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TAX CARD 2022/2023

ABOUT US

INNOVEX is a Pan-African Advisory, Assurance, Tax and IT Consulting firm that has been in operation since 2006. (16 year of experience). We provide services to business enterprises, non businesses, and the public sector across Africa. The Operational Target Area of INNOVEX is Africa, where we provide a full range of professional services in **Tax, Accounting and Audit, Management consulting, IT Consulting, Procurement, and Enterprise risk management**

INNOVEX, headquartered in Dar es Salaam, Tanzania is also registered in the following countries: Rwanda, South Africa, Kenya, and USA (Delaware State). However, operationally, INNOVEX provides services across Sub-Saharan Africa to include Malawi, Zambia, Southern Sudan, Burundi, Congo DRC, Ethiopia, Lesotho, Somalia and Eswitini

OUR SERVICES

1. Advisory

- Public Sector Financial Management
- Research and Surveys
- Business Development
- Project Implementation
- Risk Assessment
- Procurement Audit and Investigations
- Procurement Planning and Training
- Procurement Agency Services
- Preparation of Tender Documents
- Tender Evaluations
- Contract Management

2. Assurance

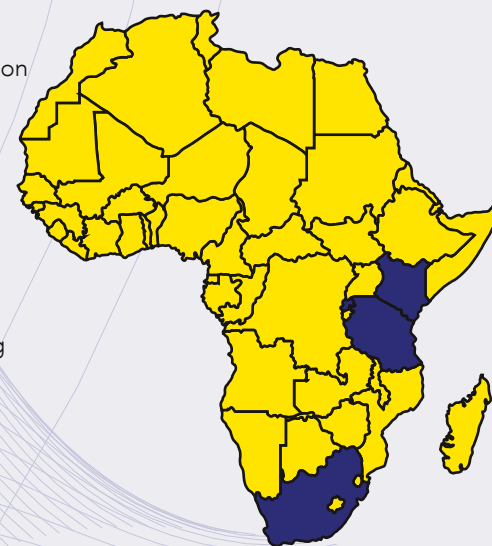
- Financial Audit
- Statutory Audits
- Internal Audits
- Project Audit
- Forensic Investigations
- Value for Money Audits

3. Tax Services

- Tax Health Check
- Administration of Tax Returns
- Transfer Pricing Documentation
- Handling of Tax Matters
- Tax Advisory
- Tax Planning
- Tax Refunds
- Application of Charitable Status
- Training and Capacity Building
- Technical Advice
- Exemptions and Waiver
- Tax Registration and Clearance
- Tax Due Diligence Audits
- Capital Gains
- Representing Clients on Tax Audits
- Advice on Applicable Tax Incentives

4. IT Consulting

- Internal and External Penetration Testing
- Cyber Attack Simulation
- Information System Security Evaluation
- Cyber Security Site Survey
- Cloud Infrastructure Security Evaluation
- Incident Response
- Business Intelligent Consulting
- Big Data Consulting
- Data Science Consulting
- Data Visualization Services
- Data Management Services
- Business and system analysis
- Systems Quality Assurance



Our Values

To provide vital support to our clients, we believe that we must possess these characteristics: Innovation; Knowledge Sharing; Excellence; Partnership; Integrity; Trustworthiness and Confidentiality

Our Vision

Becoming a renowned partner in moving Africa forward, through our innovative professional services

Our Mission

Causing a meaningful change in Africa, by supporting organizations to provide better and value adding services

CORPORATE TAX			
		Resident	Non-Resident
1	Corporation, Trust, Unapproved Retirement fund	30%	30%
2	Domestic Permanent Establishment of a non-resident person	N/A	30%
3	Corporation with perpetual unrelieved loss for 3 consecutive years excluding Corporation conducting Agricultural business, provision of health or Education	0.5% of the turnover of the third year of perpetual unrelieved loss	N/A
4	A newly listed company with the Dar es Salaam Stock Exchange with at least 30% of its equity ownership issued to the public for three consecutive years from the date of listing	25%	25%
5	A newly established entity dealing in manufacture of pharmaceuticals or leather products and having a performance agreement with the Government of the URT shall be taxed at reduced corporate rate for five consecutive years from the year of commencement of production	10%	N/A
6	Repatriated Income of a Domestic Permanent Establishment of a Non-Resident Person	10%	N/A
7	A corporation with a newly established plant for assembling motor vehicles, tractors, fishing boat or out boat engine and having a performance agreement with a government of URT for the first five years from commencement of production	N/A	10%

