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Laws

Act

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2003

# The Finance Act,2003

Tanzania, United Republic

Ministry of Finance

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# THE FINANCE ACT, 2003

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THE UNITED REPUBLIC OF TANZANIA



No. 15 OF 2003

I ASSENT,

*Benjamin W. Mkapa*  
.....  
President

08.10.03  
.....

**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.**

[.....]

ENACTED by the Parliament of the United Republic of Tanzania.

PART I  
PRELIMINARY PROVISIONS

- |   |              |
|---|--------------|
| 1. This Act may be cited as the Finance Act, 2003.  | Short title  |
| 2. The provisions of the various Parts of this Act shall, except where it is provided otherwise in respect of the commencement of any Part, be deemed to have come into operation on the 1st day of July, 2003. | Commencement |

## PART II

## AMENDMENT OF THE AIRPORT SERVICE CHARGE ACT, 1962

Constru-  
ction  
Act No.26  
of 1962

3. This Part shall be read as one with the Airport Service Charge Act, 1962, hereinafter referred to as the "principal Act".

Addition  
of a new  
section

4. The principal Act is amended by adding immediately after section 8 the following new section:

"Collec-  
tion agent  
to remit  
the charge  
to Commi-  
ssioner

8A-(1) Where any collection agent, and every servant or agent of a collection agent employed by such collection agent in that behalf, collects the charge from a person liable to pay the same and fails to remit the charge so collected to the Commissioner, the Commissioner may recover the charge by distress upon the goods and chattels of the agent.

(2) Where any tax due from an agent remains unpaid, the Commissioner may, by notice in writing, require any other person -

- (a) from whom any money is due, or is accruing or may become due to the agent; or
- (b) who holds, or may subsequently hold money on account of the agent: or
- (c) having authority from any person to pay money to the agent,

to pay that money, or an amount which is sufficient to discharge the tax from the agent, in the manner directed by the Commissioner as and when it would, but for the notice, be or become payable to the agent.

(3) A person on whom a notice under subsection (2) has been served and who fails to comply with the notice, commits an offence and upon conviction is liable to a fine not exceeding one hundred thousand shillings or ten percentum of the amount demanded by the notice, whichever is greater or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment."

**PART III**

## AMENDMENT OF THE BUSINESS LICENSING ACT, 1972

5. This Part shall be read as one with the Business Licensing Act, 1972 hereinafter referred to as the "principal Act"

Construction Act  
No. 25  
of 1972

6. The principal Act is amended in subsection (1) of section 5-

Amend-  
ment of  
section 5

(a) by inserting immediately after paragraph (e) the following:

Act No. 4  
of 2003

"(f) the business of gaming activity including (slot machines and casino) where, the person carrying on such business holds a valid licence granted to him under the Gaming Act, 2003."

(b) by renaming paragraph (f) as paragraph (g).

7. The Schedule to the principal Act is amended by deleting item 19 and substituting the following -

Amend-  
ment of  
the Sched-  
ule

"S.N.	COLUMN I	DESCRIPTION OF BUSINESS	PRINCIPAL LICENCE	FEE FOR SUB-LICENCE
19.	Amusement	1. Nightclubs 2. Entertainment Halls	500,000/= 200,000/=	200,000/= 150,000/=

**PART IV**

## AMENDMENT OF THE CUSTOMS TARIFF ACT, 1976

8. This Part shall be read as one with the Customs Tariff Act, 1976 in this Part referred to as the "principal Act"

Construc-  
tion Act  
No. 12 of  
1976

9. The principal Act is amended -

Amend-  
ment of  
section 7

(a) in section 7 by adding immediately after subsection (2) the following new provision -

“(3) The Minister shall, in granting remission under this section-

- (a) specify the time limit within which the remission is granted;
- (b) specify the goods in respect of which the remission is granted;
- (c) impose such other conditions as may be required.”

(b) by renumbering subsection (3) as subsection (4).

Amend-  
ment of  
the First  
Schedule

10. The First Schedule to the principal Act is hereby amended by substituting the following entries under the column “import duty” in the appropriate positions -

Heading No.	H.S. Code	Description	Unit	Import Duty
15.11		<b>Palm oil and its fractions, whether or not refined, but not chemically modified.</b>		
		- Crude oil		
	1511.10.10	--- Palm oil	kg	10%
		--- Fractions		
	1511.10.21	---- Palm olein	kg	10%
	1511.10.22	----Palm stearin	kg	10%
	1511.10.29	---- Other	kg	10%
		- Other		
	1511.90.10	--- Palm olein, RBD	kg	25%
	1511.90.20	--- Palm stearin RBD	kg	15%
	1511.90.90	--- Other	kg	25%

Heading No.	H.S. Code	Description	Unit	Import Duty
27.12		<b>Petroleum jelly; paraffin wax, micro-crystalline petroleum wax, other mineral waxes, and similar products obtained by synthesis or by other processes, whether or not coloured.</b>		
	2712.10.00	- Petroleum jelly	kg	15%
32.12		<b>Pigments (including metallic powders and flakes) dispersed in non-aqueous media, in liquid or paste form, of a kind used in the manufacture of paints (including enamels); stamping foils; dyes and other colouring matter put up in forms or packing for retail sale.</b>		
		- Other		
	3212.90.10	- Pigments for manufacture of paints	kg	15%
	3212.90.90	- Other	kg	25%
35.07		<b>Enzymes prepared enzymes not elsewhere specified or included</b>		
	3507.10.00	- Rennet and concentrates thereof	kg	10%
	3507.90.00	- Other	kg	10%
39.23		<b>Articles for the conveyance or packing of goods, of plastics; stoppers, lids, caps and other closures, of plastics</b>		
		- Sacks and bags (including cones)		
		- Of polymers of ethylene		
	3923.21.10	- Shopping bags	kg	25%
	3923.21.90	- Other	kg	25%
		- Of other plastics		
	3923.29.10	- Shopping bags	kg	25%

Heading No.	H.S. Code	Description	Unit	Import Duty
	3923.29.90	- Other	kg	25%
		- Other		
	3923.90.10	. Plastic toothpaste tube	kg	15%
	3923.90-90	- Other	kg	25%
40.11		<b>-New pneumatic tyres, of rubber.</b>		
		- Of a kind used for buses or lorries		
	4011.20.10	- Radial tyres	kg	10%
49.11		<b>Other printed matter, Including printed pictures and photographs</b>		
		- Other:		
	4911.99.00	- Other	kg	10%
52.08		Woven fabrics of cotton, containing 85% or more by weight of cotton, weighing not more than 200 g/m'.		
		- Bleached:		
	5208.21.00	- Plain weave, weighing not more than 100 g/m,	kg	15%
	5208.22.00	-Plain weave, weighing more than 100 g/m,	kg	15%
63.04		<b>Other furnishing articles, excluding those of heading No. 94.04</b>		
		- Other		
		- Knitted or crocheted		
	6304.91.10	- Mosquito nets	kg	10%
71.03		Precious stones (other than diamonds) and semiprecious stones, whether or not worked or graded but not strung,		



