



**Nauru Revenue Office  
Ministry of Finance**

**TAX RATES**

**1 July 2022 – 30 June 2023**

**1. Employment and Services Tax Act**

(1) The rates of employment tax applicable to a resident individual are:

(a) for a monthly pay period:

<b>Monthly Employment Income</b>	<b>Rate</b>
\$0 – \$9,240	0%
Above \$9,240	20%

(b) for a fortnightly pay period:

<b>Fortnightly Employment Income</b>	<b>Rate</b>
\$0 – \$4,257	0%
Above \$4,257	20%

(c) for a weekly pay period:

<b>Weekly Employment Income</b>	<b>Rate</b>
\$0 – \$2,129	0%
Above \$2,129	20%

(d) for an employee with a pay period other than monthly, fortnightly or weekly, the rate or rates advised by the Secretary to the employer of the employee under section 17(3).

(2) The rates of employment tax applicable are:

(a) for non-resident individuals engaged as employees in respect of employment in connection with the Regional Processing Centre is 30%;

(b) for non-resident individuals engaged as employees by the Republic as expatriate employees, where annual employment income is:

(i) 0 - \$20,000.00 – rate is 0%; and

(ii) above \$20,000.00 – rate is 20%; and

(c) for any other non-resident individual is 20%.

(3) The rates of services tax applicable to a resident individual are:

(a) for a monthly payment period:

Monthly Services Income	Rate
\$0 – \$9,240	0%
Above \$9,240	20%

(b) for a fortnightly payment period:

Fortnightly Services Income	Rate
\$0 – \$4,257	0%
Above \$4,257	20%

(c) for a weekly payment period:

Weekly Services Income	Rate
\$0 – \$2,129	0%
Above \$2,129	20%

(4) The rates of services tax applicable are

- (a) for non-resident persons providing services to or in connection with the Regional Processing Centre is 30%;
- (b) for non-resident individuals providing services to the Republic where annual services income is:
  - (i) 0 - \$20,000 – rate is 0%; and
  - (ii) above \$20,000.00 – rate is 20%; and
- (c) for any other non-resident person providing services is 20%.

(5) For the purpose of these Regulations, 'Regional Processing Centre' has the same meaning as contained in the *Asylum Seekers (Regional Processing Centre) Act 2012*.

## 2. Business Tax Act (BTA)

There are three taxes imposed under the BTA– small business tax (**SBT**), business profits tax (**BPT**) and non-resident tax (**NRT**) as follows:

1. SBT is imposed at a rate of 2.5% on the gross revenue of a non-resident individual who conducts business solely in Nauru with an annual gross revenue not exceeding \$ 250,000. If gross income exceeds \$ 250,000 tax is payable under BPT.

2. BPT is imposed on the taxable income of a person who conducts business in Nauru where gross income received exceeds \$250,000. The rate to be applied is determined by the entity type, the residency status of the entity and the turnover of the entity. Resident individuals, partnerships and trusts that are made up of only Nauruan residents will have access to a tax- free threshold.

Tax rates applicable to the three types of entities are:

- a. Companies. (You will first need to determine appropriate category and then use the rate applicable.)

Category	Type	Rate
Category A	Resident company with annual gross revenue \$0 - \$15,000,000.	20%
Category B	Resident company with annual gross revenue above \$ 15,000,000.	25%
Category C	Resident company controlled by a non-resident person associate	25%
Category D	Non-resident company conducting business in Nauru through a Permanent Establishment	25%

- b. Individuals. The tax rate is 20%. For Nauruan residents there is a tax-free threshold of \$ 250,000.
- c. Partnerships and Trusts. The tax rate is 20%. For Nauruan partnerships and trusts there is a tax-free threshold of \$ 250,000 for each partner or beneficiary.

3. NRT is imposed at a rate of 20% on a non-resident person who has derived interest, royalties or insurance premiums from sources in Nauru.

### **3. Telecommunications Service Tax**

Telecommunications service tax is imposed at a rate of 15% on the gross revenue received by the service provider in respect of sales of telecommunications services in a calendar month under the *Telecommunications Service Tax Act 2009*.