



THE FINANCE (PUBLIC REVENUES MANAGEMENT)
ACT, 1993.

ARRANGEMENT OF SECTIONS.

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ACT NO.3 OF 1993.

I ASSENT

Salmi Amour

SALMIN AMOUR
PRESIDENT OF ZANZIBAR
AND
CHAIRMAN OF THE REVOLUTIONARY
COUNCIL.

23rd August 1993.

AN ACT TO IMPOSE AND ALTER CERTAIN TAXES AND
AMEND CERTAIN WRITTEN LAWS RELATING TO
COLLECTIONS AND MANAGEMENT OF PUBLIC REVENUES.

ENACTED by the House of Representatives of
Zanzibar.

PART I

PRELIMINARY PROVISIONS

Short title.

1. This Act may be cited as the Finance
(Public Revenues Management) Act, 1993 and shall come
into operation on the 1st day of July, 1993.

PART II

AMENDMENT OF THE AIRPORT SERVICE CHARGE
DECREE, NO.19 OF 1963.

Construction.

2. This Part shall be read as one with the
Airport Service Charge Decree, No.19 of 1963, in this
Part referred to as the "principal Act".

Amendment of
section 3
Act No.7/92
Section 4.

3. Section 3 of the principal Act is hereby
amended in subsection (1) by deleting the phrase
"Eight Hundred Shillings" which appears in paragraph (a)
and substituting for it the phrase "One Thousand Shillings".



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PART III
AMENDMENT OF TRADES LICENSING ACT,
NO.3 OF 1983.

Construction. 4. This Part shall be read with the Trades Licensing Act, 1983 in this Part referred to as the "principal Act".

Repeal and replacement of First Schedule Act No.7/92 section 7. 5. The First Schedule of the principal Act is hereby repealed and replaced by the following new Schedule :-

FIRST SCHEDULE

Types of Trading Licence	Turn Over	Principal Place of Business.	Subsidiary Place of Business.
		Fees in Shs.	Fees in Shs.
a) General Trade including Business not specified.	(i) From 500,000/- to Mil.1,000,000/-	100,000/-	50,000/-
	(ii) From 1,000,000/- to 5 Mil.	120,000/-	60,000/-
	(iii) From 5,000,000/- to 10 Mil.	200,000/-	100,000/-
	(iv) From 10,000,000/- and above:	300,000/-	150,000/-
b) Retail Trade where the stock hand does not exceed Shs.500,000/-	-	60,000/-	30,000/-
c) Commission Agent	-	50,000/-	25,000/-
d) Banking Business	-	240,000/-	120,000/-
e) Insurance Business	-	25,000/-	15,000/-
f) Shipping Agency	-	25,000/-	15,000/-
g) Lighterage and Stevedorings	-	25,000/-	15,000/-
h) Hotels	-	50,000/-	25,000/-
i) Guest House	-	30,000/-	15,000/-
j) Restaurant	-	20,000/-	10,000/-

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Types of Trading Licence	Turn Over	Principal Place of Business. Fees in Shs.	Subsidiary Place of Business. Fees in Shs.
(k) Bars	-	25,000/-	15,000/-
(l) Business of a Commercial Traveller	-	20,000/-	10,000/-
(m) Travel Agent or Tour Operator	-	12,000/-	6,000/-
(n) Air Transport	-	50,000/-	25,000/-
(o) The Business of Specified Profession	-	25,000/-	15,000/-
(p) A Business Consultant	-	30,000/-	15,000/-
(q) Business of Contractor	-	50,000/-	25,000/-
(r) Postal Services	-	35,000/-	15,000/-
(s) Business of Export and Import	-	50,000/-	25,000/-
(t) Business of a Broker	-	30,000/-	15,000/-
(u) Laundry Business	-	10,000/-	5,000/-
(v) Cassette Lending	-	10,000/-	5,000/-
(w) Bookshops	-	5,000/-	3,000/-
(x) Gold and silversmith	-	25,000/-	15,000/-
(y) Satellite Dishes	-	150,000/-	-
(z) For a Copy of Licence	-	1,000/-	-