Heading No.	H.S. Code	Description	Unit	Import Duty
		mounted or set ; ungraded precious stones (other than diamonds) and semi-precious stones, temporarily strung for convenience of transport.		
		- Unworked or simply sawn or roughly shaped		
	7103.10.10	- Tanzanite	kg	0%
	7103.10.20	- Alexandrite	kg	0%
	7103.10.90	- Other	kg	15%
		- Other		
	7103.99.10	- Tanzanite	Carat	0%
	7103.99.20	- Alexandrite	Carat	0%
	7103.99.90	- Other	Carat	15%
73.22		Radiators for central heating, not electrically heated, and parts thereof, of iron or steel; air heaters and hot air distributors (including distributors which can also distribute fresh or conditioned air), not electrically heated, incorporating a motor-driven fan or blower, and parts thereof, of iron or steel.		
		- Radiators and parts thereof:		
	7322.11.00	- Of cast iron	kg	10%
	7322.19.00	- Other	kg	10%
	7322.90.00	- Other	kg	10%
84.09		Parts suitable for use solely or principally with the engines of heading No. 84.07 or 84.08:		
	8409.10.00	- For aircraft engines	kg	10%

Heading No.	H.S. Code	Description	Unit	Import Duty
		- Other:		
	8409.91.00	- Suitable for use solely or principally with spark-ignition internal combustion piston engines	kg	10%
	8409.99.00	- Other	kg	10%
<b>84.12</b>		<b>Other engines and motors.</b>		
	8412.90.00	- Parts	kg	10%
<b>84.13</b>		<b>Pumps for liquids, whether or not fitted with a measuring device; liquid elevators.</b>		
	8413.30.00	- Fuel, lubricating or cooling medium pumps for internal combustion piston engines	u	10%
<b>84.21</b>		<b>Centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases.</b>		
		- Filtering or purifying machinery and apparatus for liquids		
	8421.23.00	- Oil or petrol-filters for internal combustion engines	u	10%
		- Filtering or purifying machinery and apparatus for gases		
	8421.31.00	- Intake air filters for internal combustion engines	u	10%
		- Parts:		
	8421.91.00	- Of centrifuges, including centrifugal dryers	kg	10%
	8421.99.00	- Other	kg	10%

Heading No.	H.S. Code	Description	Unit	Import Duty
84.50		<b>Household or laundry-type washing machines, including machines which both wash and dry.</b>		
	8450.90.00	- Parts	kg	10%
84.67		<b>Tools for working in the hand, pneumatic, hydraulic or with self-contained non-electric motor.</b>		
		- Parts:		
	8467.91.00	- Of chain saws	kg	10%
	8467.92.00	- Of pneumatic tools	kg	10%
	8467.99.00	- Other	kg	10%
84.81		<b>Taps, cocks, valves and similar appliances for pipes, boiler shells, tanks, vats or the like, including pressure-reducing valves and thermostatically controlled valves.</b>		
	8481.10.00	- Pressure-reducing valves	kg	10%
	8481.20.00	- Valves for oleohydraulic or pneumatic transmissions	kg	10%
	8481.30.00	- Check valves	kg	10%
	8481.40.00	- Safety or relief valves	kg	10%
	8481.80.00	- Other appliances	kg	10%
	8481.90.00	- Parts	kg	10%
84.82		<b>Ball or roller bearings.</b>		
	8482.10.00	- Ball bearings	u	10%
	8482.20.00	- Tapered roller bearings, including cone and tapered roller assemblies	u	10%
	8482.30.00	- Spherical roller bearings	u	10%

Heading No.	H.S. Code	Description	Unit	Import Duty
	8482.40.00	-Needle roller bearings	U	10%
	8482.50.00	- other cylindrical roller bearings	u	10%
	8482.80.00	- Other, including combined ball/roller bearings	u	10%
		- Parts:		
	8482.91.00	- Balls, needles and rollers	kg	10%
	8482.99.00	- Other	kg	10%
<b>84.83</b>		<b>Transmission shafts (including cam shafts and crank shafts) and cranks; bearing housings and plain shaft bearings; gears and gearing; ball or roller screws; gear boxes and other speed changers, including torque converters; flywheels and pulleys, including pulley blocks; clutches and shaft couplings (including, universal joints).</b>		
	8483.10.00	- Transmission shafts (including cam shafts and crank shafts) and cranks	U	10%
	8483.20.00	- Bearing housings, incorporating ball or roller bearings	U	10%
	8483.30.00	- Bearing housings, not incorporating ball or roller bearings; plain shaft bearings	kg	10%
	8483.40.00	- Gears and gearing, other than toothed wheels, chain sprockets and other transmission elements presented separately; ball or roller screws; gear boxes and other speed changers, including torque converters	u	10%
	8483.50.00	-Flywheels and pulleys, including pulley blocks	u	10%
	8483.60.00	- Clutches and shaft couplings (including universal joints)	u	10%

Heading No.	H.S. Code	Description	Unit	Import Duty
	8483.90.00	- Parts	kg	10%
<b>84.84</b>		<b>Gaskets and similar joints of metal sheeting combined with other material or of two or more layers of metal; sets or assortments of gaskets and similar joints, dissimilar in composition, put up in pouches, envelopes or similar packings; mechanical seals.</b>		
	8484.10.00	- Gaskets and similar joints of metal sheeting combined with other material or of two or more layers of metal	kg	10%
	8484.20.00	- Mechanical seals	kg	10%
	8484.90.00	- Other	kg	10%
<b>87.06</b>	8706.00.00	<b>Chassis fitted with engines, for the motor vehicles of headings Nos. 87.01 to 87.05.</b>	u	0%
<b>87.08</b>		<b>Parts and accessories of the motor vehicles of headings Nos. 87.01 to 87.05.</b>		
	8708.10.00	- Bumpers and parts thereof	kg	10%
		- Other parts and accessories of bodies (including cabs):	kg	10%
	8708.21.00	- Safety seat belts	kg	10%
	8708.29.00	- Other	kg	10%
		- Brakes and servo-brakes and parts thereof:		
	8708.31.00	- Mounted brake linings	kg	10%
	8708.39.00	- Other	kg	10%
	8708.40.00	- Gear boxes	kg	10%

