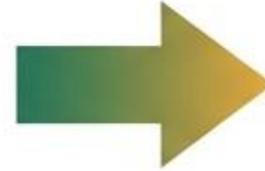
Technical Review

Conducted once per product/version. Must pass to proceed.

Administrative Review

Required separately for each jurisdiction.

Official Accreditation

Granted only after passing both reviews.

Ensures only secure, compliant systems are in use nationwide.

Benefits for Taxpayers

Fair Competition

No more losing out to competitors who suppress sales or cheat.

Trust

Improved professional image through compliant invoicing.

Reduced Risk

Lower audit risk as data is transparent to IRC.

Efficiency

Faster reconciliation and record-keeping.

Lower Barrier

Access to free POS options provided by IRC.

Supporting a fair, compliant, and efficient national tax system.

Benefits for Vendors & The Nation

For Vendors

Increased market demand for compliant POS systems.

Clear technical standards & accreditation pathways.

Long-term business stability.

For Papua New Guinea

Funding for Health, Education, and Infrastructure.

Increased revenue without raising tax rates.

Real-time data for better economic planning.

Supporting a fair, compliant, and efficient national tax system.

Customer Compliance Awards (CCA) – "Ask for a Receipt, Win Rewards"

CCA encourages customers to request GMS-verified receipts to help **improve GST** compliance **fairly**.

What is CCA?

- A public rewards program that encourages customers to ask for a receipt
- Supports fairness by reducing 'cash sales with no receipt'

How it works

1. Buy goods/services
2. Ask for a GMS-verified receipt
3. Scan/enter receipt details
4. Win rewards/recognition

Why it matters

- **For Customers:**
  - Proof of purchase
  - Fair pricing
  - Chance to win

- **For Businesses:**
  - Stronger credibility
  - Fewer disputes
  - Better record-keeping

- **For PNG:**
  - Improved GST reporting
  - Better funding for services

More info will be published on the GMS webpage as program details are confirmed.

PNG's Digital Tax Transition: Preparing for GMS 2026

3 Steps to Taxpayer Compliance

Update and Register Business Details

Ensure your contact info and authorised personnel details are current with the IRC.

Acquire an Accredited EFD System

Sales Data Control

Integrate a Point of Sale (POS) system that includes a Sales Data Control.

Enrol via the GMS Portal

TAP

Login

Use the GMS Taxpayer Administration Portal (TAP) to set up two-factor authentication.

Why GMS Matters for PNG

Levelling the Business Playing Field

fair / compliance

Eliminates unfair competition from businesses using "zappers" or "phantomware" to suppress sales.

Boosted Revenue Without Higher Rates

Increases GST collection by reducing the gray economy rather than raising tax percentages.

Country	Outcome of System Implementation
Belgium	Significant increase in GST collection within 3 years.
Fiji	Significant increase in GST collection within 3 years.
Global Trend	Reduced tax eession and improved economic planning data.

Real-Time Data, Reduced Audit Risk

LIVE

Digital record-keeping ensures faster reconciliation and lowers the likelihood of manual audits.

A Partnership for the Future

This is not just compliance. It is an investment in a fair, transparent, and digitally-enabled business environment.

Start Early
Early prep saves costs.

Support Available
IRC provides training and guidance.

Collaborate
Working together for a smooth transition.

www.irc.gov.pg

A Partnership for Progress

Working together for a transparent, digital future.

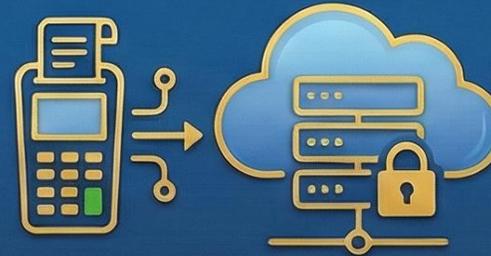# GMS Implementation: Moving Toward PNG's Digital Tax Future

The Internal Revenue Commission (IRC) is implementing the GMS to digitize tax compliance, ensuring real-time transaction recording, reducing tax evasion, and creating a fair business environment for the 2026 launch.

System Overview & Timeline

Go-Live: June 1, 2026

All taxpayers and vendors must be fully prepared and onboarded from this date.

Real-Time Monitoring

Sales data is transmitted instantly to the IRC to prevent transaction manipulation.

Closing the Tax Gap

Modeled after global success to increase revenue without raising tax rates.
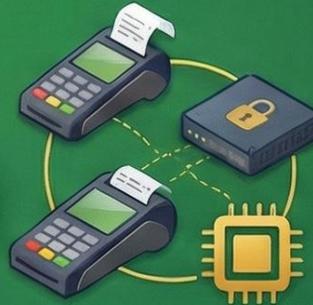
https://irc.gov.pg/pages/know-your-taxes/goods-and-services-monitoring-system-gms

Readiness Checklist

Update & Register

Update business contact details with the IRC to receive portal login credentials.

Accredited EFDs

Businesses must use accredited Electronic Fiscal Devices consisting of POS, SDC, and Secure Elements.

Vendor Accreditation

POS providers must pass technical and administrative reviews before selling solutions in PNG.

Questions? Q&A

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