LICENCE FEES FOR ALL INVESTMENTS UNDER THE INVESTMENT ACT,
SHALL BE AS FOLLOWS :-

1. DOMESTIC		IN T. SHA).	
From	To	Fees	
1,000,000	-	20,000,000	Shs.100,000
20,000,001	-	50,000,000	Shs.150,000
50,000,001	-	100,000,000	Shs.200,000
100,000,001	-	and above	Shs.300,000



2. FOREIGN (IN US \$)

From	To	Fees
US \$	US \$	US \$
100,000	300,000	1,000
300,001	500,000	1,500
500,001	1,000,000	2,000
1,000,001	and above	2,500

PART IV

AMENDMENT OF THE ZANZIBAR TRADING ACT, NO.4 OF 1989.

Construction. 6. This Part shall be read with the Zanzibar Trading Act, 1989 in this Part referred to as the "principal Act".

Amendment
of section
18.

7. Section 18 of the principal Act is hereby amended by deleting subsection (3) thereof and substituting for it the following new subsections :-

"(3) Any person who has been granted approval for import into, export or re-export any goods outside Zanzibar shall pay levy of two percent (2%) of the total value of the goods.

(4) Any person who contravenes or fails to comply with the provisions of subsection (3) of this section shall pay the levy of two percent (2%) of the total value of the goods and, in addition to that, shall either:

- (i) Pay the fine of 3% of the total value of the goods; or
- (ii) the approval granted for import into, export or re-export ~~be~~ suspended or revoked or cancelled.



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PART V

AMENDMENT OF THE SALES TAX ACT, 1991.

Construction. 8. This Part shall be read as one with the Sales Tax Act 1991, in this Part referred to as the "principal Act".

Amendment of First Schedule Act No.7/92 Section 16. 9. The First Schedule to the principal Act is hereby amended by deleting the prevailing rates of sales tax, appearing in sub-paragraph (iii) and substituting for it the following :-

"(iii) If the prevailing rate is 30% the rate of 20%."

Amendment of Second Schedule. 10. The Second Schedule to the principal Act is hereby amended generally as follows :-

(a) by deleting the rate of 15% appearing in the sales tax of tickets for Sea Vehicle with motor and substituting for it the rate of 5%.

(b) by adding the new item "Tickets for Air Transport 5%" immediately after the item "Tickets for Sea Vehicle".

(c) by adding the following Services :-

(1) Services on Tour Operation, Hotels and Restaurants 10%.

(2) Service Charges on processing of exemption applications of the following projects :-

- (i) Transport (Air).
- (ii) Transport (Sea).
- (iii) Hotels.
- (iv) Business.
- (v) Industry.
- (vi) Tour Operator.
- (vii) Agriculture.

The charge shall be one percent (1%) of the amount sought to be exempted.



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(3) Investment Application Services 1% of the amount of the Capital.

- (i) Industry
- (ii) Agriculture
- (iii) Company
- (iv) Other Services.

PART VI

BONDED WAREHOUSE.

Bonded
Warehouse.

11.(1) Any person is allowed to establish or own a bonded warehouse in which any other person may deposit his goods on payment of rent.

(2) The goods imported shall be deposited in a licensed (Public or Private) bonded warehouse, at a reasonable rent, without payment of the duties on importation if they are re-exported; or if they are to be withdrawn for home consumption, then without payment of such duties until they are so removed.

(3) The owner of the goods may be allowed to remove or withdraw any part of his goods from, such bonded warehouse by Instalment.

(4) In this section, unless the context otherwise requires "Warehouse" includes all Warehouses, Buildings and premises in which goods, when landed from ships, may be lawfully placed.

Licence for
Bonded
Warehouses.

12. Any person who owns a bonded warehouse shall apply for a licence in the Ministry of Finance and shall be required to pay prescribed fees.

PART VII

AMENDMENT OF THE ROAD TRAFFIC DECREE, CAP.135.

Construction.

13. This Part shall be read as one with the Road Traffic Decree, Cap.135 in this Part referred to as the "principal Act".

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Amendment
of section
5.