Heading No.	H.S. Code	Description	Unit	Import Duty
	8708.50.00	- Drive-axles with differential, whether or not provided with other transmission components	kg	10%
	8708.60.00	- Non-driving axles and parts thereof	kg	10%
	8708.70.00	- Road wheels and parts and accessories thereof	kg	10%
	8708.80.00	- Suspension shock-absorbers	kg	10%
		- Other parts and accessories:		
	8708.91.00	- Radiators	kg	10%
	8708.92.00	- Silencers and exhaust pipes	kg	10%
	8708.93.00	- Clutches and parts thereof	kg	10%
	8708.94.00	- Steering wheels, steering columns and steering boxes	kg	10%
	8708.99.00	- Other	kg	10%
<b>87.09</b>		<b>Works trucks, self-propelled, not fitted with lifting or handling equipment, of the type used in factories, warehouses, dock areas or airports for short distance transport of goods; tractors of the type used on railway station platforms; parts of the foregoing vehicles.</b>		
	8709.90.00	- Parts	kg	10%
<b>87.16</b>		<b>Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof.</b>		
		- Trailers and semi-trailers of the caravan type, for housing or camping		
	8716.10.90	- Other	u	10%
		- Self-loading or self-unloading trailers and semi-trailers for agricultural purposes		

Heading No.	H.S. Code	Description	Unit	Import Duty
	8716.20.90	- Other	u	10%
		- Other trailers and semi-trailers for the transport of goods:		
		-Tanker trailers and tanker semi-trailers		
	8716.31.90	- Other	u	10%
		- Other		
	8716.39.90	- Other	u	10%
		- Other trailers and semi-trailers		
	8716.40.90	- Other	u	10%
		- Other vehicles		10%
	8716.90.00	- Parts	kg	10%

11.—(1) The principal Act is hereby amended by substituting or adding the following entries under the column "Suspended Duty" in their appropriate positions—

Amendment of Second Schedule

(2) The rates of suspended duty on goods referred to in the Schedule shall apply to goods originating within the East African Community Member States.

**"Suspended Duty"**

Heading No.	H.S. Code	Description	Unit	Import Duty
04.02		<b>Milk and cream, concentrated or containing added sugar or other sweetening matter.</b>		
		- In powder, granules or other solid forms, of a fat content, by weight, exceeding 1.5%:		
		- Not containing added sugar or other sweetening matter		

Heading No.	H.S. Code	Description	Unit	Import Duty
	0402.21.10	- Specially prepared for infants	20%	12%
		- Other		
	0402.29.10	- Specially prepared for infants	20%	12%
		- Other:		
		- Not containing added sugar or other sweetening matter		
	0402.91.10	-Specially prepared for infants	20%	12%
		-Other		
	0402.99.10	Specially prepared for infants	20%	12%
<b>15.07</b>		<b>Soya-bean oil and its fractions, whether or not refined, but not chemically modified.</b>		
	1507.10.00	- Crude oil, whether or not degummed	20%	8%
<b>15.08</b>		<b>Ground-nut oil and its fractions, whether or not refined, but not chemically modified.</b>		
	1508.10.00	- Crude oil	20%	8%
<b>15.11</b>		<b>Palm oil and its fractions, whether or not refined, but not chemically modified.</b>		
		- Crude oil		
	1511.10.10	- Palm oil	20%	8%
		- Fractions		
	1511.10.21	- Palm olein	20%	8%
	1511.10.22	-Palm stearin	20%	8%
	1511.10.29	-Other	20%	8%
		- Other		
	1511.90.10	- Palm olein, RBD	20%	10%
	1511.90.20	- Palm stearin RBD	20%	12%
	1511.90.90	- Other	20%	10%



Heading No.	H.S. Code	Description	Unit	Import Duty
15.12		<b>Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified.</b>		
		- Sunflower-seed or safflower oil and fractions thereof:		
	1512.11.00	- Crude oil	20%	8%
		- Cotton-seed oil and its fractions:		
	1512.21.00	- Crude oil, whether or not gossypol has been removed	20%	8%
15.13		<b>Coconut (copra), palm kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified.</b>		
		- Coconut (copra) oil and its fractions:		
	1513.11.00	- Crude oil	20%	8%
		- Palm kernel or babassu oil and fractions thereof:		
	1513.21.00	- Crude oil	20%	8%
15.15		<b>Other fixed vegetable fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified.</b>		
		- Maize (corn) oil and its fractions:		
	1515.21.00	- Crude oil	20%	8%
27.12		<b>Petroleum jelly; paraffin wax, micro-crystalline petroleum wax, other mineral waxes, and similar products obtained by synthesis or by other processes, whether or not coloured.</b>		
	2712.10.00	- Petroleum jelly	20%	12%

Heading No.	H.S. Code	Description	Unit	Import Duty
34.02		<b>Organic surface-active agents (other than soap); surface-active preparations, washing preparations (including auxiliary washing preparations) and cleaning preparations, whether or not containing soap, other than those of heading No. 34.01.</b>		
		- Organic surface-active agents, whether or not put up for retail sale:		
	3402.11.00	- Anionic	20%	12%
	3402.12.00	- Cationic	20%	12%
	3402.13.00	- Non ionic	20%	8%
	3402.19.00	- Other	20%	12%
	3402.20.00	- Preparations put up for retail sale	20%	12%
	3402.90.00	- Other :	20%	12%
39.23		<b>Articles for conveyance or packing of goods, of plastics, stoppers, lids, caps and other closures, of plastics</b>		
		-Sacks and bags (including cones)-Of polymers of ethylene		
	3923.21.10	- shopping bags	20%	20%
	3923.21.90	- Other	20%	20%
		- Of other plastics		
	3923.29.10	- Shopping bags	20%	20%
	3923.29.90	- Other	20%	20%
		- Other		
	3923.90.10	- Plastic tooth paste tube	20%	12%
	3923.90.90	- Other	20%	20%

Heading No.	H.S. Code	Description	Unit	Import Duty
40.06		<b>Other forms (for example, rods, tubes and profile shapes) and articles (for example, discs and rings), of unvulcanised rubber.</b>		
	4006.10.00	- "Camel-back" strips for retreading rubber tyres	20%	0%
	4006.90.00	- Other	20%	0%
40.07	4007.00.00	<b>Vulcanised rubber thread and cord.</b>	20%	0%
40.08		<b>Plates, sheets, strip, rods and profile shapes, of vulcanised rubber other than hard rubber.</b>		
		- Of cellular rubber:		
	4008.11.00	- Plates, sheets and strip	20%	12%
	4008.19.00	- Other	20%	12%
		- Of non-cellular rubber		
	4008.21.00	- Plates, sheets and strip	20%	12%
	4008.29.00	- Other	20%	12%
40.17	4017.00.00	<b>Hard rubber (for example, ebonite) in all forms, including wastes and scraps; articles of hard rubber.</b>	20%	12%
48.19		<b>Cartons, boxes, cases, bags and other packing containers, of paper, paperboard, cellulose wadding or webs of cellulose fibres; box files, letter trays, and similar articles, of paper or paperboard of a kind used in offices, shops or the like.</b>		
	4819.10.00	- Cartons, boxes and cases, of corrugated paper or paperboard	20%	12%
	4819.20.00	- Folding cartons, boxes and cases, of non-corrugated paper or paperboard	20%	12%

