



PRESS RELEASE

CENTRAL BANK AND MINISTRY OF FINANCE LAUNCH ATM-BASED ELECTRONIC TAX PAYMENTS SERVICE

Dili, 5th March 2021

The Governor of the Central Bank, Mr Abraão de Vasconcelos and Minister of Finance Mr. Rui Augusto Gomes jointly announced the launch of electronic Tax Payments through P24 ATMs as one of the essential elements within the National Payment System.

As announced at the grand launch of P24 on 18 December 2018, the P24 service will take some time to be fully completed. The new tax payment service is another milestone achieved as part of the National Switch development which will enable P24 cardholders from BNU Timor, BRI Timor-Leste and BNCTL clients to pay taxes electronically through any ATM displaying the P24 logo without the need to visit a bank.

The P24 system is linked to the Central Bank's R-TIMOR settlement system so that taxes paid will be directly credited to a Government account at the Central Bank.

To enable the service to function, Banks will need to ask their customers to exchange their current ATM cards for new P24 cards.

Bank Mandiri is still internally developing tax payment capability and is expected to join in coming months. Meantime, Mandiri's P24 ATMs can be used by clients of other banks for the payment of taxes.

The Governor added that the P24 system has also connected phone-based e-wallets so that clients can now also transfer funds from wallets to bank accounts (all P24 bank participants) and bank accounts to wallet accounts (all P24 banks participants except Bank Mandiri).

Further developments will include enabling payments of taxes and services through E-Wallets and POS devices.

The ATM Tax Payment service was launched at a ceremony held in Dili on 5 March 2021 attended by a range of dignitaries including Timor-Leste's politicians and taxpayers from business and financial communities.

The Governor and Minister of Finance said that the tax payment services would start with four types of taxes, namely Wages Income Tax, Withholding Tax, Income Tax and Service Tax but with the P24 central switch linking the ATM networks, POS network and e-wallet providers, it would later be extended to allow citizens to make payments of customs duties and other government fees and charges.

The Governor and Minister of Finance encouraged business communities, service providers and Timorese citizens to maximize the use of electronic payments tools through the P24 network efficiently. Giving people access to these services is a key strategy of the Central Bank to modernize, strengthen and develop financial sector to support economic growth and it is a key strategy of the Government to promote e-government to simplify and make government services more efficient.

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