14. Section 5 of the principal Act is hereby amended in subsection (1) by deleting that subsection and substituting for it the following :-

"(1) The Principal Secretary for the Ministry of Finance shall be the Principal Licensing Authority under this Act."

PART VIII

AMENDMENT OF THE COMPANIES DECREE CAP.153.

Construction. 15. This Part shall be read as one with the Companies Decree Cap.153 in this Part referred to as the "principal Act".

Repeal and
replacement
of section
14.

16. Section 14 of the principal Act is hereby repealed and replaced by the following new section :-

"Registration
of
memorandum
and
Articles.

14.(1) The memorandum and the Articles, shall be delivered to the Registrar and he shall register them and retain a copy of it and distribute other copies to the following departments :-

- (i) Registrar General's Office.
- (ii) Ministry of Industry, Trade and Marketing.
- (iii) Income Tax Department.
- (iv) People's Bank of Zanzibar.
- (v) Ministry of State, Attorney-General's Office.
- (vi) Ministry of Finance.

(2) The Memorandum and the Articles of a company shall not be registered if its shares capital is less than one million shillings (1,000,000/-).

(3) Any foreign Company operating in Zanzibar shall also be registered in Zanzibar and shall comply with the Laws of Zanzibar.

(4) In this section "Foreign Company" means any company registered outside Zanzibar."



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PART IX
AMENDMENT OF REGISTRATION OF BUSINESS
NAMES CAP.168.

Construction. 17. This Part shall be read as one with the Registration of Business Names Decree, Cap.168 in this Part referred to as the "principal Act".

Amendment of section 4. 18.(1) Section 4 of the principal Act is hereby amended by :-

- (i) Renumbering section 4 as section 4(1);
- (ii) Adding immediately after subsection (1) the following subsection :-

"(2) No firm shall be registered under this Act if the capital of its business is one million shillings (1,000,000/-) or more."

PART X
AMENDMENT OF THE GOVERNMENT LOANS, STOCKS, GRANTS,
AND GUARANTEES DECREE, No.5 OF 1978.

Construction. 19. This Part shall be read as one with the Government Loans, Stocks, Grants and Guarantees Decree, 1978, in this Part referred to as the "principal Act".

Addition of Schedules. 20. The principal Act is hereby amended by adding the following Schedules :-

- (i) Schedule I.
- (ii) Schedule II.
- (iii) Schedule III.
- (iv) Schedule IV.

Qualification of Agent. 21. Any Agent shall have the following qualifications:-

- (i) He is a Citizen of Tanzania.
- (ii) He has a well known office at that particular place.
- (iii) He has a capital of not less than 500,000,000/-.
- (iv) He is a prominent businessman.

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Power
of the
Minister.

22.(1) The Minister for Finance may from time to time by order published in the Gazette, change, vary or increase any amount chargeable under this Act and any other Act dealing with Taxation.

(2) In addition to the power of the Minister given under subsection (1) he may also exercise the following powers :-

- (a) to form or establish any organ, or section or department which shall deal with the inspection and investigation of any kind of tax existing in Zanzibar;
- (b) to delegate all or any of his powers to that organ or department formed in accordance with this subsection;
- (c) to prescribe regulations governing the inspection and survey to be conducted by the said organ, section or department and to direct the maintenance of books of account by business houses and others and the production of such books accounts before the said tax authorities.

PART XI

MISCELLANEOUS PROVISIONS

Education
Fund.

23.(1) Any prominent businessman shall contribute one percent (1%) of his net profit to the educational fund every year.

(2) The collection of such contribution shall be made by the Principal Assessor in Zanzibar on behalf of the Minister for Finance.

Tax on
property.

24.(1) Any person who owns or possesses any real property which has the value from ten million shillings and above shall pay levy of one percent (1%) of the total value of that property every year.



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(2) In this section "real property" means a house or shamba (agricultural land) used for commercial purposes wholly or partly but does not include any house or shamba used wholly for residential purposes.

(3) Any house or shamba which is exempted by the Minister.

Penalty.

