

**AN ACT 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. 3 OF 2023**

**I ASSENT**

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

**23<sup>rd</sup> June, 2023**

**AN ACT 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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**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, 2023 and shall come into operation immediately after being assented to by the President and published in the Gazette.

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**

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”.

Constru-  
tion.

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

Addition  
of a new  
section  
18A.

“Filing of  
Tax Returns  
under special  
circumstances.

**18A.-(1)** The Commissioner General may direct the taxable person to file a tax return at earlier date than the date prescribed under section 18 of this Act where taxable person:

- (a) is about to leave Zanzibar permanently;
- (b) is about to close the business permanently; or
- (c) has become bankrupt, goes into liquidation or wound up.

(2) The directives of the Commissioner General under subsection (1) of this section, shall be in writing and served on the taxable person specifying the period or other information to be covered by tax return and the date by which the return shall be filed.”

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

- (a) in subsection (1), deleting the words “fines, penalties and” appearing between the words “impose” and “interest”; and

Amend-  
ment  
of  
section 19.

- (b) in subsection (3), deleting the words “fines, penalties and” appearing between the words “any” and “interest”.

Addition  
of new  
sections  
19A, 19B  
and 19C.

6. The Principal Act is amended by adding new sections 19A, 19B and 19C immediately after section 19 as follows:

“Self-  
Assessment.

**19A.**-(1) Where a taxable person is required to file a tax return under this Act or any other tax law, the tax return filed shall be a self-assessment of a tax liability.

(2) A person other than the Commissioner General shall not amend or adjust the assessment under this section.

Jeopardy  
assessment.

**19B.**-(1) The Commissioner General may at any time make a jeopardy assessment where a taxable person has failed to file a tax return on due date.

(2) The Commissioner General may use the best judgement and available information in making the jeopardy assessment.

(3) The jeopardy assessment shall not relieve a taxable person from the obligation to file a tax return.

(4) The filing of a tax return shall not affect the jeopardy assessment.

(5) The jeopardy assessment may be valid for such period with respect to such events or subject matter as the Commissioner General may specify in the notice of assessment.

(6) Where the jeopardy assessment covers the period or events covered by a self-assessment of a taxable person with respect to the same tax, any tax paid with respect to the jeopardy assessment shall be credited against tax payable with respect to the self-assessment.

Withdrawal of assessments.

19C.-(1) The Commissioner General may, despite the fact that no objection or appeal has been lodged, withdraw an assessment issued if he is satisfied that the assessment was issued:

- (a) to the incorrect taxable person;
- (b) in respect of the incorrect tax period;
- (c) as a result of an incorrect tax base, rate, information or calculations; and
- (d) for any other lawful reason that will render such assessment to be withdrawn.

(2) An assessment withdrawn under subsection (1) of this section, shall be regarded as not to have been issued.”

7. Section 20 of the Principal Act is amended in paragraph (c) by deleting the words “fines, penalties” appearing between the words “amounts” and “interest”.

Withdrawal of assessments.

8. Section 21 of the Principal Act is repealed and replaced with a new section 21 as follows:

Amendment of section 20.

“Notice of  
assessment.

**21.** A notice of assessment made under this Act shall be delivered to the assessed taxable person and inform him of his right to object under the provisions of this Act.”

Amend-  
ment of  
section  
21B.

**9.** Section 21B of the Principal Act is amended by:

- (a) repealing subsections (3) and (5) and replacing them with the new subsections (3) and (5) as follows:

“(3) Where the Commissioner General agrees to amend the objected decision or assessment, the decision or assessment shall be amended accordingly and the Commissioner General shall provide a notice setting out such amendment of objected decision or assessment and to be served on such person.

(5) Where the Commissioner General:

- (a) intends to amend the objected decision or assessment in accordance with the objection and any further evidence; or
- (b) decides to refuse to amend the objected decision or assessment,

he shall serve the person who made the objection with a notice setting out the reason for the intention or decision.”

- (b) adding new subsection (6) and (7) immediately after subsection (5) as follows:

“(6) The person who made the objection shall, within twenty one days from the receipt of the notice pursuant to subsection (5) of this section, make submission in writing to the Commissioner General on his agreement or disagreement with the amended objected decision or assessment or the refusal.

(7) The Commissioner General may, after expiry of twenty one

days of the submission by the person who made the objection pursuant to subsection (6) of this section:

- (a) determine the objection in the light of the amended objected decision or assessment or refusal and any submission made by the person who made the objection; or
- (b) determine the objection partially in accordance with the submission of the person who made the objection,

and proceed to issue a final determination of objection.”

**10. Section 23 of the Principal Act is amended by:**

Amendment of section 23.

