

LOCAL CONTRACTORS

| | Indiv / Firm/ Bsnss | Tax Type | VAT registered | Related TAX TYPE for Value of contract or Income earned within 12 months | | Tax Law ref. | Notes |
|-------------------------|---------------------|----------------------|----------------|--|---------------------|--|--|
| | | | | < AUD 100k | >AUD 100k | | |
| Goods | Firm/ Bsnss | Income Tax/Bsnss Tax | Yes | VAT 12.5% | VAT 12.5% | s7 of VAT Act 2013 | List of Exempt & Zero-rated supplies (as in attachment) |
| | | | No | | VAT 12.5% * | | |
| Works | Firm/ Bsnss | Income Tax/Bsnss Tax | Yes | WT 5% + VAT 12.5% | WT 5% + VAT 12.5% | s116 of ITA 2023 s7 of VAT Act 2013 | Contract for service , the principal is to withhold and pay WTH 5% & VAT (where applicable) by the respective due dates (as in attachment). |
| | | | No | WT 5% | WT 5% + VAT 12.5% * | | |
| Consulting Services | Indiv | PAYE | No | PAYE Tax | | s115 of ITA 2023 | Contract of service , the employer is required to withhold and pay PAYE taxes by respective due dates . |
| | Firm/ Bsnss | Income Tax/Bsnss Tax | Yes | WT 5% + VAT 12.5% | WT 5% + VAT 12.5% | s116 of ITA 2023 s7 of VAT Act 2013 | Contract for service , the principal is required to withhold and pay WTH 5% & VAT (where applicable) by their respective due dates . |
| No | | | WT 5% | WT 5% + VAT 12.5% * | | | |
| Non-consulting Services | Indiv | PAYE | No | PAYE Tax | | s115 of ITA 2023 | Contract of service , the employer is required to withhold and pay PAYE taxes by the respective due dates . |
| | Firm/ Bsnss | Income Tax/Bsnss Tax | Yes | WT 5% + VAT 12.5% | WT 5% + VAT 12.5% | s116 of ITA 2023 s7 of VAT Act 2013 | Contract for service , the principal is required to withhold and pay WTH & VAT (where applicable) on the respective due dates . |
| No | | | WT 5% | WT 5% + VAT 12.5% * | | | |

Note: * Contractor must register with the Tax office for VAT

Due Dates – Attachment on due dates for Monthly PAYE, Monthly WTH, Annual PAYE, Annual WTH and Quarterly VAT returns.

INTERNATIONAL CONTRACTOR

| | Indiv/ Firm/ Bsnss | Tax Type | VAT regis tered | Value of contract within 12 months | | Tax Law ref. | Notes |
|---|--------------------------|--------------------------------|-----------------------|---------------------------------------|------------------------------|--|---|
| | | | | <AUD100k | >AUD 100k | | |
| Goods ³ | Firm | Income Tax/Busi ness Tax | Yes | VAT 12.5% | VAT 12.5% | S7 of VAT Act 2013 | List of Exempt & Zero-rated supplies (as in attachment) |
| | | | No | | VAT 12.5% ** | | |
| Works ³ | Firm | Income Tax/Busi ness Tax | Yes | WT 5% + VAT 12.5% | WT 5% + VAT 12.5% | s116 of ITA 2023 s7 of VAT Act 2013 | Contract for service , the principal is to withhold and pay WTH 5% (residents), WTH 15% (non-residents) & VAT (where applicable) by the respective due dates (as in attachment). |
| | | | No | WT 5% | WT 5% + VAT 12.5% ** | | |
| Consulting Services ³ | Indiv | PAYE | No | PAYE Tax | | s115 of ITA 2023 | Contract of service , employer is required to withhold and pay PAYE taxes by the respective due dates . Resident tax rates for residents OR Standard tax rate (30%) for Non-Residents |
| | Firm/ ndiv | Business Income | Yes | WTH 15% VAT 12.5% | WTH 15%/5% + VAT 12.5% | s116 of ITA 2023 s7 of VAT Act 2013 S12 (2a) of ITA 2023 | - 15% is to be charged to a Non-Resident on Gross Amount of Technical Fee - 5% for those staying in Kiribati ≥183 days in any 12-month - VAT where applicable - Note respective due dates of each tax type |
| Non- consulting Services ³ | Indiv | Employment Income | | PAYE Tax | | s115 of ITA 2023 | Contract of service , employer is required to withhold and pay PAYE taxes by the respective due dates . Resident tax rates for residents OR Standard tax rate (30%) for Non-Residents. |
| | Firm | Business Income | Yes | WT 5% + VAT 12.5% | WT 5% + VAT 12.5% | s116 of ITA 2023 s7 of VAT Act 2013 | Contract for service , the principal is required to withhold and pay WTH 5% & VAT (where applicable) on the respective due dates . |
| | | No | WT 5% | WT 5% + VAT 12.5% ** | | | |

Notes: ** A non-resident eligible for VAT but who does not have a fixed place in Kiribati must appoint a VAT representative.

³If a contractor is from **UK, Australia or Taiwan**, please consult Tax office again for final tax rates from Double Tax Agreements (DTA).

Due Dates – Attachment on due dates for Monthly PAYE, Monthly WTH, Annual PAYE, Annual WTH and Quarterly VAT returns.