25.(1) Any person who contravenes or fails to comply with the provisions of sections 23 and 24 shall pay the levy of 1% of the total value of that property and in addition to that, shall either -

- (i) Pay the fine of 3% of the total value of that property; or
- (ii) be prosecuted before the court.

(2) Any person who shall be prosecuted in accordance with subsection (1)(ii) shall be liable on conviction to pay a fine of 20,000/- or six months imprisonment or both such fine and imprisonment.

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SCHEDULE I
ACT NO 5 OF 1978
(Made Under Section 5(a))

ZANZIBAR REVOLUTIONARY GOVERNMENT

NO. AE 000000

T.SH. 100,000/=

BEARER BOND

24% TWO - YEAR BEARER BOND

Issue of T.Shs. 100,000/=, 24 percent, 2 - year Bearer Bond issued pursuant to decree No. 5 of the Government Loans Guarantees and Grant Act, 1978.

The Treasury Zanzibar for value received hereby promises to pay the bearer of the bonds the sum of T.Shs. 100,000/= (One Hundred Thousand Shillings Only) on maturity plus the interest stipulated on the reverse. Upon presentation or surrender of the Bond the necessary calculations shall be computed in favour of the Bearer.

The Terms and Conditions on the reverse hereof apply to this bond.

(Signed)
MINISTER FOR FINANCE

(Signed)
ACCOUNTANT GENERAL

Issuing Officer

Date of Issue



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SCHEDULE II
ACT NO. 5 OF 1978
(Made Under Section 5(a))

TERMS AND CONDITIONS OF THE BONDS.

1. Form and Denomination:

The Bearer Bonds are issued in Bearer form in denominations of Tanzanian Shillings 10,000/=, 50,000/=, 1,000,000/= 250,000/=, 500,000/=.

2. Status:

This Bonds is unconditional, it is rediscountable, transferable freely, and non-taxable.

3. Interest Rate:

The Bearer Bonds bear interest at the rate 24 per annum for Two Year Bonds and 24.5 percent per annum for Three year Bonds, payable after 1 year from the date of issue according to the following schedule:

	<u>TANZANIA SHILLINGS</u>				
	10,000	50,000	100,000	250,000	500,000
24%	2,400	12,000	24,000	60,000	120,000
24½%	2,450	12,250	24,500	61,250	122,500

Upon presentation a Bearer can discount the Bond and demand for necessary interest computation.

4. Redemption Purchase and Payment Scheme:

The Bond will be redeemed pursuant to clause 3 above. Purchases and Payments are authorized in the following issuing terminals:

- (i) Treasury Zanzibar Headquarters and Branches;
- (ii) Representative Office.



5. Prescription:

The Bond will become valid as long as it surrendered to the Treasury intact. The Bond should be submitted upon maturity. However, failure to submit the Bond upon maturity shall not affect its validity.

6. Replacement of Lost Bonds:

A lost Bond will be replaced upon presentation of Police Report as well as affidavit from an authorized Advocate. After replacement, the lost Bond shall be cancelled and a Holder of a cancelled Bond shall be obliged to surrender it to issuing offices if they are subsequently found. The issuing Authority shall announce loss of a Bond in the Government Gazette prior to replacement. Replacement shall be made three months after announcement in the gazette.

7. Title:

Title of the Bond passes by delivery. The Treasury shall treat the holder of a Bond as the absolute owner (whether or not such Bond shall be overdue and notwithstanding any notice of ownership, trust or other interest therein) for the purpose of making payment.

8. Transfer of the Bond:

The Bearer Bond can automatically change hands and for purpose of payment will be deemed owned by the last holder.

9. Holder Responsibility:

The Bond held by holder is kept at own risk. Owner may opt to keep it in the Bank or at Issuing centres for safe custody.



10. Confirmation of Annual Interest Payments:

1ST INSTALMENT	2ND INSTALMENT	3RD INSTALMENT

SCHEDULE III
 ACT NO. 5 OF 1978
 (Made Under Section 3)

ZANZIBAR REVOLUTIONARY GOVERNMENT

24% Three Year Registered Bond Authorised by Revolutionary Council Degree No. 5.

Of 1978
No. c 00000

Sections 3
T.Shs. 100,000/=

This is to Certify that

.....

