



**AN ACT TO IMPOSE AND ALTER CERTAIN TAXES AND DUTIES  
ACT NO. 3 OF 2014**

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ACT NO. 3 OF 2014

I ASSENT

{DR. ALI MOHAMED S HEINI}  
PRESIDENT OF ZANZIBAR

AND

CHAIRMAN OF THE REVOLUTIONARY COUNCIL

*30 June* 2014

**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 Zanzibar

**PART I  
PRELIMINARY PROVISIONS**

Short title and  
Commencement.

1. This Act may be cited as the Finance (Public Revenue Management) Act, 2014 and shall come into operation immediately after being assented to by the President.

**PART II  
AMENDMENTS OF THE TAX ADMINISTRATION AND PROCEDURES  
ACT NO. 7 OF 2009**

Construction.

2. This part shall be read as one with the Tax Administration and Procedures Act, No. 7 of 2009 in this part referred to as the Principal Act.

Amendment of  
section 3.

3. Section 3 of the principal Act is hereby amended by inserting the new interpretation as follow:-



"Withholding agent" means a person appointed under section 50 of the Act.

Amendment of section 18.

4. Section 18 of the Principal Act is hereby amended in:-

- (a) Subsection (2) by deleting the word "fifteenth" and replacing for it by the word "seventh".
- (b) In subsection (3) by deleting the words "the last working day before such date" and replacing for them the words "on the first working day after such date"

Amendment of section 22.

5. Subsection (6) of section 22 of the Principal Act is hereby amended by deleting the phrase "subsection (4)" and replacing for it the phrase "subsection (5)".

Amendment of section 31.

6. Section 31 of the principal Act is hereby amended in:-

- (a) Subsection (1)(a) by deleting the words "twenty fifth" and replacing for them the word "fifteenth".
- (b) Subsection (2) by deleting the words "the last working day before such date" and replacing for them the words "the first working day after such date".

Amendment of section 36.

7. The Principal Act is hereby amended by deleting section 36 and substitute for it the following section:-

Refund. 36.-(1) Subject to the provisions of this Act, the Commissioner shall refund any amount required to be refunded if such amount is:

- (a) properly required to be refunded under any tax law; or
- (b) erroneously paid in respect of any tax law; or
- (c) any amount not liable to be charged or not due under this Act or any tax law.

(2) The Commissioner shall not authorise a refund as referred to in subsection (1) until such time that a verification, inspection or audit of the refund is conducted.



(3) Refund of any amount or part thereof, shall not be granted under subsection (1) unless the person claiming such refund present such claim within a period of twelve months from the date of payment of the amount.

(4) Subject to the provisions of this section, if the Commissioner pays to a person by way of a refund any amount which is not properly payable to the person under tax laws, the amount is regarded as tax that is payable by the person to the Commissioner from the date on which such person notified by the Commissioner.

Amendment of section 41.

8. Subsection (1) of section 41 of the Principal Act is hereby amended by inserting the word "or" immediately after the words "taxable person" appearing in paragraph (c).

Amendment of section 43.

9. Section 43 of the Principal Act is hereby amended in subsection (1) by

(a) deleting item (d) and substituting for it the following item:-

(d) if in his opinion the closing of business will hasten payment of a tax liability,

(b) inserting the following proviso:-

lock up or seal off the business premises of the taxable person and thereafter the goods therein shall be deemed to have been attached and at the disposal of the Commissioner.

(c) adding the words "the taxable person" between the words "reason" and "refuses" in paragraph (c).

Amendment of section 51.

10. Section 51 of the Principal Act is hereby amended in subsections:-

(a)(1) by deleting the words "a Single Bill of Entry and any other customs document, payment receipt, cash sale or tax invoice" and replacing for them the words "any relevant customs document, payment receipt, cash sale or tax invoice".

(b)(2) by deleting the words "the Bill of Entry, and any other customs document or cash sale or payment receipt" and replacing for them the words "any relevant customs document, payment receipt, cash sale or tax invoice".



Addition of a new section 54A.

11. The Principal Act is hereby amended by adding a new section 54A immediately after section 54 as follows:-

Liability of other person in payment of tax liability.

