



**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 AND
OTHER MATTERS CONNECTED THEREWITH**

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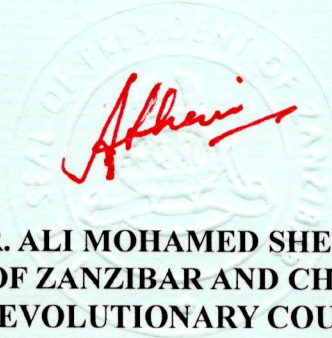
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ACT NO. 9 OF 2018

I ASSENT



{ DR. ALI MOHAMED SHEIN }
PRESIDENT OF ZANZIBAR AND CHAIRMAN OF
THE REVOLUTIONARY COUNCIL

3rd July, 2018

**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
AND OTHER MATTERS CONNECTED THEREWITH**

ENACTED by the House of Representatives of Zanzibar.

**PART ONE
PRELIMINARY PROVISIONS**

Short title
and
Commencement.

1. This Act may be cited as the Finance (Public Revenue Management) Act, 2018 and shall come into operation immediately after being assented to by the President.

**PART TWO
AMENDMENT 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 5. 3. Section 5 of the Principal Act is amended in subsection (2) by adding the words "within fifteen days from the date of commencing the business" immediately after the word "Commissioner".



Amendment
of
section 18.

4. Section 18 of the Principal Act is amended by deleting subsection (2) and replace it by new subsection (2) as follows:

"(2) Save as otherwise provided in the respective Tax Laws or Regulations, every taxable person shall, on or before the twentieth day of each month following the end of the accounting period, make and file a tax return, whether or not tax is payable in respect of that period."

Amendment
of
section 29.

5. Section 29 of the Principal Act is amended by inserting new subsection (7) immediately after subsection (6) as follows:

"(7) Subject to the provisions of the Evidence Act, any documents, records, electronic equipment or accessory or information derived from electronic equipment or accessory obtained under this section shall be admissible as evidence in any proceeding against the taxable person."

Amendment
of
section 31.

6. Section 31 of the Principal Act is amended by:

(a) deleting paragraph (a) in subsection (1) and substituting for it the following:

"(a) save as otherwise provided in the respective Tax Laws or Regulations, by twentieth day of the month following the end of the accounting period."

(b) adding new subsection (4) immediately after subsection (3) as follows:

"(4)(a) A taxpayer may, in writing, apply to the Commissioner for an extension of time to pay tax under a Tax law;

(b) The Commissioner may, upon the receipt of the application and if satisfied that the extension is necessary due to taxpayer's absence from Zanzibar, sickness or other good cause, extend the date on which tax or part of tax shall be paid;

(c) The Commissioner shall serve the applicant a written notice of the decision on his application; and

(d) Where an extension is granted by permitting the taxpayer to pay tax by instalments and the taxpayer has defaulted in paying any of the instalments, the whole balance of the tax outstanding plus the interest shall become payable immediately."



Amendment
of section
31A.

7. Section 31A of the Principal Act is amended in subsection (3) by deleting the reference “subsection (1)” and substituting for it “subsection (2)”.

Amendment
of
section 57.

8. Section 57 of the Principal Act is repealed and replaced by the following new section 57:

"Waive of fine or penalty. 57(1) The Minister, in consultation with the Commissioner, may remit or waive the whole or part of the tax payable by that person as may be specified and published in the Official Gazette by the Minister.

(2) Where good cause is shown in writing by a person liable for tax payable under this Act, the Commissioner may, if to the best of his judgment finds it just and appropriate remit or waive in whole or in part, the imposition of the penalty, interest or fine payable under this Act, except that in the case of interest, the remission or waiver shall not exceed fifty per cent of the total interest amount."

PART THREE AMENDMENT OF STAMP DUTY ACT NO. 7 OF 2017

Construction.

9. This part shall be read as one with the Stamp Duty Act No. 7 of 2017 in this part referred to as the “Principal Act”.

Amendment
of section 77.

10. Section 77 of the Principal Act is amended as follows:

(a) deleting subsection (1) and substituting for it the following new subsection (1):

“(1) Subject to procedures to be laid down under Regulations under this Act, the Minister may, by notice in the Gazette, exempt any duty which is chargeable under this Act on sufficient reasons for public interest.”