.....

.....

Is/are the registered holder(s) of Shillings.

.....

of the above Bond.

Dated this day of, 19.....

For the TREASURY ZANZIBAR.

.....
.....

STAMP



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CERTIFICATE OF AUTHENTICATION

This Bond is authenticated by or on behalf of and upon instructions of the Treasury Zanzibar.

By
Authorised Issuing Officer

NOTE:

The Terms and conditions of this Bond are available in a Prospectus obtainable at Treasury and all Issuing Offices.

Coupons on the reverse.

SCHEDULE IV
ACT NO. 5 OF 1978
(Made Under Section 3)

SPECIAL GOVERNMENT REGISTERED BONDS
TERMS AND CONDITIONS OF THE BONDS

Registered Bonds are issued in accordance with the Provisions of Revolutionary Council Decree No. 5 of 1978.

1. Form and Denominations:

The Bonds are issued in Registered form in denomination of the Tanzania Shilling 1,000/=, 5,000/=, 100,000/=, 250,000/=, 500,000/= with coupons attached.

2. Status of the Bonds:

The Bonds are unconditional, direct and general obligation of the Government and the Government hereby pledges its full faith and credit for the due and punctual payment of the Principal of and interest on the due and punctual payment of the principal of and interest on the Bonds.



3. Interest on the Registered Bonds:

The Bonds shall bear interest and would be paid annually at the rate of 24% for the two years Bond; and 24.5% for the three years Bond. The interest would be paid annually in arrears on. Where interest is required to be calculated for a period less than a year, it shall be calculated on the basis of 360 day year consisting of 12 months of 30 days each. Bonds will cease to bear interest on the date on which they become due for redemption.

4. Redemption:

The Bonds would be Redeemable at their principal amount (atpar) on upon maturity together with accrued interest and unpaid interes. Payments of principal and interest will be made by cheques in Tanzania Shilling drawn on specified office Treasury. The payment would be effected upon presentation and surrender of Registered Bonds at the specified office of the Treasury. The payment may be made to an Agent of Registered Bond Holder as per his written instructions and at this own risk. Bond Holder shall not be precluded from re-inversting the bonds upon redemption.

5. Discounting of Registered Bonds:

The Bonds are re-discountable at par by the Treasury and at Specified Offices.

6. Transfer:

Registered Bonds are transferable upon the tendering of written instructions to the effect as well as surender of the Bond Certificate Coupon at the issuing office. For purposes of Security, the Agreement relating to transfer of the Bonds shall be surrendered to the Treasury issuing office together with special transfer forms issued by the Treasury.



7. Replacement of Registered Bonds:

Lost Bonds will be replaced upon presentation of Police Report as well as affidavit from authorised Advocated. After replacement, lost Bonds shall be cancelled and Holders of the canceled Bonds shall be obliged to surrender them to issuing offices if subsequently found. The Issuing Authority shall announce loss of Bonds in the Government Gazette prior to replacement. Replacement shall be made three months after announcement in the Gazette.

8. Taxation:

All payment of principal and interest shall be made without deduction for or on account of any present or future taxes or duties of whats ever nature imposed or levied by or within the Government any municipality or taxing Authority.

9. Prescription:

The bonds will become valid as long as they are surrendered to the Government. It is however advisable for holders to submit them upon maturity.

10. Notices:

Without prejudice to clause 7 above, all notices to the holder of Registered Bonds shall be valid if dispatched by Post to the holders at their Registeres Addresses and advertisement is made in the mass media.

11. Title to the Bonds:

Subject to clause 6 above, Treasury and the Specifield offices shall be entiled to treat the holders of Bonds whose names are registered as the absolute owner thereof.



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12. Paying Agents:

The Paying Agents of Registered Bonds shall be:

- * Treasury Zanzibar
- * and its issuing Offices.

ISSUED BY:
Try Department
P.O. Box 240
Zanzibar.

Passed in the House of Representatives on the
14th day of July, 1993.

K Chamde
KHAMIS JUMA CHANDE

CLERK TO THE HOUSE OF REPRESENTATIVES.