54A.-(1) Any individual whether employed or not, is personally liable for any tax debt or tax liability of the taxable person to the extent that such individual resulted in the failure to pay the tax debt if he controls or is regularly involved in the management of the overall financial affairs of a taxable person. Provided that this section does not exclude a taxable person of his liabilities and responsibilities as provided under this Act.

(2) In respect of a Company; this section applies where a company is liquidated whether voluntary or by Court without having satisfied or settled its tax debt, including its liability as a responsible third party, withholding agent, or a representative of a taxable person.

Amendment of section 56.

12. The Principal Act is hereby amended in section 56 by:-

(a) deleting sub section (1) and replacing for it the following sub-section:-

(1) Upon application by any person who commits an offence, the Commissioner may compound an offence committed by any person under this Act or its Regulations by requiring him to pay the fine prescribed for such offence, provided that the person:-

- (a) admits in writing that he has committed an offence and shall take due care not to repeat it;
- (b) pays all his liabilities or any other sums payable under this Act or its Regulations.

(b) Inserting a new sub section (6)

(6) Where any person agrees to compound an offence, the certificate of compounding shall not be subject to appeal and may be enforced in the same manner as a decree or order of the High Court.

Amendment of section 62.

13. The Principal Act is hereby amended by deleting section 62 thereof and replacing for it the following section:-



Person acting in representative capacity.

62.-(1) Subject to the provisions of this Act, a taxable person may appoint any authorised representatives for the tax purposes.

(2) For the purpose of this section "authorized representative" means:-

- (a) in the case of a Company or Public Corporation, a chief executive officer, officer responsible for finance or any other person authorised in writing;
- (b) in the case of a Company under administration, the administrator of the Company or any other person authorised in writing;
- (c) in the case of a partnership, any partner, officer responsible for finance or any other person authorised in writing; or
- (d) in the case of a sole proprietorship, the owner or his representative authorised in writing.

(3) Unless the context otherwise requires, an authorized representative shall do anything authorised under his appointment except the functions of Tax Consultant or Tax Preparer as provided for under Regulations.

(4) Notwithstanding the provisions of this section, taxable person shall not be relieved of his obligations under this Act by the actions, errors or omission of his authorised representative.

Addition of section 62A.

14. The Principal Act is hereby amended by adding a new section 62A immediately after section 62 as follow:-

Tax Consultants and Tax Preparers.

62A-(1) For the purpose of administering tax matters, the taxable person may engage a Tax Consultant or a Tax Preparer who shall be registered by the Commissioner.

(2) The Minister shall make regulations for Tax Consultants and Tax Preparers.

(3) Any taxable person by whom the services done by his Tax Consultant or Tax Preparer on his behalf, shall be bound by the act done by Tax Consultant or Tax Preparer as if the act has been done by the taxable person himself.



Amendment of section 68.

**15.** Section 68 of the Principal Act is hereby amended by:-

- (a) Renumbering section 68 to be 68(1)
- (b) Inserting a new subsection (2) as follows:-

(2) For the purpose of protecting government revenue and safeguarding the evidence, the Commissioner or authorized officer may detain any vehicle, container, or any equipment used in relation to the commission of the offence under this Act.

**PART III  
AMENDMENTS OF THE PETROLEUM LEVY  
ACT, NO. 7 OF 2001**

Construction.

**16.** 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 13.

**17.** Subsection (7) of section 13 of the Principal Act is hereby amended by inserting the words "devices, containers, equipment, vehicles, any property, animal or other things between the words " vessel" and "found".

**PART IV  
AMENDMENTS OF THE VALUE ADDED TAX  
ACT, NO. 4 OF 1998**

Construction.

**18.** 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 2.

**19.** Section 2 of the Principal Act is hereby amended by deleting the interpretation of "Withholding agent"

Amendment of section 26A.