Heading No.	H.S. Code	Description	Unit	Import Duty
	4819.30.00	- Sacks and bags, having a base of a width of 40 cm or more	20%	12%
	4819.40.00	- Other sacks and bags, including cones	20%	12%
	4819.50.00	- Other packing containers, including record sleeves	20%	12%
<b>52.08</b>		<b>Woven fabrics of cotton, containing 85% or more by weight of cotton, weighing not more than 200 g/m<sup>2</sup>.</b>		
		- Unbleached:		
	5208.11.00	- Plain weave, weighing not more than 100 g/m <sup>2</sup>	20%	8%
	5208.12.00	- Plain weave, weighing more than 100 g/m <sup>2</sup>	20%	8%
	5208.13.00	- 3-thread or 4-thread twill, including cross twill	20%	8%
	5208.19.00	- Other fabrics	20%	8%
		- Bleached:		
	5208.21.00	Plain weave, weighing not more than 100 g/m <sup>2</sup>	20%	12%
	5208.22.00	- Plain weave, weighing more than 100 g/m <sup>2</sup>	20%	12%
	5208.23.00	- 3-thread or 4-thread twill, including cross twill	20%	12%
	5208.29.00	- Other fabrics	20%	12%
<b>52.09</b>		<b>Woven fabrics of cotton, containing 85% or more by weight of cotton, weighing more than 200 g/m<sup>2</sup>.</b>		
		- Unbleached:		
	5209.11.00	- Plain weave	20%	8%
	5209.12.00	- 3-thread or 4-thread twill, including cross twill	20%	8%

Heading No.	H.S. Code	Description	Unit	Import Duty
	5209.19.00	- Other fabrics	20%	8%
		- Bleached:		
	5209.21.00	- Plain weave	20%	12%
	5209.22.00	- 3-thread or 4-thread twill, including cross twill	20%	12%
	5209.29.00	- Other fabrics	20%	12%
<b>52.10</b>		<b>Woven fabrics of cotton, containing less than 85% by weight of cotton, mixed mainly or solely with man-made fibres, weighing not more than 200 g/m<sup>2</sup>.</b>		
		- Unbleached:		
	5210.11.00	- Plain weave	20%	8%
	5210.12.00	- 3-thread or 4-thread twill, including cross twill	20%	8%
	5210.19.00	- Other fabrics	20%	8%
		- Bleached:		
	5210.21.00	- Plain weave	20%	12%
	5210.22.00	- 3-thread or 4-thread twill, including cross twill	20%	12%
	5210.29.00	- Other fabrics	20%	12%
<b>52.11</b>		<b>Woven fabrics of cotton, containing less than 85% by weight of cotton, mixed mainly or solely with man-made fibres, weighing more than 200 g/m<sup>2</sup>.</b>		
		- Unbleached:		
	5211.11.00	- Plain weave	20%	8%
	5211.12.00	- 3-thread or 4-thread twill, including cross twill	20%	8%

Heading No.	H.S. Code	Description	Unit	Import Duty
	5211.19.00	- Other fabrics	20%	8%
		- Bleached:		
	5211.21.00	- Plain weave	20%	12%
	5211.22.00	- 3-thread or 4-thread twill, including cross twill	20%	12%
	5211.29.00	- Other fabrics	20%	12%
<b>52.12</b>		<b>Other woven fabrics of cotton.</b>		
		- Weighing not more than 200 g/m <sup>2</sup> :		
	5212.11.00	- Unbleached	20%	8%
	5212.12.00	- Bleached	20%	12%
		- Weighing more than 200 g/m <sup>2</sup> :		
	5212.21.00	- Unbleached	20%	8%
	5212.22.00	- Bleached	20%	12%
<b>53.09</b>		<b>Woven fabrics of flax:</b>		
		- Containing 85% or more by weight of flax:		
	5309.11.00	- Unbleached or bleached	20%	12%
	5309.19.00	- Other	20%	12%
		- Containing less than 85% by weight of flax		
	5309.21.00	- Unbleached or bleached	20%	12%
	5309.29.00	- Other	20%	12%
<b>53.11</b>	5311.00.00	<b>Woven fabrics of other vegetable textile fibres; woven fabrics of paper yarn.</b>	20%	12%
<b>54.07</b>		<b>Woven fabrics of synthetic filament yarn, including woven fabrics obtained from materials of heading No. 54.04.</b>		

Heading No.	H.S. Code	Description	Unit	Import Duty
	5407.10.00	- Woven fabrics obtained from high tenacity yarn of nylon or other polyamides or of polyesters	20%	12%
	5407.20.00	- Woven fabrics obtained from strip or the like	20%	12%
	5407.30.00	- Fabrics specified in Note 9 to Section XI	20%	12%
		- Other woven fabrics, containing 85% or more by weight of filaments of nylon or other polyamides:		
	5407.41.00	- Unbleached or bleached	20%	12%
		- Other woven fabrics, containing 85% or more by weight of textured polyester filaments:		
	5407.51.00	- Unbleached or bleached	20%	12%
		- Other woven fabrics, containing 85% or more by weight of polyester filaments		
	5407.61.00	- Containing 85% or more by weight of non-textured polyester filaments	20%	12%
	5407.69.00	- Other	20%	12%
		- Other woven fabrics, containing 85% or more by weight of synthetic filaments		
	5407.71.00	- Unbleached or bleached	20%	12%
		- Other woven fabrics, containing less than 85% by weight of synthetic filaments, mixed mainly or solely with cotton:		
	5407.81.00	- Unbleached or bleached	20%	12%
		- Other woven fabrics		
	5407.91.00	- Unbleached or bleached	20%	12%

