



**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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ACT NO. 4 OF 2024

I ASSENT


{DR. HUSSEIN ALI MWINYI}
PRESIDENT OF ZANZIBAR AND CHAIRMAN OF
THE REVOLUTIONARY COUNCIL

.....^{27/06}....., 2024

**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 commence-
ment.

1. This Act may be cited as the Finance (Public Revenue Management) Act, 2024 and shall come into operation immediately after being assented to by the President.

Amendment
of certain
Laws.

2. The laws specified in various parts of this Act are amended in the manner specified in their respective parts.

**PART TWO
AMENDMENT OF THE TAX ADMINISTRATION AND
PROCEDURES ACT, NO. 7 OF 2009**

Construction.

3. 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
33

4. Section 33 of the Principal Act is amended by inserting a new word "percent" at the end of subsection (2).



**PART THREE
AMENDMENT OF THE VALUE ADDED TAX
ACT, NO. 4 OF 1998**

Construction 5. 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. 6. Section 2 of the Principal Act is amended by:

(a) adding interpretation of new words in its alphabetical order as follows:

"resident" means an individual whose permanent home is in Zanzibar;

"imported services" means services supplied to a taxable person if the supply of the services is made by non-resident;

(b) deleting the interpretation of the words "Exempt supplies" and "import" and substituting them with the new words in alphabetical order as follows:

"exempt" in relation to a supply or import, means a supply or import that is specified as exempt under this Act;

"import" means bringing or causing goods to be brought into Zanzibar from outside the United Republic of Tanzania; and

(c) deleting the words "or services" in the interpretation of the word "Transfer".

Amendment
of section 3. 7. Section 3 of the Principal Act is amended by adding new subsection (5) immediately after subsection (4) as follows:

"(5) The Commissioner may delegate the powers or the performance of any duty imposed to him by this Act in respect of the administration and collection of Value Added Tax on electronic service of non-resident taxable person to the Commissioner General of Tanzania Revenue Authority or any person acting on his behalf."

Addition of
new sections
4A and 4B. 8. The Principal Act is amended by adding new sections 4A and 4B immediately after section 4 as follows:



“Representative of non-resident taxable person.

4A.-(1) A non-resident taxable person who carries on economic activities in Zanzibar without having a fixed place in Zanzibar, and makes a taxable supply for which the non-resident is liable to pay value added tax shall:

- (a) appoint a value added tax representative in Zanzibar in accordance with the requirements set out in the regulations; and
- (b) if required by the Commissioner, lodge a security.

(2) The value added tax representative shall be a resident and responsible for all provisions required to be done under this Act, which shall include:

- (a) applying for registration or cancellation of registration and fulfilling other obligations in relation to registration; and
- (b) paying any value added tax or any fine, penalty or interest imposed on the non-resident under this Act.

(3) The registration of a value added tax representative shall be in the name of the non-resident taxable person.

(4) The value added tax representative may represent more than one non-resident taxable person and such representative shall register for value added tax in respect of each represented non-resident taxable person.

4B.-(1) Where a taxable person carries on economic activities at a fixed place in Zanzibar and at one or more fixed places outside Zanzibar:

- (a) the person that shall be treated as two separate persons corresponding respectively to the economic activities carried on inside and outside Zanzibar;
- (b) the person who is outside Zanzibar shall be deemed to have made a supply of imported services to the person inside Zanzibar consisting of any benefit in the nature of services that is received by the person



in Zanzibar through or as a result of the activity carried on by the person outside Zanzibar; and

- (c) the time of supply shall be determined on the assumption that a supply has been made.

(2) Where, within twelve months from the time of making a supply referred to in subsection (1) of this section, the person outside Zanzibar makes an allocation of costs to the person inside Zanzibar in respect of the supply, the allocation of costs shall be treated as consideration for the supply.

(3) Where a supply referred to in subsection (1) of this section is a taxable supply, the value of the supply:

- (a) where the provisions of subsection (2) of this section applies, shall be equal to the amount of the costs allocated, reduced by that part, if any, of the amount allocated that represents:
 - (i) salary or wages paid to an employee of the person outside Zanzibar; and
 - (ii) interest incurred by the person outside Zanzibar; and
- (b) in any other case, shall be assumed to have been made by a non-resident outside Zanzibar to a connected person in Zanzibar.”

Amendment
of section 8.

9. Section 8 of the Principal Act is amended in subsection (1) by inserting the words “insurance, digital,” between the words “banking” and “postal”.

Amendment
of section
10.

10. Section 10 of the Principal Act is amended by inserting the words “or import” after each word “supply” whenever appears in the section.



**PART FOUR
AMENDMENT OF THE EXCISE DUTY ACT, NO. 8 OF 2017**

Construction. **11.** This part shall be read as one with the Excise Duty Act, No. 8 of 2017 in this part referred to as “the Principal Act”.

Amendment of section 9. **12.** Section 9 of the Principal Act is amended by:

(a) adding new subsections (2) and (3) immediately after subsection (1) as follows:

“(2) The Head of Customs shall, for the purpose of controlling imported excisable goods, stamp all imported excisable goods at the time of importation in accordance with the laws governing stamping of imported excisable goods.

(3) For the purpose of this section, “stamp” means electronic tax stamp.”; and

(b) renumbering subsection (2) to be subsection (4).

**PART FIVE
AMENDMENT OF THE PROPERTY TAX ACT, NO. 14 OF 2008**

Construction. **13.** This part shall be read as one with the Property Tax Act No. 14 of 2008 in this part referred to as “the Principal Act”.

Amendment of section 10. **14.** Section 10 of the Principal Act is amended in subsection (2) by deleting the words “the thirtieth day of September each year, and the tax so paid shall expire on the thirtieth June following the year in which the tax was due” and substituting them with the words “thirty first day of December each year”.

**PART SIX
AMENDMENT OF THE VOCATIONAL TRAINING
ACT, NO. 8 OF 2006**

Construction. **15.** This part shall be read as one with the Vocational Training Act, No. 8 of 2006 in this part referred to as “the Principal Act”.

Amendment of section 29. **16.** Section 29 of the Principal Act is amended in subsection (4) by deleting the words “Income Tax Act” appearing at the end of the subsection and substituting them with the words “Tax Administration Act, No. 10 of 2015”.



Amendment
of section 30.

17. Section 30 of the Principal Act is amended in subsection (1) by inserting the words “or Tax Administration Act, No. 10 of 2015” at the end of the subsection.

Amendment
of section 31.

18. Section 31 of the Principal Act is amended in subsection (2) by inserting the words “the Tax Administration Act, No. 10 of 2015 and” immediately after the words “provisions of”.

PASSED by the House of Representatives of Zanzibar on 21st June, 2024.

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(RAYA ISSA MSELLEM)

- Clerk of the House of Representatives of Zanzibar