**20.** Section 26A of the principal Act is hereby amended by :-

- (a) Deleting subsection (2) thereof
- (b) Renumbering subsection (3) to be subsection (2)





**PART V**  
**AMENDMENTS OF THE ZANZIBAR REVENUE BOARD,**  
**ACT, NO. 7 OF 1996**

- Construction.                   **21.** This part shall be read as one with the Zanzibar Revenue Board Act, No. 7 of 1996 in this part referred to as the Principal Act.
- Amendment of section 5.                   **22.** Section 5 of the Principal Act is hereby amended by renumbering "section 5(1)" to be "section 5"
- Amendment of section 15.                   **23.** Section 15 of the Principal Act is hereby amended :-
- (a) in subsection (1) by deleting the word "expires" and replacing for it the word "dies"
  - (b) in subsection (3) by :-
    - (a) deleting the word "functions" and substituting for it words "powers and functions".
    - (b) inserting the words "duly authorized" between the word "any" and "officer".
- Amendment of section 15A.                   **24.** Section 15A of the Principal Act is hereby amended :-
- (a) In subsection (1) by inserting the word "Zanzibar" between the word "of" and "Revenue".
  - (b) by deleting subsection (3) thereof and substituting for it the following subsection.
- (3) The Deputy Commissioner shall :
- (a) perform such other duties as may be assigned to him from time to time by the Commissioner; and
  - (b) have full powers to perform the functions and to exercise the powers of the Commissioner where the Commissioner is absent.
- Amendment of section 29.                   **25.** Subsection (4) and subsection (6) of section 29 of the Principal Act is hereby amended by deleting the phrase "subsection (2)" and replacing for it the phrase "subsection (3)".



**PART VI**  
**AMENDMENTS OF THE TAX APPEALS ACT, NO. 1 OF 2006**

- Construction.                   **26.** This part shall be read as one with the Tax Appeals Act, No. 1 of 2006 in this part referred to as the Principal Act.
- Amendment of section 4.           **27.** Section 4 of the Principal Act is hereby amended :-
- (a) In subsection (2) by:-
- (i) inserting a new paragraph (b) as follow:-
- "Vice-Chairperson who shall be appointed by the Minister."
- (ii) renumbering paragraph (b) to be paragraph (c)
- (b) In subsection (3) by adding the words "or Vice Chairperson" immediately after the word "chairperson".
- (c) In subsection (4) by:
- (i) adding paragraph (b) immediately after paragraph (a) as follows:-
- "(b) The Vice Chairperson unless he is a legal officer with experience of seven years in the field and enrolled as advocate of the High Court or any person with a knowledge in taxation and experience for ten years"
- (ii) Renumbering paragraph (b) to be (c)
- (d) in subsection (5) by inserting the words "or Vice Chairperson" immediately after the word "member".
- (e) in subsection (6) by inserting the words "or Vice Chairperson" immediately after the word "members".
- Amendment of section 5.           **28.** Section 5 of the Principal Act is hereby amended by inserting the word "sole" between the words "have" and "original".
- Amendment of section 15.           **29.** Section 15 of the Principal Act is hereby amended by renumbering "15 (1)" to be "15".



**PART VII  
AMENDMENTS OF THE ROAD TRANSPORT ACT, NO. 7 OF 2003.**

- Construction.                   **30.** This part shall be read as one with the Road Transport Act, No. 7 of 2003 in this part referred to as the Principal Act.
- Amendment of section 86.           **31.** Section 86 of the principal Act is hereby amended by deleting subsection (1) thereof and replacing for it the following subsection.
- (1) A driving licence shall, unless previously revoked or surrendered, remain in force for a period of two years to five years from the date of its issue and may on application being made in the prescribed form and after payment of the prescribed fee, be renewed for a further period of two to five years.

**PART VIII  
AMENDMENTS OF THE EMPLOYMENT ACT NO. 11 OF 2005**

- Construction.                   **32.** This part shall be read as one with the Employment Act, No. 11 of 2005 in this part referred to as the Principal Act.
- Amendment of section 40.           **33.** Section 40 of the Principal Act is hereby amended in subsection (1) by:-
- (a) Inserting a new paragraph (f) as follows:-
- "(f) If the applicant when renewing a permit, fails to produce income tax clearance showing that his or her tax affairs are in order".
- (b) Renumbering paragraph (f) thereof to be paragraph (g)
- Amendment of section 98.           **34.** Section 98 of the Principal Act is hereby amended by deleting subsection (1) thereof and replacing for it the following new subsection (1) as follows:-
- "(1) The wage of every employee shall be made payable in legal tender directly deposited to each employee's local bank account and any agreement to the contrary shall be null and void".

**PASSED** by the House of Representatives on 21<sup>st</sup> day of May, 2014

YAHYA KHAMIS HAMAD  
CLERK OF THE HOUSE OF REPRESENTATIVES OF ZANZIBAR