

*A Bill Supplement to the Zanzibar Government Gazette
Vol. No.7356 of 12th June, 2025*

CONTENTS

Page

A Bill for an Act to Impose and Alter Certain Taxes and Duties and to Amend Certain Laws Relating to Collection and Management of Public Revenues and other matters connected therewith	361
--	-----

NOTICE

ZANZIBAR
12th June, 2025

(Eng. Zena Ahmed Said)
*Secretary to the Revolutionary
Council and Chief Secretary*

A BILL

for

**AN ACT TO IMPOSE AND ALTER CERTAIN TAXES
AND DUTIES AND TO AMEND CERTAIN LAWS
RELATING TO COLLECTION AND MANAGEMENT
OF PUBLIC REVENUES AND OTHER MATTERS
CONNECTED THEREWITH**

ENACTED by the House of the 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, 2025 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
18.

4. Section 18 of the Principal Act is amended by repealing subsection (4) and replacing it with new sub section (4) as follows:

“(4) Notwithstanding the provisions of subsection (2) of this section, the Commissioner General may, after consultation with the Minister, extend the due date for filing a tax return either generally, to a sector or a group of taxpayers where there are reasonable grounds for such extension”.

Amendment
of section
23.

5. Section 23 of the Principal Act is amended by:

(a) adding new subsection (2) immediately after subsection (1) as follow:

“(2) Any person operating an electronic system shall integrate such system with the system of the Authority for tax purposes.”

(b) renumbering subsections (2), (3), (4), (5), (6) and (7) to be subsection (3), (4), (5), (6), (7) and (8).

- (c) adding new subsection (9) immediately after subsection (8) as follows:

“(9) A person who fails to integrate his system with the system of the Authority in accordance with this section, commits an offence and shall upon conviction, be liable to a fine of not less than Ten Million Tanzania Shillings or imprisonment for the term of not less than two years.”

PART THREE

AMENDMENT OF THE VALUE ADDED TAX

ACT, NO. 4 OF 1998

- 6.** 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”. Construction.

- 7.** Section 2 of the Principal Act is amended by deleting the interpretation of the word “resident” and substituting it with a new interpretation as follows: Amendment of section 2.

“resident” means individual, company, trust, association, partnership, government entity or other legal entity whose residence or establishment is in Zanzibar.

- 8.** Section 4A of the Principal Act is amended by adding a new subsection (5) immediately after subsection (4) as follows: Amendment of section 4A.

“(5) Where it is not practicable to appoint a tax representative due to his business circumstances, a non-resident person shall apply to the Commissioner General to be registered in accordance with procedures prescribed in the Tax Administration and Procedures (Procedures of Simplified Registration for Non Resident Supplier of Electronic Services and Foreign Tour Operators) Regulations, 2022.”

Amendment
of section 9.

9. Section 9 of the Principal Act is amended by adding new subsection (3) immediately after subsection (2) as follows:

“(3) Notwithstanding the provisions of subsection (1) and (2) of this section, a supply of services is not zero-rated if:

- (a) the supply is of a right or option to receive a subsequent supply of something else in Zanzibar; or
- (b) the services are supplied under an agreement with a non-resident but are rendered to a person in Zanzibar who is not registered.

PART FOUR

AMENDMENT OF THE EXCISE DUTY ACT, NO. 8 OF 2017

Construction.

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

Amendment
of section 3.

11. Section 3 of the Principal Act is amended by adding a new paragraph (f) in the interpretation of the word “dutiable value” as follows:

“(f) other imported services except financial services, amount, charges or total value of services acquired from foreign providers.”

Amendment
of section 15.

12. Section 15 of the Principal Act is amended by:

- (a) adding new subsection (3) immediately after subsection (2) as follows:

“(3) The exemption from payment of duty under this section shall not apply to vehicles aged five years.”

- (b) renumbering subsection (3) to be subsection (4).

PART FIVE
AMENDMENT OF THE HOTEL LEVY ACT, NO.1 OF 1995

13. This part shall be read as one with the Hotel Levy Act, No. 1 of 1995 where in this part referred to as “the Principal Act”. Construction.

14. Section 3 of the Principal Act is amended by:

Amendment
of section 3.