Heading No.	H.S. Code	Description	Unit	Import Duty
<b>54.08</b>		<b>Woven fabrics of artificial filament yarn, including woven fabrics obtained from materials of heading No. 54.05.</b>		
		- Other woven fabrics, containing 85% or more by weight of artificial filament or strip or the like:		
	5408.21.00	- Unbleached or bleached	20%	12%
		- Other woven fabrics:		
	5408.31.00	- Unbleached or bleached	20%	12%
<b>55.14</b>		<b>Woven fabrics of synthetic staple fibres, containing less than 85% by weight of such fibres, mixed mainly or solely with cotton, of a weight exceeding 170 g/m<sup>2</sup>.</b>		
	5514.11.00	- Of polyester staple fibres, plain weave	20%	12%
	5514.12.00	- 3-thread or 4-thread twill, including cross twill, of polyester staple fibres	20%	12%
	5514.13.00	- Other woven fabrics of polyester staple fibres	20%	12%
	5514.19.00	- Other woven fabrics	20%	12%
<b>55.16</b>		Woven fabrics of artificial staple fibres.		
<b>63.05</b>		Sacks and bags, of a kind used for the packing of goods.		
		- Of man-made textile materials:		
	6305.33.00	- Other, of polyethylene or polypropylene strip or the like	20%	12%
<b>72.08</b>		<b>Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated.</b>		
	7208.10.00	- In coils, not further worked than hot-rolled, with patterns in relief	20%	0%



Heading No.	H.S. Code	Description	Unit	Import Duty
		- Other, not in coils, not further worked than hot-rolled:		
	7208.54.00	- Of a thickness of less than 3 mm	20%	0%
72.09		<b>Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated.</b>		
		- Not in coils, not further worked than cold-rolled (cold-reduced):		
	7209.26.00	- Of a thickness exceeding 1 mm but less than 3mm	20%	8%
	7209.27.00	- Of a thickness of 0.5 mm or more but not exceeding 1mm	20%	8%
72.16		<b>Angles, shapes and sections of iron or non-alloy steel.</b>		
		- Other:		
	7216.91.00	- Cold-formed or cold-finished from flat-rolled products	20%	12%
72.17		<b>Wire of iron or non-alloys steel.</b>		
	7217.10.00	- Not plated or coated, whether or not polished	20%	12%
73.22		<b>Radiators for central heating, not electrically heated, and parts thereof of iron or steel; air heaters and hot air distributors (including distributors which can also distribute fresh or conditioned air), not electrically heated, incorporating a motor-driven fan or blower, and parts thereof, of iron or steel.</b>		
		- Radiators and parts thereof:		
	7322.11.00	- Of cast iron	20%	12%
	7322.19.00	- Other	20%	12%

Heading No.	H.S. Code	Description	Unit	Import Duty
	7322.90.00	- Other	20%	12%
<b>73.25</b>		<b>Other cast articles of iron or steel.</b>		
		- Other:		
	7325.91.00	- Grinding balls and similar articles for mills	20%	8%
<b>73.26</b>		<b>Other articles of iron or steel.</b>		
		- Forged or stamped, but not further worked:		
	7326.11.00	- Grinding balls and similar articles for mills	20%	8%
<b>83.11</b>		<b>Wire, rods, tubes, plates, electrodes and similar products, of base metal or of metal carbides, coated or cored with flux material, of a kind used for soldering, brazing, welding or deposition of metal or of metal carbides; wire and rods, of agglomerated base metal powder, used for metal spraying.</b>		
	8311.10.00	- Coated electrodes of base metal, for electric arc-welding	20%	12%
<b>85.07</b>		<b>Electric accumulators, including separators therefor, whether or not rectangular (including square).</b>		
	8507.10.00	- Lead-acid, of a kind used for starting piston engines	20%	12%
	8507.20.00	- Other lead-acid accumulators	20%	12%
	8507.30.00	- Nickel-cadmium	20%	12%
	8507.40.00	- Nickel-iron	20%	12%
	8507.80.00	- Other accumulators	20%	12%

(3) The rates of suspended duty on goods referred to in the following Schedule shall apply to goods originating from within and outside the East African Community Member States.

## "Suspended Duty"

Heading No.	H.S. Code	Description	Unit	Import Duty
15.11		<b>Palm oil and its fractions, whether or not refined, but not chemically modified.</b>		
		- Crude oil		
	1511.10.10	- Palm oil	20%	10%
		- Fractions		
	1511.10.21	- Palm olein	20%	10%
	1511.10.22	- Palm stearin	20%	0%
	1511.10.29	- Other	20%	10%
		- Other		
	1511.90.10	- Palm olein, RBD	20%	10%
	1511.90.20	- Palm stearin RBD	20%	0%
	1511.90.90	- Other	20%	10%

## PART V

AMENDMENT OF THE EAST AFRICAN CUSTOMS AND TRANSFER TAX  
MANAGEMENT ACT, 1970 (CAP. 27)

12. This Part shall be read as one with the East African Customs and Transfer Tax Management Act, 1970 in this Part referred to as the "principal Act".

Constru-  
tion  
Cap.27

13. The principal Act is amended in section 2 by adding immediately after the definition of the term "postal article" the following new definition-

Amend-  
ment of  
section 2

"post-clearance audit" means a process which enables customs officer to verify the accuracy of declarations through examination of books, records business systems and all relevant customs commercial data held by persons or companies directly or indirectly involved in international trade;"

Amend-  
ment of  
section  
48

**14. Section 48 of the principal Act is amended-**

- (a) by deleting the whole of subsections (1) and (2) and substituting for them the following:

“(1) All warehoused goods which have not been removed from the warehouse in accordance with this Act within six months of the date on which they were warehoused, shall be entered for re-warehousing for additional period of three months:

Provided that, a person whose warehoused goods have been re-entered for re-warehousing for additional period of three months shall be required to pay an interest equivalent to the bank rate charged on the unpaid duty and taxes for goods that shall remain uncleared.”

(2) Where after the expiration of additional period of three months, the owner fails to clear the goods, the proper officer shall issue and publish one month notice for sale of such goods by public auction:

Provided that, any such goods which are of a perishable nature may be sold by the proper officer without notice either by public auction or private treaty, at any time of the expiry of such period of six months.

Repeal of  
section 93

**15. Section 93 of the principal Act is amended-**

- (a) by repealing the whole of section 93 and substituting for it the following:

“Conve-  
yance by  
road of  
transferred  
goods

**93.**—(1) Any good being transferred by land other than by post or rail from a port in Tanzania to another country shall be done by a dully licensed transporter in dully approved vehicles for that purpose in accordance with the provisions of section 186.

(2) Any licensed transporter under subsection (1) shall be required to execute bond to cover tax liabilities.

(3) Any person who uses any unapproved vehicle for the transfer of goods in contravention of subsection (1) without the written permission of the Commissioner General, commits an offence and shall be liable on conviction to a fine not exceeding two million shillings.”.