(b) inserting a new paragraph (c) in subsection (2):

“(c) any instrument for conveyance or transfer of immovable property including land and buildings without exchange of any payment or any other consideration during inheritance, or succession or between parent or legal guardian and child.”

(c) deleting subsection 3 and inserting a new subsection (3):

“(3) Without prejudice to the generality of subsection (1) of this section a duty shall not be payable by the following:



- (a) any approved enterprises under the Zanzibar Investment Promotion and Protection Act, if exemption is provided under that Act; and
- (b) the airliners issuing tickets for international transport.

**PART FOUR
AMENDMENT OF THE ZANZIBAR TAX APPEALS
ACT NO. 1 OF 2006**

Construction. **11.** This part shall be read as one with the Zanzibar Tax Appeals Act No. 1 of 2006 in this part referred to as the "Principal Act".

Adding new section 21A. **12.** The Principal Act is amended by adding a new section 21A as follows:

"Discretion of Board or Tribunal on procedure. 21A (1) In any proceeding before the Board or Tribunal, the procedure of the Board or Tribunal shall, subject to this Act and Rules made under this Act, be within the discretion of the Board or the Tribunal as the case may be.

(2) A proceeding before the Board or Tribunal shall be conducted with as little formality and technicality as possible, and the Board or Tribunal shall not be bound by the rules of evidence but may inform itself on any matter in such manner as it thinks appropriate.

(3) Where the Act and Rules made under this Act are silent in relation to any particular practice or procedure, the proceedings of the Board or Tribunal shall be conducted in accordance with such rules of practice and procedure as the Board or Tribunal may specify."

**PART FIVE
AMENDMENT OF THE PETROLEUM LEVY ACT NO. 7 OF 2001**

Construction. **13.** 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".

Repealing of section 5. **14.** Section 5 of the Principal Act is repealed.

**PART SIX
AMENDMENT OF THE ZANZIBAR INVESTMENT PROMOTION
AND PROTECTION ACT NO. 11 OF 2004**

Construction. **15.** This part shall be read as one with the Zanzibar Investment Promotion And Protection Act No. 11 of 2004 in this part referred to as the "Principal Act".



Amendment
of
section 19.

16. Section 19 of the Principal Act is amended by:

- (a) deleting the words “during the construction period” appearing between the word “lease” and “strategic” under subsection (2);
- (b) deleting the "proviso" under subsection (2);
- (c) inserting the new subsection (3) immediately after subsection (2) as follows:

"(3) The exemption period under subsection (2) of this section shall be as provided under the First Schedule of this Act."

- (d) renumbering the previous subsection (3) to be subsection (4) accordingly.

**PART SEVEN
AMENDMENT OF THE KIKOSI MAALUM CHA KUZUIA MAGENDO
ACT NO. 1 OF 2003**

Construction.

17. This part shall be read as one with the Kikosi Maalum Cha Kuzuia Magendo Act No. 1 of 2003 in this part referred to as the “Principal Act”.

Amendment
of
section 2.

18. Section 2 of the Principal Act is amended by deleting the definitions of the terms “smuggling”, “officer” and “sailor” and substituting for them the following new definitions in their appropriate alphabetical order:

"Smuggling" means an unlawful importation, exportation, or carriage coastwise, or the transfer or removal into or out of Zanzibar, goods, articles or any other products with intent to defraud the revenue, or to evade any prohibition of, restriction on, regulation or condition as to such importation, exportation, carriage coastwise, transfer, or removal;"

“Officer” means a soldier of KMKM with the rank above a sailor;

“Sailor” means a soldier of KMKM with the rank below an officer.

Amendment
of
section 4.

19. Section 4 of Principal Act is amended by:

- (a) adding the words “or sailors” immediately after the word “officers” appearing in subsection (2);
- (b) adding the new subsection (4) immediately after subsection (3) as follows:



“(4) The procedures for arrest, inspection, search to handing over shall be prescribed in Regulations, where there is no Regulations the procedures provided under the Criminal Procedure Act shall apply.”