Depreciable Assets, Allowances and the Applicable Rates

CLASS	DEPRECIABLE ASSETS	RATES
1*	Computers and data handling equipment together with peripheral devices, automobiles, buses and minibuses with a sitting capacity of less than 30 passengers, goods vehicles with a capacity less than 7 tones, construction and earth moving equipment	37.5%
2*	Buses with a seating capacity of 30 or more passengers, heavy general purpose or specialized trucks, trailers, and trailer mounted containers, rail road cars, locomotives, and equipment, vessels, barges, tags and similar, water transportation equipment, air craft, other self propelling vehicles, plant and machinery used in agriculture or manufacturing	25%
3*	Office furniture, fixtures and equipment, any asset not included in another class	12.5%
5**	Buildings, structures, dams, water reservoirs, fences, and similar works of a permanent nature used in agriculture, livestock farming or fish farming	20%
6**	Buildings, structures, and similar works of permanent nature other than those mentioned in class 5 and assets owned and employed by a person on International pipeline	5%
7**	Intangible assets	1 divided by the useful life of the asset in the pool and rounded down to the nearest half year
8**	Plant and machinery (Including windmills electric generators and distribution equipment) used in agriculture and Elec- tronic Fiscal Devices (EFD) purchased by non VAT registered traders, equipment used for prospecting and exploration of minerals or petroleum	100%

NOTE 1

Depreciation allowance: expenditure incurred in acquiring a road vehicle, other than a commercial vehicle, to the extent that the expenditure exceeds TZS 30,000,000/= the excess shall not be recognized

NOTE 2

* Pools of depreciable assets calculated basing on Diminishing Value Balance Method

** Pools of depreciable assets calculated basing on Straight Line Method

Class 4 deleted by the Finance Act 2016

NOTE 3

International Pipeline means;" means a cross border pipeline for transportation of crude oil from a foreign country to a port facility in the United Republic in which such crude oil is exported to another foreign country

Withholding Tax

	Withholding tax	Resident	Non-Resident
1	Dividends from the Dar es salaam Stock Exchange listed corporations	5%	5%
2	Dividend from resident corporation to another resident corporation where the corporation receiving the dividend holds 25% or more of the shares in the corporation	5%	N/A
3	Dividends from other corporations	10%	10%
4	Interest	10%	10%
5	Royalties	10%	10%
6	Rental Income	10%	10%
7	Service Fee	5%	15%
8	Commission on money transfer through mobile phone	10%	N/A
	Commission, fees or other charges on commercial bank services and digital payment services to agent	10%	N/A
9	Insurance Premium	N/A	5%
	Management and Technical services fees (mining, oil and gas)	5%	15%
10	Transport (Non-resident operator/ charterer without permanent establishment)	N/A	5%
	Transport across borders	N/A	5%
11	Resident corporation (whose budget is wholly or substantially financed by the government budget) which makes a payment in respect of goods supplied by a resident person in the course of conducting business	2% of gross payment	N/A
	Resident corporation which makes payment in respect of agricultural, livestock and fishery products supplied by a resident person	2% of gross payment	N/A

Withholding Tax

	Withholding tax	Resident	Non-Resident
12	Directors Fee (Non full time Directors)	15%	15%
	Gains on Realization of an Asset		
13	Person's asset (Entity and Individual) Exemption on realization of Investment assets: a) Private residence - Gains of TZS 15 million or less b) Agricultural land - Market value of less than TZS 10 million c) Shares - DSE shares held by a person with share holding less than 25% d) Units in an approved Collective Investment Scheme	10%	20%
14	Other withholding payments from investment returns (Natural resource payment and any payment with a source in Tanzania not subjected to withholding by employers under section 81 of the Income Tax Act, Cap 332) Note Reliefs may apply to SEZ/EPZ investors, strategic investors, certain loans in relation to Government projects	15%	15%
15	Transport across borders, (Non - resident transport operator/charter without permanent establishment) Exemption Payment received in respect of carriage of fish or horticulture products by a foreign aircraft	N/A	5%