16. The principal Act is amended by repealing the whole of section 138 and substituting for it the following-

Repeal of  
section  
138

“Power  
to require  
production  
of books

**138.—(1) Where -**

- (a) information has been given to the proper officer that any goods have been or are intended to be smuggled, undervalued or dealt with in any manner contrary to the provisions of this Act;
  - (b) post clearance audit is being conducted for business records including bank records and computer systems or any person or a company involved in international trade; or
  - (c) anything has been seized under this Act,
- the proper officer may require the owner of such goods or thing to produce forthwith all books, documents, bank records and access to computer system relating in anyway to such goods or thing or to any other goods imported, exported or transferred by such owner within a period of past five years.

(2) The proper officer may, on the production of such books, documents, bank records or computer files inspect, take or seize any such books, documents or computer files if on his opinion it may afford evidence of the commission of an offence under this Act.”

17. The principal Act is amended by repealing the whole of section 161 and substituting for it the following:

Repeal of  
section  
161

“Procedure  
after  
notice of  
claim

**161.** Where any notice of claim has been given to the Commissioner General in accordance with section 159, the Commissioner General may, within a period of one month from the reception of such claim:

- (a) by notice in writing to the claimant, require the claimant to institute proceedings for recovery of such thing as per provisions of the Tax Revenue Appeals Act 2000; or
- (b) institute proceedings as per provisions of the Tax Revenue Appeals Act, 2000;

Provided that, if any such thing is prohibited goods or is restricted goods which have been imported or carried coast wise or attempted to be exported in contravention of any regulations relating thereto such thing shall not be released to the claimant but may be disposed of in such manner as the Commissioner General may direct."

Amend-  
ment of  
section  
164

**18.** Section 164 of the principal Act is amended—

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

“(1) Without prejudice to the powers of any other court of competent jurisdiction, any prosecution for any offence under this Act may be heard and determined before a subordinate court:

Act No.  
15 of  
2000

Provided that, all proceedings of civil nature shall be filed and determined in accordance with the provisions of the Tax Revenue Appeals Act, 2000.”

- (b) by deleting subsection (2);
- (c) in subsection (3), by deleting the phrase “the Criminal Procedure Code of the Partner State in which the court is situated” and substituting for it the phrase “the Criminal Procedure Act, 1985”.
- (d) by renumbering subsection (3) as subsection (2);

Repeal of  
section  
186

**19.** The principal Act is amended by repealing section 186 and substituting for it the following:

"Licensing  
of vessels  
conveying  
goods  
subject to  
customs  
control

**186.—(1)** The Commissioner may issue a licence in respect of any vessel and vehicle intended to be used for the conveyance of any goods subject to customs control upon application made in such manner and upon payment of such fees as may be prescribed:

Provided that, any vehicle intended for conveyance of customs controlled goods shall be approved for that purpose and issued with a certificate of approval upon payment of such fees as may be prescribed.

(2) Any person who, without the permission in writing of the proper officer uses any unlicensed vessel or any unapproved vehicle for the conveyance of any goods subject to customs control, commits an offence and shall be liable on conviction to a fine not exceeding two million shillings "

#### PART VI

#### AMENDMENT OF THE EXCISE TARIFF ORDINANCE, CAP. 332

**20.** This Part shall be read as one with the Excise Tariff Ordinance hereinafter referred to as the "principal Ordinance".

Constru-  
ction  
Cap. 332

**21.** Section 6 of the principal Ordinance is amended by

Amend-  
ment of  
section 6

(a) by designating section 6 to read section "6.-(1);"

(b) adding the following new provisions immediately after the designated subsection (1) as follows -

(2) Notwithstanding the provisions of subsections (1), the Minister may, by Order published in the *Gazette*, remit in whole or in part any excise duty payable by any person on any imported or purchased goods if he is satisfied that it is in the public interest so to do.

(3) The Minister shall, in granting remission under subsection (2) of this section -

- (a) specify the time limit within which a remission is granted;
- (b) specify the goods in respect of which the remission is granted;
- (c) impose such other conditions as may be required.”.

Amend-  
ment of  
section  
16

**22.** Section 16 of the principal Ordinance is amended-

- (a) in subsection (4), by deleting the word “fifteen” and substituting for it the words “last working”.
- (b) by adding immediately after subsection (4) the following -

“(5) Any person who fails to submit a return within the time allowed under this Ordinance, shall pay a penalty of one hundred thousand shillings or one percentum of the tax payable in respect of the period covered by the return, whichever is greater and a further two hundred thousand shillings or two percentum of the tax payable in respect of the period covered by the return, whichever is greater shall be payable for each month or part of a month thereafter.”

Amende-  
ment of  
section  
22

**23.** The principal Act is amended by adding immediately after section 21 the following new section -

“Offences  
for late  
returns of  
excise  
duty

**22.** Any person who-

- (a) fails to pay tax on or before the due date;
- (b) refuses or fails to produce any information, document, account or return required from him by or under this Act on or before the time specified for such production by or under this Act;
- (c) willfully does or fails to do anything with intent to avoid payment of any tax, penalty or other sum for which he is liable under this Ordinance;
- (d) in any way is knowingly concerned in any fraudulent evasion of the payment of any tax;



(e) counterfeits or in any way falsifies or knowingly uses when counterfeits or in any way falsifies any document required for the purposes of this Ordinance, commits an offence and upon conviction shall be liable to a fine not exceeding two hundred thousand shillings or two percentum of the evaded tax, whichever is greater”.

24. The First Schedule to the principal Ordinance is hereby amended by substituting the following entries under the column “excise duty” in their appropriate positions:”

“Amendment to the First Schedule

FIRST SCHEDULE

Heading No.	H.S. Code	Description	Unit	Excise Duty Rate
22.01		<b>Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow.</b>		
		- Mineral waters and aerated waters		
	2201.10.90	- Other, including club soda	1	37.50 per litre
22.02		<b>Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading No.20.09.</b>		
		- Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured.		
	2202.10.10	- Lemonade and flavoured mineral or aerated waters	1	Shs.37.50 per litre

Heading No.	H.S. Code	Description	Unit	Excise Duty Rate
	2202.90.00	-Other	l	Shs. 37.50 per litre
<b>22.03</b>		<b>Beer made from malt</b>		
	2203.00.10	- Stout and porter	l	Shs.232.00 per litre
	2203.00.90	- Other		Shs.232.00 per litre
<b>22.04</b>		<b>Wine of fresh grapes, including fortified wines; grape must other than that of heading No.20.09</b>		
		- Sparkling wine		
	2204.10.10	-With the domestic grapes content exceeding 75%	l	Shs.367.50 per litre
	2204.10.90	- Other		Shs.743.40 per litre
		- Other wine; grape must with fermentation prevented or arrested by the addition of alcohol		
		- In containers holding 2l or less		
	2204.21.10	- With the domestic grapes content exceeding 75%	l	Shs.367.50 per litre
	2204.21.90	- Other	l	Shs.743.40 per litre
		- Other		
	2204.29.10	- With the domestic grapes content exceeding 75%	l	Shs 367.50 per litre
	2204.29.90	- Other		743.40 per litre

