



THE FINANCE (PUBLIC REVENUE MANAGEMENT) ACT, 1998

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ACT NO 6 OF 1998

I ASSENT

Salim Amour

DR. SALMIN AMOUR
PRESIDENT OF ZANZIBAR
AND CHAIRMAN OF THE
REVOLUNTARY COUNCIL

07th August
.....1998

ACT TO IMPOSE AND ALTER CERTAIN TAXES AND AMEND
CERTAIN WRITTEN LAWS RELATING TO COLLECTION AND
MANAGEMENT OF PUBLIC REVENUES

ENACTED by the House of Representatives of Zanzibar

PART I

PRELIMINARY

Short title **1.** This Act may be cited as the Finance (Public Revenue
and Management) Act, 1998 and shall come into operation
Commencement immediately after being assented to by the President.



PART II

AMENDMENT OF THE HOTEL LEVY ACT NO 1 OF 1995.

- Construction 2. This part shall be read as one with the Hotel Levy Act, No. 1 of 1995 in this part referred to as the Principal Act.
- Amendment of section 2 3. Section 2 of the Principal Act is hereby amended by deleting definition of the word Commissioner and replace it with the following :-
- Amendment of section 9 4. Section 9 of the Principal Act is hereby amended by adding sub-sections (4), (5) and (6) immediately after sub-section (3) as follows:-

(4) The authorized officer may seal off, lock up or in any other physical manner prevent taxpayer access to any premises for the purpose of the exercise of any power under this Act for the safeguarding of evidence from being tampered with, or if taxpayer refuses to answer written or oral questions of authorized officer for the purpose of determining Hotel Levy, or if without acceptable reasons refuse to appear in the Commissioner's office after being summoned



officially, or if by the opinion of the Commissioner the closing of business will hasten payment of tax liability.

(5) The closing of business shall be for period of not more than 60 days, if the problem has not been rectified by taxpayer after closing, the Commissioner may revoke or suspend the trading licence issued by whatever authority, until the taxpayer admits in writing that the matter will not be repeated and pay all Hotel Levy liability.

(6) Any loss arising due to closing of business under this Act, will be taxpayer's risk and no claim shall be admissible in court of law.

Amendment
of section 10

5. Section 10 of the Principal Act is hereby amended by deleting the word "*half*" appearing in the fourth line and replace it with the word "*twenty percent*".

PART III

AMENDMENT OF THE STAMP DUTY ACT NO. 6 OF 1996

Construction

6. This part shall be read as one with the Stamp Duty Act No.6 of 1996 in this part referred to as the Principal Act.

Amendment
of section 2

7. Section 2 of the Principal Act is hereby amended by deleting the definition of the word "Commissioner " and replace it with the following :-



“Commissioner” means the Commissioner for Zanzibar Revenue Board or any person to whom the Commissioner has delegated all or any of the functions under this Act.

Amendment
of section 3

8. Section 3 of the Principal Act is hereby amended in sub-section (2) by deleting the phrase “*requiring*

issue of receipt or a bill of sale” on the first line of that sub-section.

Amendment
of section 15

9. Section 15 of the Principal Act is hereby amended in paragraph (d) of sub section (3) by inserting the word “*working*” between the words “*seven*” and “*days*” in the second line of that sub-section.

Amendment
of section 28

10. Section 28 of the Principal Act is hereby amended by adding sub-sections (3), (4) and (5) immediately after sub-section (2) as follows:-

(3) The authorized officer may seal off, lock up or in any other physical manner prevent taxpayer access to any premises for the purpose of the exercise of any power under this Act for the safeguarding of evidence from being tampered with, or if taxpayer refuses to answer written or oral questions of authorized officer for the purpose of determining stamp duty, or if without acceptable reasons refuse to appear in the Commissioner’s office after being summoned officially, or if in the opinion of the Commissioner the closing of business will hasten payment of tax liability.



(4) *The closing of business shall be for period of not more than 60 days, if the problem has not been rectified by taxpayer after closing the Commissioner may revoke or suspend the trading licence issued by whatever authority, until the taxpayer admits in writing that the matter will not be repeated and pay all stamp duty liability.*

(5) *Any loss arising due to closing of business under this Act, will be taxpayers risk and no claim shall be admissible in court of law.*

PART IV

AMENDMENT OF THE VALUE ADDED TAX ACT NO. 4 OF 1998

- Construction** **11.** This part shall be read as one with the Value Added Tax Act No. 4 of 1998 in this part referred to as the Principal Act.
- Amendment of section 1** **12.** Section 1 of the Principal Act is hereby amended by deleting the whole of that section and replace it by a new section 1 as follows:-
- short title and commencement** *"This Act may be cited as the Value Added Tax Act, 1998 and shall come into operation on the 1st day of January, 1999,*



Except for the provisions of part iv, vii, viii, ix, x and section 68 which will come into operation on such date as the Minister may by notice in the Gazette appoint".