Addition of
New Part IIA. **20.** The Principal Act is amended by adding the new Part IIA immediately after
PART II as follows:

PART IIA PREVENTION OF SMUGGLING

Powers of
KMKM
to prevent
smuggling.

4A(1) Notwithstanding the provisions of any other law, KMKM shall have power and mandate on preventing smuggling.

(2) In performing the power and mandate provided under subsection (1):

- (a) an officer or sailor while on duty may enter upon, patrol and pass freely along any vessel, vehicle and any premises other than dwelling house.
- (b) an officer or sailor may, board and search any air craft, vessel or vehicle and may examine, lock-up, seal, mark or otherwise secure, any goods on such air craft, vehicle or vessel; and for the purpose of the examination security of any goods, such officer or sailor may require such goods to be unloaded, or removed at the expense of the master of such aircraft, vessel or vehicle.
- (c) an officer or sailor acting under this section who is unable to obtain free access to any part of such aircraft ,vehicle, vessel, or to any container therein, may enter such part, or open such container, in such manner, if necessary by force, as he may deem necessary.”
- (d) a person who denies an officer access commits an offence and upon conviction shall be liable to imprisonment for a term of not less than two years but not exceeding five years.

(3) The officers or sailors while discharging their duties may, in addition to the powers given to them in prevention of smuggling under this Act, exercise the powers and follow the procedures given to officers under the East African Community Customs Management Act and its Regulations.



Addition
of New
sections 25A
and 25B.

21. The Principal Act is amended by adding new sections 25A and 25B immediately after section 25 as follows:

"Offences
relating to
smuggling.

25A(1) A person who commits smuggles offence and upon conviction shall be liable to all of the following penalties:

- (a) an imprisonment for the term of not less than seven years but not exceeding twenty five years;
- (b) payment of fine equal to the value of the animals, goods, articles or any other products which he had intended to export, import, transfer or carry;
- (c) any vehicle, vessel, aircraft or any other thing used for the transportation or which was to be used for the transportation of such human beings, animals, goods, article or any other products, shall be forfeited to the Government irrespective of whether such vehicle, vessels, aircraft or other things belong to the accused or not; and
- (d) Any good in respect of which an offence of smuggling has been committed shall be forfeited.

(2) Where the vessel or aircraft is a foreign vessel or foreign aircraft shall be attached until payment in foreign currency to the equivalent of Tanzania twenty million shillings is made.

(3) Where the vehicle, vessel, aircraft or any other thing used for the transportation or which was to be used for the transportation of such essential commodities or restricted goods belonging to the Government or its parastatal, then the driver or any person entrusted with such vehicle, vessel, aircraft or such other thing as the case may be and or the person who authorized such driver or the other person shall be liable to a payment of fine of equal to the value of the animals, goods, articles or any other products which he had intended to export, import, transfer or carry, or imprisonment for the term of not less than two years but not exceeding five years."

"Aider
and
abettor.

25B. Any person who aids, abets, conceals or procures the commission of an offence of smuggling shall be deemed to have committed such offence and shall be guilty of an offence of smuggling."



Amendment
of section
31.

22. Section 31 of the Principal Act is amended in subsection (2) by adding new paragraph (h) immediately after the paragraph (g) and renumbering paragraph (h) to be (i) accordingly as follows:

“(h) the probable incentives which may be given to an officer or person who leads to the successful arrest of any person alleged to have committed an offence of smuggling.”

PART EIGHT
AMENDMENT OF THE ZANZIBAR NATIONAL
BUSINESS COUNCIL ACT NO. 10 OF 2017

Construction.

23. This part shall be read as one of the Zanzibar National Business Council Act No. 10 of 2017 in this part referred to as the “Principal Act”.

Amendment
of section 15.

24. Section 15 of the Principal Act is amended by deleting subsection (1) (a) and replace it by new subsection (1) (a) as follow:

“15(1) (a). The Chief Secretary and Secretary of the Revolutionary Council who shall be the Chairman of Steering Committee and Secretary to the Council.”

PASSED by the House of Representatives of Zanzibar on 27th June, 2018.

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(RAYA ISSA MSELLEM)

Clerk of the House of Representatives of Zanzibar.