Single Instalment	Rate
Digital service tax	2% on gross payment

Individual and Employment Taxes and Levies

Resident Individual Income Tax (Tanzania Mainland and Zanzibar) With effect from 1st July 2021

Total Income		Tax Rate
1	Where the total income does not exceed TZS 3,240,000/=	NIL
2	Where the total income exceeds TZS 3,240,000/= but does not exceed TZS 6,240,000/=	8% of the amount in excess of TZS 3,240,000/=
3	Where the total income exceeds TZS 6,240,000/= but does not exceed TZS 9,120,000/=	TZS 240,000/= plus 20% of the amount in excess of TZS 6,240,000/=
4	Where the total income exceeds TZS 9,120,000/= but does not exceed TZS 12,000,000/=	TZS 816,000/= plus 25% of the amount in excess of TZS 9,120,000/=
5	Where the total income exceeds TZS 12,000,000/=	TZS 1,536,000/= plus 30% of the amount in excess of TZS 12,000,000/=

Total Income	Tax Rate
Income of a non-resident employee of a resident employer	15%
Total income of non-resident individual	30%
Employee with secondary employment	30%
Directors other than full time service directors	15%
WCF (Workers Compensation Fund)	0.5% of the total gross monthly salary of employees (for both public and private sector)
Social Security (NSSF, PSSSF) ((10% or 5% Employer and 10% or 15% Employee remitted by employer)	20%

Employment Benefits

S/N	Benefit in Kind	Tax Rate	
1	Housing Benefit	The lower of the Market Value Rent of the premises and the higher of the following: <ul style="list-style-type: none"> • 15% of the employee's total annual income and • The expenditure claimed as deduction by the employer in respect of the premises 	
2	Motor vehicle Benefit	Based on engine size and age of a vehicle provided	
	Engine size	Engine size up to 5 years old (TZS)	Greater than 5 years old (TZS)
	Not exceeding 1000cc	250,000/=	125,000/=
	Above 1000cc not exceeding 2000cc	500,000/=	250,000/=
	Above 2000cc not exceeding 3000cc	1,000,000/=	500,000/=
	Above 3000cc	1,500,000/=	750,000/=
	NOTE The Motor vehicle benefit is not applicable where the employer does not claim deduction in respect of the ownership, maintenance or operation of the vehicle		
3	Loan Benefit	When an employer provides a loan to an employee and the loan is at the interest rate below statutory rate, the amount of benefit in kind is taken as the difference of the following: <ol style="list-style-type: none"> i. The amount of interest that would have been paid if the interest on loan would be charged at statutory rate and ii. The amount of interest paid on the loan at the rate provided 	
	Exception Where an employer provides a loan whose term is < 12 months and the aggregate amount of the loan and similar loans outstanding at any time during the previous twelve month period do not exceed three months basic salary of an employee, then the amount of benefit in kind is nil		
4	Other benefits in kind	The market value will apply in determining other benefits in kind	

Skills Development Levy (SDL)

S/N	Skills Development Levy (SDL)	Rates
1	Rate on monthly gross emolument for Tanzania Mainland	4%
2	Rate of the monthly gross emolument for Tanzania Zanzibar	5%
3	An individual employer engaged in a small scale mining operation	0.4% of the sale value of the minerals at the time of selling minerals and payment of royalty at Mineral and Gem Houses or at buying stations

The Individual Presumptive Tax Assessment

Annual Turnover	Tax payable where Section 35 of Tax Administration Act is not complied with	Tax payable where Section 35 of Tax Administration Act is complied with
Where turnover does not exceed TZS 4,000,000/=	NIL	NIL
Where turnover exceeds TZS 4,000,000/= but does not exceed TZS 7,000,000/=	TZS 100,000/=	3% of turnover in excess of TZS 4,000,000/=
Where turnover exceeds TZS 7,000,000/= but does not exceed TZS 11,000,000/=	TZS 250,000/=	TZS 90,000/= plus 3% of turnover in excess of TZS 7,000,000/=
Where turnover exceeds TZS 11,000,000/= but does not exceed TZS 100,000,000/=	3.5% of turnover	

Conditions which qualify to be in Presumptive tax system.