Amendment
of section 3

13. Section 3 of the Principal Act is hereby amended by deleting the whole of sub-section (1) and replace it by a new sub-section (1) as follows:-

(1) There shall be charged in accordance with the provisions of this Act, a tax to be known as the Value Added Tax, on the supply of goods and services in Zanzibar on the importation of goods or services from any place outside Zanzibar on and after the 1st day of January, 1999.

PART V

**AMENDMENT OF THE PETROLEUM LEVY
ACT NO. 3 OF 1991**

Construction

14. This part shall be read as one with the Petroleum Levy Act No. 3 of 1991 in this part referred to as the Principal Act.

Amendment
of section 2

15. Section 2 of the Principal Act is hereby amended by adding the definition of the word "Sea Transport" immediately after definition of the word "Petroleum product" as follows:-

"Sea Transport" means an undertaking whose business includes the carriage by sea of passengers and or, cargo for consideration or reward;



Addition of a new section 3A **16.** The Principal Act is hereby amended by adding a new section 3A immediately after section 3 as follows:-

Prohibition of buying fuel outside Zanzibar. **3A.** (1) Every owner of sea transport registered in Zanzibar shall not be allowed to buy fuel outside Zanzibar for any local voyage except for a written permission of the Commissioner.

(2) The Minister may make regulations on fueling procedures for sea transport business registered in Zanzibar.

(3) Where any owner of the sea transport contravenes the provisions of this section or its regulations shall pay all the taxes in respect of the fuel bought outside Zanzibar according to Zanzibar Petroleum Price Bildup within seven days after receiving demand notice from the Commissioner.

(4) The Commissioner may stop the operation of sea transport in respect of that owner until the amount due under sub-section (3) is fully paid.

PART VI

**AMENDMENT OF THE TRADES
LICENSING ACT, No. 3 OF 1983**

Construction **17.** This part shall be read as one with the Trades Licensing Act No. 3 of 1983 in this part referred to as the Principal Act.

Amendment of first schedule. **18.** The first Schedule of the principal Act is hereby amended as follows:-



FIRST SCHEDULE

| Typing of Trading Licence | For place of business | for each subsidiary place of business |
|--------------------------------------|-----------------------|---------------------------------------|
| (e) Instrument Business | 120,000 shillings | 90,000 Shilling |
| (f) Shipping Agency | 100,000 " | 80,000 " |
| (g) Lighterage and stevedoring | 100,000 " | 80,000 " |
| (h) Hotels | 150,000 " | 120,000 " |
| (i) Guest House | 80,000 " | 50,000 " |
| (j) Restaurant | 50,000 " | 40,000 " |
| (k) Bars | 100,000 " | 80,000 " |
| (l) Business of Commercial travel | 80,000 " | 60,000 " |
| (m) Travel Agent or tour operator | 50,000 " | 20,000 " |
| (n) Air transport | 100,000 " | 70,000 " |
| (o) Business of specified profession | 70,000 " | 50,000 " |
| (p) Business of Consultant | 100,000 " | 80,000 " |
| (q) Business of Contractor | 300,000 " | 250,000 " |
| (r) Business of Export and Import | 150,000 " | 120,000 " |

PART VII

AMENDMENT OF THE SALES TAX ACT, 1991.

Construction:

19. This part shall be read as one with the Sales Tax Act in this part referred to as the Principal Act.

Amendment
of the first schedule

20. The first schedule of the Principal Act is hereby amended as follows:-



CHAPTER II

PRODUCTS OF THE MILLING INDUSTRY: MALT AND STARCHES: CLUTEN: INULIN

| TARIFF No. | TARIFF HEADING | SALES TAX RATE |
|------------|--|----------------|
| 11.01 | Cereal Flours: A: Wheat Flours B: Others | Free Free |

Passed in the House of Representatives on 27th day of July, 1998

Khamis Juma Chande
KHAMIS JUMA CHANDE,
CLERK OF THE HOUSE
OF REPRESENTATIVES,
ZANZIBAR