

AN ACT TO IMPOSE LEVY ON FINANCIAL  
INSTITUTIONS OPERATING IN ZANZIBAR.

ARRANGEMENT OF SECTIONS :

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ACT NO. 12 OF 1986

I ASSENT

*Idris Abdul Wakil*

IDRIS ABDUL WAKIL

PRESIDENT OF ZANZIBAR

AND

CHAIRMAN OF THE REVOLUTIONARY  
COUNCIL.

*18 November* ..... 1986.

AN ACT TO IMPOSE LEVY ON FINANCIAL  
INSTITUTIONS OPERATING IN ZANZIBAR.

ENACTED BY THE HOUSE OF REPRESENTATIVES OF ZANZIBAR.

Short title  
and  
commencement.

1. This Act may be cited as Financial  
Institutions (Imposition of Levy) Act, 1986  
and shall come into operation immediately upon  
being assented by the President.

Interpretation.

2. In this Act, unless the Context  
otherwise requires -

"the Commissioner" means the Principal  
Secretary to the Treasury and  
includes any person to whom the  
Principal Secretary to the Treasury  
has, by writing under his hand  
delegated all or any of his functions  
under this Act ;

...../2.



"Financial Institution" includes  
banking institution, insurance  
company, credit institution and  
any other company or institution  
which deals with finance ;

"Minister" means Minister for the time  
being responsible for finance ;

"Owner" means the owner of a financial  
institution and includes any  
person in charge of that institution.

Imposition  
of levy.

3. (1) Every owner of the financial  
institution shall pay, in respect of every -

- (i) fixed deposit ;
- (ii) Time deposit ;
- (iii) Saving deposit ;
- (iv) Current deposit ; and
- (v) other type of deposition or  
collection

a levy of three quarter per centum on each  
of the above deposits or collections annually:

Provided that in no case shall such levy  
be less than 50,000/- shillings.

(2) The levy imposed by subsection  
(1) of this section shall be paid by the owner  
in such a manner and at such intervals as may  
be prescribed by the Commissioner.

Exemption.

4. The Minister may, by order in  
the Gazette exempt -

- (a) any financial institution or  
class of financial institution ;
- (b) any owner or class of owners  
from payment of levy.

Inspection  
by  
Commissioner.

5. (1) The Commissioner may, for the purpose of ensuring that the provisions of this Act and of the regulations made hereunder have been complied with, at any reasonable time enter any financial institution and inspect books of accounts and any documents relating to or any records showing such deposits or accounts during such intervals as may be prescribed by the Commissioner.

(2) The Commissioner may seize any such register or book of account or document and retain the same until produced as evidence in any court or if not so produced for a period not exceeding one month.

Offences.

6. Any person, financial institution or owner who -

(a) fails to pay the levy due under this Act within 15 days from the date on which the same is required to be paid ;

(b) with intent to evade payment of any levy or penalty due under the provisions of this Act -

(i) makes any false statement to the Commissioner ; or

(ii) fails to or omits to give any information or submit any return required to be given or submitted by this Act or by regulations made hereunder, or gives any such return which is false in any material particular,

shall be guilty of an offence.



Penalty.

7. (1) Where any owner or financial institution, is, under this Act, liable to pay levy, fails to pay the whole or any part of such time and in such manner as may be prescribed by regulations made hereunder -

- (a) an additional levy equal to twenty-five per centum of the unpaid amount of the levy shall thereupon become and be payable by way of penalty by such owner ;
- (b) if such amount remains unpaid by the owner for more than thirty days after the date upon which it is, by regulations made under this Act, required to be paid, the rate of the additional levy prescribed by paragraph (a) shall be increased by ten centum of the amount of levy remaining unpaid in respect of each period of thirty days or part thereof after such date during which such amount remains unpaid, and such additional levy by way of penalty shall become and be payable by such owner accordingly.

(2) Any sum payable by way of penalty under this section shall, for the purposes of this Act, be deemed to be levy and shall be collected and recoverable accordingly.

(3) The Commissioner may remit in whole or in part any penalty payable under this section.

(4) For the purposes of this section, payment of levy shall be deemed to have been made by the person liable to make such payment only when such payment is received by the Commissioner.



Failure to  
comply with  
the penalty.

8. If the financial institution or owner fails to comply with the penalty given under section 7 of this Act, such financial institution shall -

- (a) be ordered to close down its business within 30 days from the date of such an order ; and
- (b) the owner of such institution may be guilty of an offence and shall on conviction be liable to an imprisonment for a period of exceeding 2 years but not exceeding 3 years.

Recovery  
of the  
levy.

9. (1) Any levy or penalty payable by any owner under the provisions of this Act shall be a debt due to the Government and may be recovered from such owner as a civil debt by a suit at the instance of the Commissioner or any person authorized by the Commissioner in that behalf.

(2) Without prejudice to the method of recovery of levy and penalties prescribed by subsection (1), where any amount of levy or penalty is due from any owner of financial institution, the Commissioner may file in a court of a resident magistrate having jurisdiction over the area in which the financial institution is situated, a certificate stating -

- (a) the name and address of the person from whom such amount is due ; and
- (b) the amount due ,

and upon such certificate being lodged in such court such certificate shall be deemed to be a decree passed by such court against the person named in the certificate for payment by such person to the Government of the amount stated in the certificate together with interest thereon at ten per centum per month from the date on



which such certificate is filed until the date of payment, and every such decree may be executed in the same manner as a decree passed by a court of a resident magistrate in a civil suit.

(3) The provisions of subsection (2) shall apply notwithstanding that the amount involved exceeds the pecuniary jurisdiction of a court of a resident magistrate.

(4) Every certificate filed in a court of a resident magistrate pursuant to the provisions of subsection (2) shall be conclusive evidence of the truth of the statements contained in such certificate.

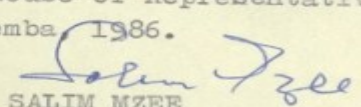
Regulations.

13. (1) The Minister may make regulations -

- (a) for the better carrying out of the purposes of this Act ;
- (b) for regulating the procedure and the rules of evidence and of jurisdiction of courts in relation to proceedings for offences under the regulations ;
- (c) for the refund of any levy or penalty paid or collected in error ;
- (d) for prescribing anything which may be prescribed.

(2) Regulations made under subsection (1) may contain penalties for the breach, thereof of a fine not exceeding 50,000/- shillings or of imprisonment for a term not exceeding three years or of both such fine and imprisonment.

Passed in the House of Representatives  
on the 30 th day of September 1986.

  
SALIM MZEE  
ACTING CLERK TO THE HOUSE  
OF REPRESENTATIVES.