- The Taxpayer must be a resident individual
- The annual turnover of the business not including professionals, technical, management, construction and training services does not exceed the threshold of TZS 100 million
- Tax payer must conduct business only for the year of income hence not be engaged in any other activities such as employment or investments. Under the presumptive tax system, individual's income must be derived solely from business sources. If income is derived from other sources such as employment and/or investment the presumptive scheme cannot be used.
- The individual's income for any year must consist exclusively of income from business with sources in the United Republic of Tanzania.
- Registration of small vendors and service providers conducting business in an informal sector whose turnover is less than TZS 4,000,000/= shall be recognized and be issued with an Identification Card
- Any person whose turnover exceed TZS 14,000,000/= p.a. is obliged to acquire and use the Electronic Fiscal Device (EFD).
- A person whose turnover is below TZS 14,000,000/= shall issue manual receipt in duplicate copy

	Rate
Individual under small scale mining meeting presumptive criteria	2% of the sale value of minerals

Transportation Vehicle Tax

Category of Vehicles	Tax Payable(TZS)
Category A: Goods Vehicle	
Load Vehicle between 0-1 Tones	180,000
Load Vehicle between 1-5 Tones	450,000
Load Vehicle between 6-10 Tones	720,000
Load Vehicle between 11-15 Tones	1,710,000
Load Vehicle between 16-20 Tones	2,430,000
Load Vehicle between 21-25 Tones	2,610,000
Load Vehicle above 25 Tones	2,790,000

Category of Vehicles	Tax Payable (TZS)
Category B: Passenger Vehicle	
Bus and other similar vehicle with seating capacity below 10 passengers	180,000
Bus with seating capacity above 10 but below 16 passengers	450,000
Bus with seating capacity from 16 up to 30 passengers	720,000
Bus with seating capacity up to 32 passengers	1,710,000
Ordinary bus	2,430,000
Semi-luxury bus	2,610,000
Luxury bus	2,790,000

Penalties and Interests

S/N	INTEREST	Implications
1	Interest for underestimating tax payable	At statutory rate compounded monthly, applied to the excess of (a) The total amount of income that would have been paid by way of installments during the year of income (b) The amount of income tax paid by installments during the year of income
2	Interest for failing to pay tax	Interest at the statutory rate compounded monthly on amount of tax imposed under a tax law remains unpaid after the due date
	PENALTIES	Implications
1	Failing to maintain documents	An individual <ul style="list-style-type: none"> • 1 currency point for each month or part of a month during which the failure continues Body corporate <ul style="list-style-type: none"> • 10 currency points for each month or part of a month during which the failure continues
2	Failing to file tax return	Whichever is higher for each month or part of a month during which the failure continues between; <ul style="list-style-type: none"> • 2.5%*the amount of tax assessable with respect to the tax return Less Tax paid by the start of the period towards that amount OR in the case of An individual or <ul style="list-style-type: none"> • 5 currency points Body corporate <ul style="list-style-type: none"> • 15 currency points
3	Making false or misleading statements	50% of the tax shortfall (where the statement or omission is made without reasonable excuse) or 75% of the tax shortfall (where the statement or omission is made knowingly or recklessly) Whereby Increased by 10% (for the second or subsequent application) and Reduced by 10% (if the person voluntarily discloses the statement prior to its discovery by the tax officer or the next tax audit of the person)
4	Aiding and abetting	Liable on conviction for a penalty equal 100% of the tax shortfall
5	Employment "Any Employer with non – citizen who fails to submit monthly returns to the Labour Commissioner information of his/her employees including details of their salaries"	TZS 500,000/= per month of late submission or sanction of 12 months' imprisonment or a fine of TZS 10,000,000/= or both

Penalties and Interests

S/N	PENALTIES	Implications
6	Local Government Act Service Levy- Penalty for failure to pay rates and for willful mis-representation	Fine not exceeding Fifty Thousand TZS or to imprisonment for a term not exceeding three months
7	Social Security Fund	
	NSSF-late payment	5% of the amount unpaid for each month or a part of a month
	PSSSF- late payment	Fine of not less than Fifty Million TZS but not exceeding One Hundred Million TZS or to imprisonment for a term not less than one year but not exceeding five years or to both
	WCF- late payment	Interest rate as determined by the Director General of Worker's Compensation Fund ie. Currently ten per centum (10%) of the amount unpaid as interest for the delayed time or fine of up to TZS 50 Million or imprisonment for a term of ten (10) years or both
8	Transfer Pricing Failure to prepare TP Documentation	Penalty not less than 3500 currency points ie. 1 currency point =TZS 15000/=