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

“(2) Notwithstanding the provisions of subsection (1) of this section, a taxable person who issues a receipt approved through government electronic payment system shall be deemed to have issued such receipt by using electronic fiscal device.”

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

**11. Section 31 of the Principal Act is amended by repealing subsection (3).**

Amendment of section 31.

**12. Section 33 of the Principal Act is amended by deleting the word “five” appearing in subsection (2) and substituting for it with the word “ten”.**

Amendment of section 33.

**13. Section 59 of the Principal Act is amended in subsection (2) by adding a new paragraph (d) as follows:**

Amendment of section 59.

- (d) withdrawal of assessment.

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

Construction. **14.** 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 8. **15.** Section 8 of the Principal Act is amended in subsection (1) by inserting the words “except for banking, postal and telecommunication services where the rate shall be eighteen” at the end of that section.

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

Construction. **16.** 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 28. **17.** Section 28 of the Principal Act is amended in subsection (1) by repealing paragraph (a).

**PART FIVE  
AMENDMENT OF THE STAMP DUTY ACT, NO. 7 OF 2017**

Construction. **18.** 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 3. **19.** Section 3 of the Principal Act is amended by:

- (a) repealing subsection (2) and replacing it with a new subsection (2) as follows:

“(2) Stamp duty under subsection (1) of this section, shall be imposed and collected:

- (a) for all instruments which shall be charged at the rate specified under the First schedule of this Act, unless the instrument specified are exempted from

payment of duty; or

- (b) for the turnover on supply of goods and services for the small and medium taxable persons which shall be charged at the rate specified under the Second, Third and Fourth Schedule of this Act.”
- (b) repealing subsections (3), (4), (5) and (6).

20. Section 60 of the Principal Act is amended by repealing subsection (2) and replacing it with a new subsection (2) as follows:

Amend-  
ment of  
section  
60.

“(2) The Minister may, by order published in the Gazette, amend, vary or replace any Schedule under this Act.”

21. Section 62 of the Principal Act is hereby repealed.

Repeal  
of  
section 62

**PART SIX  
AMENDMENT OF THE ROAD TRANSPORT  
ACT, NO. 7 OF 2003**

22. 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”.

Constru-  
tion.

23. Section 2 of the Principal Act is amended by adding words “or 2238W ~ 2.23KW” between the words “of not exceeding 50cc” and word “and” in the interpretation of word “mopeds”.

Amend-  
ment of  
section 2.

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

24. 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”.

Constru-  
tion.

25. Section 27 of the Principal Act is amended by:

Amend-  
ment of  
section  
27.

- (a) in subsection (2), deleting the word “four” and

substituting for it with the word “five.”

- (b) in subsection (3), deleting the words “five per centum (5%)” and substituting for it the words “four per centum.” and
- (c) adding new subsection (8) and (9) immediately after subsection (7) as follows:

“(8) The employer with three or not more than five employees shall file a nil return every after six months through electronic filing system or in a mode indicated by the Deputy Commissioner.

(9) Subject to the provisions under subsection (8) of this section, where an employer fails to file every after six months returns, commits an offence and shall, upon conviction, be liable to a fine of not less than Five Hundred Thousand Tanzania Shillings”.

**PART EIGHT**  
**AMENDMENT OF THE FINANCE**  
**(PUBLIC REVENUE MANAGEMENT) ACT, NO. 9 OF 2015**

Constru-  
tion.

**26.** This part shall be read as one with the Finance (Public Revenue Management) Act, No. 9 of 2015 in this part referred to as “the Principal Act”.

Amend-  
ment of  
section  
20.

**27.** Section 20 of the Principal Act is amended by repealing subsections (6) and (7).

Addition  
of a new  
section  
20A.

**28.** The Principal Act is amended by adding a new section 20A immediately after section 20 as follows:

“Exemptions.

**20A.-(1)** The rates imposed under section 20(3) of this Act, relating to importation of goods except for petroleum products, alcoholic beverage, cigar and tobacco shall not apply to:

- (a) the Government Institutions which are non-profit making and financed through the Consolidated Fund, Donor Funded Projects, Diplomats or Diplomatic missions, United Nations and its Agencies; and
- (b) raw materials, industrial inputs and packaging materials for registered manufacturers.

(2) For the purpose of this section “Diplomats or Diplomatic mission” shall be those recognized under the Third Schedule of the Value Added Tax Act, No. 4 of 1998.”

**PASSED** by the House of Representatives of Zanzibar on 21<sup>st</sup> June, 2023.

(RAYA ISSA MSELLEM)  
*Clerk of the House of Representatives of Zanzibar*