Heading No.	H.S. Code	Description	Unit	Excise Duty Rate
	2204.30.10	-Other grape must - With the domestic grapes content exceeding 75%		Shs 367.50 per litre
	2204.30.90	- Other		Shs. 743.40 per litre
<b>22.05</b>		<b>Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances.</b>		
		- In containers holding 21 or less.		
	2205.10.10	- Within the domestic grapes content exceeding 75%	l	Shs.367.50 per litre
	2205.10.90	- Other		Shs.743.40 per litre
		- Other		
	2205.90.10	- With the domestic grapes content exceeding 75%	l	Shs.367.50 per litre
	2205.90.90	- Other	l	Shs.743.40 per litre
<b>22.08</b>		<b>Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages.</b>		
	2208.20.00	-Spiritis obtained by distilling grape wine or grape marc	l	Tsh. 1,102.50 per litre
	2208.30.00	- Whiskies	l	Tshs. 1,102.50 per litre
	2208.40.00	- Rum and tafia	l	Tshs. 1,102.50 per litre
	2208.50.00	- Gin and Geneva	l	Tshs. 1,102.50 per litre
	2208.60.00	-Vodka	l	Tshs. 1,102.50 per litre

Heading No.	H.S. Code	Description	Unit	Excise Duty Rate
	2208.70	- Liqueurs and cordials	l	Tshs. 1,102.50 per litre
		- Other		
	2208.90.10	- Distilled Spirits e.g. Konyagi	l	Tshs. 1,102.50 per litre
	2208.90.90	-Other	l	Tshs. 1,102.50 per litre
<b>24.02</b>		<b>Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes.</b>		
		- Cigarettes containing tobacco		
	2402.20.10	- Of length not exceeding 70 mm, with the domestic tobacco contents exceeding 75%	mil	Shs.3,781.05 per mil
	2402.20.20	- Of length equal to 70 mm or more, with the domestic tobacco contents exceeding 75%	mil	Shs.8,920.30 per mil
	2402.20.90	- Other	mil	Shs.16,206.75 per mil
<b>24.03</b>		<b>Other manufactured tobacco and manufactured tobacco substitutes; "homogenized" or "reconstituted" tobacco; tobacco extracts and essences.</b>		
		- Smoking tobacco, whether or not containing tobacco substitutes in any proportion		
	2403.10.10	- Cut rag/filler	kg	Shs.8,183.70 per Kg
<b>27.11</b>		<b>- Petroleum gases and other gaseous hydrocarbons</b>		
	2711.11.00	-Natural gas	kg	Shs.114.00 per Kg

Heading No.	H.S. Code	Description	Unit	Excise Duty Rate
	2711.12.00	- Propane	kg	Shs. 114.00 per kg.
	2711.13.00	- Butanes	kg	Shs. 114.00 per Kg
	2711.14.00	- Ethylene, propylene, butylene et butadiene	kg	Shs. 114.00 per Kg
	2711.19.00	- Other	kg.	Shs. 114.00 per Kg.
<b>39.23</b>		<b>Articles for the conveyance or packing of goods, of plastics; stoppers, lids, caaps and other closures, of plastics</b>		
		- Sacks and bags (including cones)		
		- Of polymers of ethylene		
<b>39.23</b>	3923.21.10	Shopping - bags	kg.	15%
		- Of other plastics		
<b>39.23</b>	3923.29.10	Shopping bags	kg.	15%

## PART VII

## AMENDMENT OF THE EXPORT TAX ACT, 1974

25. This Part shall be read as one with the Export Tax Act, 1974, in this Part referred to as the "principal Act."

Construction Act  
No. 17 of  
1974

26. The Schedule to the principal Act is hereby re-introduced as follows-

Introduction of  
the  
Schedule

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 "SCHEDULE"
 

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(Made under section 3)

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<i>Item</i>	<i>Rate</i>
Raw hides and skin	Twenty per centum of the value of the commodity (f.o.b.)".

## PART VIII

## AMENDMENT OF THE GAMING ACT, 2003

Constru-  
tion Act  
No. 4 of  
2003

**27.** This Part shall be read as one with the Gaming Act, 2003 hereinafter referred to as the "principal Act."

Amend-  
ment of  
section  
20

**28.** Section 20 of the principal Act is amended:

(a) In subsection (1), by deleting the phrase "subsection (2), every licence" and substituting for it the phrase "subsections (2) and (3), every licence other than a licence to manage the national lottery";

(b) by adding after subsection (2) the following subsection:

"(3) A licence issued or renewed in relation to the management of the national lottery shall continue in force for a period of five years from the date of issue or, as the case may be, the date of renewal."

Amend-  
ment of  
section  
86

**29.** Section 86 of the principal Act is amended by -

(a) adding immediately after subsection (3) the following new subsection-

"(4) With effect from the 1<sup>st</sup> day of July, 2003, all assets and liabilities to which the Board of Trustees was entitled or subject, shall, by virtue of this section and without further assurance be transferred to and vest in the Board."

- (b) by renumbering subsection (4) as subsection (5).
- (c) by adding immediately after subsection (5) as renumbered the following new subsection-

Act No. 24 of 1974 “(6) For the purposes of this section, the term “Board of Trustees” means the Board of Trustees established under section 3 of the National Lotteries Act, 1974.”

30. The Second Schedule of the principal Act is repealed and replaced with the following-

Repeal and replacement of the Second Schedule

"SECOND SCHEDULE  
(Made under section 31(3))

ITEM NO.	TYPE OF GAME	GAMING TAX
1.	Casino (Dar es Salaam)	Tshs.400,000/= per table per month.
2.	Casino (Dar es Salaam)	Tshs.60,000/= per machine per month.
3.	Casino (Regions)	Tshs.200,000/= per table per month.
4.	Casino (Regions)	Tshs.30,000/= per machine per month.
5.	Slot Machines	Tshs.16,000/= per machine per month.
6.	Private Lotteries	Ten percent of gross sales."

PART IX  
AMENDMENT OF THE INCOME TAX ACT, 1973

31. This Part shall be read as one with the Income Tax Act, 1973, in this Part referred to as the “principal Act”.

Construction Act No.30 of 1973

32. Section 34 of the principal Act is amended in subsection (2B) by deleting the whole subsection (2B) and substituting for it the following-

Amendment of section 34

“(2B) Every person shall, upon payment of any amount exceeding one hundred thousand shillings per transaction to any person in respect of any fee, charge or like consideration for goods supplied or services rendered, which is chargeable to tax, deduct from that amount tax at a rate of two percent of the gross amount payable excluding Value Added Tax:

Provided that, the provisions of this subsection which relates to deduction of withholding tax on goods and services, shall not apply to holders of certificates of Tax Payer Identification Number issued under section 3A(4):

Provided further that, any fee, charge or like consideration for supply of fish which is chargeable to tax, shall be deducted from that amount a tax at a rate of one percent of the gross amount payable excluding VAT.”