Local Taxes

1	Service Levy for corporate entities or any person conducting business with business licence - charged on turnover	Rate set by LGA - Maximum rate : 0.3% of turnover net of the value added tax and excise duty
2	Property Tax NOTE Payment for property tax will be made on every purchase of the electricity unit up to the limit of the rates mentioned for the respective month	TZS 1,000/= per month on ordinary buildings with one meter; and a rate of TZS 5,000/= per month for every storey building or apartments with one meter
3	Land Rent on Occupation ie. On processing the Certificate of Occupancy New land occupancy Regularizing Land	Premium rate of 0.5% Premium rate of 0.5%
4	Hotel levy	10 % of the guest house charges payable by a guest

Customs

Import Duty	
Items	Duty Rate
Raw materials, Pharmaceuticals and capital goods, Hand hoes, agricultural implements	0%
Semi-finished goods	10%
Final consumer goods or finished commercial goods	15%
Some sensitive items are charged at a higher rate than 25% with the intention of protecting local industries. (E.g. Yoghurt milk and Cream containing sweetening matter, Cane or beet sugar and chemically pure sucrose in solid form, Sacks and bags of a kind used for the packing of goods, Worn clothing and other worn articles (mitumba))	
Export Levy: Raw cashew nuts	15% FOB Value or
	15% FOB or USD 160 per metric tones whichever is greater
Custom processing fee	0.6% of FoB value
Railway Development Levy (Charged based on Customs Value on goods entered for home consumption in Mainland Tanzania)	1.5% of CIF
Export Tax	
Raw hides and skins	80% FOB Value or USD 0.52 / Kg whichever is greater
Wet blue leather	10% of FOB Value
De minimis value where customs duties shall not be collected as per EACCMA, 2004 AMENDED 2021	USD 50

Meat Board of Tanzania

	FEE
Clearance Fee	TZS 70,000/= per Consignment

Osha

	Charge
Electrical Inspection, Electrical Insulation Test and General Inspection Fee	TZS 150,000/=

Double Tax Agreement

Tax treaties	In force: Canada, Denmark, Finland, India, Italy, Norway, South Africa, Sweden, Zambia
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Excise Duty

1	Specific Rates on:	RATES/CHARGE
	Wine, Spirits, Beers, Soft Drinks, Fruit Juices, Recorded DVD, VCD, CD and audio tapes, Cigarettes, Tobacco, Petroleum Products, Natural Gas	Vary Rates
2	Ad-valorem rates are:	
	10%, 15%, 17%, 20%, 25%, and 50%	
	Imported furniture and imported seats other than those of heading 94.02	15%
	Shopping plastic bags	50%
	Imported and locally produced synthetic (plastic) fibres (Heading 55.11 and 56.07) except fishing twine (HS Code 5607.50.00)	10%
3	Excise duty on powdered beer and powdered juice	
	Imported powdered beer with HS Code 2106.90.00	TZS 844/= per kilogram
	Imported powdered juice with HS Code 2106.90.00	TZS 232/= per kilogram
4	Excise Duty on Motor vehicles based on engine capacity	Applicable Rate
	Description of vehicle	
	Of cylinder capacity less than 1000 cc	0%
	Of cylinder capacity exceeding 1000 cc but not exceeding 2000 cc	5%
	Of cylinder capacity exceeding 2000cc	10%
5	Excise Duty on Imported used vehicles	
	Imported vehicles aged from eight (8) years but not more than 10 years, counted from the year of its manufacture	15%
	Imported vehicles aged ten (10) years or more, counted from the year of its manufacture	30%
	Note Excluding passenger vehicles under HS Code 8702.10.22, 8702.10.29, 8702.10.99, 8702.90.29 and 8702.90.99	
6	Imports of used vehicles spare parts:	
	Imported used spare parts for motor vehicles and motor cycles	25%
	Excise Duty on other Goods/ Other Services	
	Fees and levy paid to tel communication cooperation in respect of money transfer services	10%
7	Fees or charges payable to Financial Institution or Telecommunication companies for money transfer services	10%
8	Imported Motorcycles	
	Imported used Motorcycles aged more than 3 years (HS Code 8711)	10%

