



THE FINANCE ACT, 2003

ARRANGEMENT OF SECTIONS

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ACT NO. 10 OF 2003

I ASSENT

Amani Abeid Karume
{ **AMANI ABEID KARUME** }
PRESIDENT OF ZANZIBAR
AND

CHAIRMAN OF THE REVOLUTIONARY COUNCIL

20th August
....., 2003

**AN ACT TO IMPOSE AND ALTER CERTAIN TAXES AND DUTIES
AND TO AMEND CERTAIN WRITTEN FINANCIAL AND
TAX LAWS RELATING TO COLLECTION 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 Act, 2003.
- Commencement. 2. The provisions of the various parts of this Act shall, save where it is provided otherwise in respect of the commencement of any part, be deemed to have come into operation immediately after being assented to by the President.

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

- Construction. 3. 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 19.

4. Section 19 of the Principal Act is hereby amended by adding a new subsection (9) immediately after subsection (8) as follows:-

"(9) Notwithstanding the provision of this section, the Deputy Commissioner may refuse to register any person whose taxable turnover exceeds the prescribed turnover on the ground of protection of Government Revenue as he may reasonably determine."

Amendment of
Section 25.

5. Section 25 of the principal Act is hereby amended by deleting subsection (3) thereof and substituting for the following:-

"(3) A taxable person who fails to keep proper records as required by or under this Act, or who fails to retain them for the time so required commits an offence and upon conviction is liable to a fine not less than five hundred thousand shillings but not exceeding five million shillings or fifty percent of the assessed tax whichever is greater, or to imprisonment for a term not less than six months or both such fine and imprisonment."

Addition of new
section 20A.

6. The Principal Act is hereby amended by adding a new section 20A, immediately after section 20 as follows:-

"Registration of warehouse. 20A(1) Any person registered under this Act shall be required to register his warehouse in the manner and form prescribed by the regulations made under this Act.

(2) For the purpose of this Act "warehouse" means any place approved by the Commissioner in respect of which any kind of goods are deposited or stored.



PART III
AMENDMENT OF HOTEL LEVY
ACT NO. 1 OF 1995

Construction.

7. This Act shall be read as one with the Hotel Levy Act, No.1 of 1995 in this part referred to as the "Principal Act".

Addition of a new section 5D.

8. The principal Act is hereby amended by adding a new section 5D as follows:

"Registration of warehouse.

5D(1) Any person registered under this Act shall be required to register his warehouse in the manner and form prescribed by the regulations made under this Act.

(2) For the purpose of this Act "warehouse" means any place approved by the Commissioner in respect of which any kind of goods are deposited or stored."

PART IV
AMENDMENT OF STAMP DUTY
ACT NO. 6 OF 1996

Construction.

9. 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."

Additional of new sections 3A, 3B, 3C and 3D.

10. The principal Act is hereby amended by adding new sections 3A, 3B, 3C and 3D immediately after section 3 as follows:

"Registration.

3A.(1) Any person who engages in any business and does not qualify to be registered under the provisions of the Value Added Tax Act No. 4 of 1998, shall be dully registered under the provisions of this Act prior to the commencement of the business.



(2) All application for registration shall be made in the manner and form prescribed in the regulations.

(3) Where the Commissioner is satisfied that there is good reason to do so, on grounds of national economic interest or for the protection of revenue, may register any person, whether or not an application to be registered has been made, regardless of the taxable turn over of that person."

"Registration, certificate and identification.

3B.(1) The Commissioner shall issue a taxable person registered under this Act with a certificate of registration.

(2) A certificate of registration issued under this section shall state the name and principal place of business of the taxable person, the date on which registration takes effect and his taxpayer identification number and his stamp duty registration number.

(3) A taxable person shall show his taxpayer identification number and his stamp duty registration number in any return, notice of appeal or other document used for the purpose of this Act, and display his certificate of registration in a conspicuous position at his place of business.

(4) The Commissioner shall provide, on request sufficient copies of the certificate of registration, clearly marked "copy", for a copy to be displayed at all premises which are part of the business for the taxable person is registered."



"Cancellation of Registration 3C.(1) Any person who ceases to be liable to be registered under this Act shall notify the Commissioner in writing within thirty days of ceasing to be liable, and a person failing to do so commits an offence and upon conviction is liable to a fine not less than fifty thousands shillings but not exceeding two hundred thousands shillings.

(2) If the Commissioner is satisfied that a person is no longer required to be registered he shall, subject to any other conditions prescribed in this Part or in the regulations, including the payment of all stamp duty due under this Act, cancel the registration with effect from the date of the notification or from any other date which may be determined by the Commissioner and he shall notify the person in writing of the date which the cancellation of the registration takes effect".

"Registration of warehouse. 3D.(1) Any person registered under this Act shall be required to register his "warehouse" in the manner and form prescribed by the regulations made under this Act.

(2) For the purpose of this Act "ware house" means any place approved by the Commissioner in respect of which any kind of goods are deposited or stored."

PART V
AMENDMENT OF PETROLEUM LEVY
ACT NO. 7 OF 2001

Construction.

11. This part shall be read as one with the Petroleum Levy Act, No 7 of 2001, in this part referred to as the "principal Act."



Amendment
of section 4.

12. The Principal Act is hereby amended by renumbering section 4 to be section 4 (1) and adding subsection (2) as follows:-

"(2) Every importer, marketer or operator of filling station of petroleum product in Zanzibar shall be required to have calibrated storage tanks as prescribed by the regulations made under this Act."

Amendment
of section 5.

13. Section 5 of the Principal Act is hereby amended by deleting subsection (2) thereof and substituting for the following:-

"(2) Every license issued under this section shall expire on the 31st day of December of the year of issue or on such terms and conditions specified thereof."

Amendment of
section 7.

14. Section 7 of the Principal Act is hereby amended by deleting subsection (1) thereof and substituting for the following:

"(1) Every owner shall submit a return showing the receipts and sales made during the month to the Commissioner as prescribed in the regulations made under this Act."

Passed in the House of Representatives on the 1ST day of August, 2003.


{ **KHAMIS JUMA CHANDE** }
CLERK OF THE HOUSE OF REPRESENTATIVES