- (a) adding a new subsection (3) immediately after subsection (2) as follows:

“(3) There shall be a deductible amount from hotel levy due in respect of the amount of tax payable by a person outside Zanzibar.”

- (b) renumbering subsections (3) and (4) to be subsection (4) and (5).

PART SIX
AMENDMENT OF THE ZANZIBAR MARITIME
TRANSPORT ACT, NO. 5 OF 2006

15. This part shall be read as one with the Zanzibar Maritime Transport Act, No. 5 of 2006 where in this part referred to as “the Principal Act”. Construction.

16. The Principal Act is amended by adding a new section 13A immediately after section 13 as follows:

“Production
of Certificate
of Customs
Clearance.

13A. Subject to the provisions section 13 of this Act, the owner or agent of the vessel intended to be registered in Zanzibar shall produce a Certificate of Customs Clearance issued by relevant customs authority.”

Addition of
new section
13A.

PART SEVEN
AMENDMENT OF THE ZANZIBAR REVENUE
AUTHORITY ACT, NO. 11 OF 2022

Construction.

17. This part shall be read as one with the Zanzibar Revenue Authority Act, No. 11 of 2022 where in this part referred to as “the Principal Act”.

Addition
of section
18A.

18. The Principal Act is amended by adding a new section 18A immediately after section 18 as follows:

“Appointment
of the Deputy
Commissioner
General.

18A.-(1) There shall be a Deputy Commissioner General of the Authority who shall be appointed by the President.

(2) A person shall qualify to be appointed as the Deputy Commissioner General if he has the same qualifications to be appointed as the Commissioner General.

(3) The Deputy Commissioner General shall be the Principal Assistant of the Commissioner General for the day-to-day execution of the functions of the Authority”.

PART EIGHT
AMENDMENT OF THE MOTOR VEHICLE
(THIRD PARTY RISKS) DECREE, CAP. 136 OF 1953

Construction.

19. This part shall be read as one with the Motor Vehicle (Third Party Risks), Cap. 136 of 1953 where in this part referred to as “the Principal Act”.

Amendment
of section 3.

20. Section 3 of the Principal Act is amended by deleting the words “not exceeding Two Thousand Shillings” appearing in subsection (2) and substituting them with the words “not exceeding One Hundred Thousand Shillings.”

OBJECTS AND REASONS

The objects of this Bill are to impose and alter certain taxes and duties, and to make an amendment of the financial and tax laws relating to collection and management of public revenues for better implementation of those laws.

The taxes and duties imposed intended to be collected by the tax authorities and remitted to the Government treasury as public revenues, and the amendment of the tax laws aimed whether to simplify the procedures in tax collections, to make tax laws up-to-date according to the current situation, or to increase the Government Revenues without affecting public interests

The Bill is divided into Eight Parts:

Part One: contains short title and commencement together with Amendment of certain laws.

Part Two: proposes the amendment of the Tax Administration and Procedures Act, No. 7 of 2009 in section 18 by adding new subsection (4) and 23 by adding new subsection (2).

Part Three: proposes the amendment of the Value Added Tax Act, No. 4 of 1998 in section 2 by deleting the interpretation of the word resident and replacing it with a new word in order to extend the interpretation of the word resident, 4A by adding new subsection (5) and 9 by adding new subsection (3).

Part Four: proposes the amendment of the Amendment of the Excise Duty Act, No. 8 of 2017 in section 3 by adding new paragraph (f) and 15 by adding new subsection (3) as well as renumbering subsection (3) to be (4).

Part Five: proposes the amendment of the Hotel Levy Act, No. 1 of 1995 in section 3 by adding new subsection (3) immediately after subsection (2) also renumbering subsections (3) and (4) to be (4) and (5).

Part Six: proposes the amendment of the Zanzibar Maritime Transport Act, No. 5 of 2006 adding new section 13A which is about production of Certificate of Customs Clearance.

Part Seven: proposes the amendment of the Zanzibar Revenue Authority Act, No. 11 of 2022 by adding adding section 18A which is about the appointment of the Deputy Commissioner General.

Part Eight: proposes the amendment of the Motor Vehicle (Third Party Risk), Cap. 136 of 1953 in section 3.

ZANZIBAR
12th June, 2025

(DR. SAADA MKUYA SALUM)
MINISTER OF STATE, PRESIDENT'S
OFFICE, FINANCE AND PLANNING