Submission

		Document	Submission	Payment
1	Withholding tax NOTE PAYE and other withholding taxes	Withholding tax statement NOTE The statement will include Withholdee TIN	Seven days of the month following the month to which the tax relates	Within seven days after the end of each calendar month
2	SDL	An employer is obliged to submit the SDL monthly returns	Seven days of the month following the month to which the tax relates	Seven days of the month following the month to which the tax relates
3	Corporate Tax Return	Estimated Tax Return	Date for payment of the first tax instalment on estimate of tax payable for the year of income NOTE A resident person who conducts agricultural business involving seasonal crops in the United Republic during a year of income and conducts no other business instalments for the year of income shall file by the end of September	For accounts based on Calendar year <ul style="list-style-type: none"> • On or before 31st March • On or before 30th June • On or before 30th September • On or before 31st December NOTE Payments for other accounting dates are made at the end of every quarter, depending on one's accounting period
		Final Tax Return	Within six months from the end of the accounting period	
4	Value Added Tax (VAT)	VAT Return	20th day of a month after the end of the tax period Note Where the 20th day falls on a Saturday, Sunday or a Public holiday, the value added tax return shall be lodged on the first working day following a Saturday, Sunday or a Public holiday	Local Supplies 20th day of a month after the end of the tax period to which it relates VAT on Imports At the time import duty is due and payable in accordance with East African Community Customs Management Act, 2004

Submission

		Document	Submission	Payment
5	Excise Duty	Excisable Service and Manufactured Goods Return	Not later than the last working day of the month following the month to which the return relates	Not later than the last working day of the month following the month to which the return relates Excise Duty on imports At the time import duty is due and payable in accordance with East African Community Customs Management Act, 2004
6	Transfer pricing documentation		Due with final return if related party transactions exceed TZS 10bn otherwise within 30 days of request	
7	WCF	Return of annual earnings	Employers to submit return of annual earnings of their employees every year by 31st March	Every Last working day of the following month
8	Digital service tax	Digital tax return	On or before the seventh day of the month following the month to which the payment relates	On or before the seventh day of the month following the month to which the payment relates

		Payment
10	NSSF	Every Last working day of the following month
11	PSSF	Every Last working day of the following month

NEMC

Enviromental Fees and Charges	Fee
Fee for destroying expired medicines	TZS 100,000/=
Annual environmental Fee	TZS 100,000/=
NOTE Based on new Amendments on finance act 2021/2022 on NEMC Regulation	

Stamp Duty

	Items	Rate
1	Conveyance	
	Consideration below TZS 20,000/=	Nil
	Consideration amount exceeds TZS 20,000/=	0.5% for the first TZS 100,000/= then 1% for the value excess of TZS 100,000/=
	Conveyance for agricultural land	TZS 500/=
2	Legal and commercial instruments are charged at a specific rates as specified in the law	

Exemptions

- Receipts on sales of goods or services for business
- Transfer of ownership of assets to the special purpose vehicles (SPV) for purpose of issuing asset-backed securities

Minerals

	Individuals engaged in small mining operations whose annual turnover does not exceed Tanzania shillings 100 million per annum	Rate
1	Income tax on Sale value of the minerals	3%
2	Income tax of the sale value of the minerals NOTE Payment shall be deemed as <ul style="list-style-type: none"> • PAYE from employment income of an employee to an individual in a small scale mining operations at the time of selling minerals and • Payment of royalty at buying stations or at Mineral and Gem Houses designated by the Mining Commission 	0.60%
3	Gold sold to home refinery centres	4%
4	Coal used as industrial raw materials	1%

Type of Minerals	Royalty Rate (on gross value)
Uranium	5%
Gemstone and Diamond	6%
Metallic minerals such as copper, gold, silver, and platinum group minerals	6%
Gem	1%
Other minerals, including building materials, salt, all minerals within the industrial minerals group	3%
Gold sold to home refinery centres	4%
Coal used as industria raw materials	1%

Exemption from Royalty payment

Samples of minerals acquired for the purposes of assay, analysis or other technical examination if the market value of such samples of minerals is not more than TZS 50000/=

Depreciation Allowances for Minerals or Petroleum Operations

Year of Income	Depreciation Allowance
First Year	20% of expenditure
Second Year	20% of expenditure
Third Year	20% of expenditure
Fourth Year	20% of expenditure
Fifth Year	20% of expenditure

Value Added Tax

VAT RATES Tanzania Mainland	
Description of goods/ supplies and services	VAT rates
Supply of taxable goods and services in Mainland Tanzania	18%
Importation of taxable goods and services into Mainland Tanzania	18%
Export of goods and certain services from the United Republic of Tanzania	0%
A supply of ancillary transport services of goods in transit through mainland Tanzania include: <ul style="list-style-type: none"> • An integral part of the supply of an international transport services • In respect of transit goods stored at the port, airport, or a declared customs area for not more than thirty days while awaiting onward transport or for such further additional period as the Commissioner for Customs may authorise 	0%
Transportation services of Crude oil and all other related services attached in transportation of crude oil through the pipeline which will be constructed under an intergovernmental agreement between the Government of Tanzania and Government of Uganda (EACOP)	0%

VAT Rates in Zanzibar

Description of goods/ supplies and services	VAT rates
Supply of taxable goods and services in Zanzibar	15%
Importation of taxable goods and services into Zanzibar	15%
Export of goods and certain services from Zanzibar	0%
A supply of ancillary transport services of goods in transit through mainland Tanzania include: <ul style="list-style-type: none"> • An integral part of the supply of an international transport services and • Transit goods stored at the port, airport, or a declared customs area for not more than thirty days while awaiting onward transport or for such further additional period as the Commissioner for Customs may authorise 	0%

VAT Registration Threshold Tanzania Mainland

- Taxable turnover exceeding TZS 100 million per annum
- Taxable turnover exceeding TZS 50 million in six months
- A person carrying an economic activity involving the supply of professional services
- Government Entity or institution which carries on economic activities

VAT Registration Threshold Zanzibar

Taxable turnover exceeding Tshs 50 million per annum

Electronic Money Transactions Levy amount in (TZS)

S/N	Electronic Money Transactions Levy amount in (TZS)	Levy (TZS)
1	100 to 2999	10
2	3,000 to 3,999	15
3	4,000 to 4,999	30
4	5,000 to 6,999	60
5	7,000 to 9,999	70
6	10,000 to 14,999	128
7	15,000 to 19,999	243
8	20,000 to 29,999	383
9	30,000 to 39,999	439
10	40,000 to 49,999	599
11	50,000 to 99,999	818
12	100,000 to 199,999	1,009
13	200,000 to 299,999	1,173
14	300,000 to 399,999	1,397
15	400,000 to 499,999	1,636
16	500,000 to 599,999	2,075
17	600,000 to 699,999	2,554
18	700,000 to 799,999	2,833
19	800,000 to 899,999	3,000
20	900,000 to 1,000,000	3,551
21	1,000,001 to 3,000,000	3,751
22	3,000,001 and above	4,000

	Time to remit	Penalty/Interest
Due Date to Remit Electronic Money Transactions Levy	Within 7 days of the month following the month to which the levy relates	Interest for each month or part thereof continues compounded at statutory rate issued by BOT
Due Date to File Return for Electronic Money Transactions Levy	Within 7 days of the month following the month to which the levy relates	Penalty of 1 million TZS for each month or part of the month thereof during which failure continues

NOTE

"Transfer" means the transfer of electronic mobile money from the user's mobile money account to another mobile money account, the user's mobile money account to bank account, a bank account to bank account but doesnot include transfer from a bank account to a mobile account

"Withdrawal" means withdrawal of cash from a user's mobile money account or bank account in a payment system through a collector's agent

Further Information

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Disclaimer

This Tax Card reflects taxes as per year 2022/2023. Though we have taken all rational attention in amassing this card, INNOVEX accepts no responsibility for any errors it may contain, whether caused by omission or otherwise, or for any loss that may result, caused, or sustained by any person that places reliance on it.



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