Amend-  
ment of  
the Third  
Schedule

**33. The principal Act is amended in the Third Schedule -**

- (a) by deleting paragraph 1A appearing under Head B and substituting for it the following-

“1A. Tax rates on income of an individual from business of gross turnover of less than twenty million shillings shall be -

<b>“Business Turnover</b>	<b>Tax Payable</b>
Where the gross turnover is less than shs. 3,000,000 per annum	Shs. 20,000.
Where the gross turnover is Shs. 3,000,000 and less than 7,000,000 per annum	Shs. 50,000.
Where the gross turnover is Shs. 7,000,000 and less than Shs. 14,000,000 per annum	Shs. 165,000.
Where the gross turnover is Shs. 14,000,000 and less than Shs. 20,000,000 per annum	Shs. 385,000.”

- (b) in Head B item 9, by deleting sub-item 9 and substituting for it the following-



“9. Economic infrastructure including construction of roads, bridges, railways, airports, seaports, telecommunications, generation and distribution of electricity and water services.”

#### PART X

##### AMENDMENT OF THE LOCAL GOVERNMENT FINANCES ACT, 1982

34. This Part shall be read as one with the Local Government Finances Act, 1982, hereinafter referred to as the “principal Act”.

Constru-  
ction Act  
No. 9 of  
1982

35. Section 13 of the principal Act is amended by-

Amend-  
ment of  
section 13

(a) adding immediately after subsection (1) the following new subsection -

“(2) Notwithstanding the powers to impose rates, charges, levies, fees or dues conferred upon local government authorities under sections 6, 7, 8 and 9 of the Local Government Finances Act, 1982, the local government authorities shall not impose rates to be paid by the inhabitants or such categories of inhabitants, for, on or in connection with such services, matters or acts specified in the Third Column of the Schedule”

(b) by renumbering subsections (2), (3), (4), (5) and (6) as (3), (4), (5), (6) and (7).

36. Section 41 of the principal Act is amended by deleting subsection (1) and substituting for it the following-

Amend-  
ment of  
section 41

“(1) For the purposes of this Act, the financial year of each local government authority shall be twelve months starting from the first day of July and ending the thirtieth day of June of each calendar year except that the first financial year of the newly established authority shall commence on the date of its establishment and may be shorter or longer than twelve months.”

Addition  
of the  
Schedule

37. The principal Act is amended by adding the Schedule immediately after section 67 as follows-

—  
“ SCHEDULE  
—

	Service, Matter or Act	Areas, services, matters or acts which a local government authority shall not impose rates charges, levies, fees or dues
1.	<b>Produce Cess on buyers:</b> (a) Crop cess – cap 5% of farm gate price (b) Forest produce cess- cap 5% of farm gate price, or by volume at source on sales of timber, charcoal, logs, <i>mirunda</i> , firewood, poles and thieses ( <i>fito</i> )	<ul style="list-style-type: none"> <li>● a cess in excess of 5%</li> <li>● cess on sellers</li> <li>● cess on timber products e.g. furniture and the like</li> </ul>
2.	<b>Charges:</b> (a) Livestock market fee	<ul style="list-style-type: none"> <li>● Livestock outside auction mart</li> <li>● Livestock in auction mart but not yet sold</li> <li>● Livestock movement permit</li> <li>● Livestock not in transit</li> <li>● Livestock not transported by train, lorry or ship</li> </ul>
	(b) Refuse collection according to categories i.e. industrial, commercial, domestic or solid waste	<ul style="list-style-type: none"> <li>● Flat rate on all types of solid waste</li> </ul>
	(c) Abattoir charges for animals slaughtered in an abattoir: (i) slaughter charge (ii) meat inspection charge	<ul style="list-style-type: none"> <li>● animals not slaughtered in an abattoir</li> <li>● Slaughter charge in villages</li> </ul>

	(d) Cesspit emptying charges where cesspit emptiers belong to the local government authority and the service is rendered by the local government authority	<ul style="list-style-type: none"> <li>● charges on private operators undertaking cesspit emptying services</li> <li>● Rates above private operators undertaking cesspit emptying services</li> </ul>
	(e) Clearing of blocked drains charges	<ul style="list-style-type: none"> <li>● Charges on private operators undertaking clearing of blocked drains</li> <li>● Rates above private operators undertaking clearing of blocked drains</li> </ul>
	(f) Health facility user charge and cost sharing on health facilities belonging to the local government authority	<ul style="list-style-type: none"> <li>● Health facilities not belonging to the local government authority</li> </ul>
	(g) Charges on artificial insemination services undertaken by local government authority staff	<ul style="list-style-type: none"> <li>● Artificial insemination undertaken by non local government authority staff</li> </ul>
	(h) Clean water service rendered by the local government authority	<ul style="list-style-type: none"> <li>● Clean water service provided by private operators other than local government authority employees</li> </ul>
	(i) Sale of seedlings produced by the local government authority	<ul style="list-style-type: none"> <li>● Sale of seedlings produced by a person or body of persons other than local government authority</li> </ul>
	(j) Livestock dipping service provided by the local government authority	<ul style="list-style-type: none"> <li>● Dipping services provided by a village council or any person or body of persons other than a local government authority</li> </ul>
	(k) Insurance commission charge for services rendered by local government authority payable by an Insurance Company	Insurance commission services rendered by a person or body of persons other than a local government authority

	(l) Sale of building plans prepared by local government authority staff.	-
<b>3.</b>	<b>Fees for Licences/Permits</b>	
	(a) Building permit	-
	(b) Land survey fees	-
	(c) Licence fee for commercial fishing	● Fishing for non commercial purposes or personal domestic consumption
	(d) Business Licence fee for general merchandizing as prescribed under the Business Licensing Act, 1972. (No.25 of 1972)	● Fees exceeding the prescribed fee
	(e) Intoxicating liquor licence fee	● Fee exceeding the prescribed fee
	(f) Muzzle loading guns licence fees	-
	(g) Forest produce licence fees cap of 20% of the fees	● Fee exceeding cap of 20% vide section 79 of the Forest Act 2002 Act (No. 14 of 2002)
	(h) Fishing vessel licence fees	
	(i) Advertisement fees for billboards, posters or hoarding	● Advertisement made pursuant to a requirement prescribed by the law relating to companies.
	(j) Licence fee for building materials including all forms of rock, stone, gravel, sand, clay, volcanic ash or cinder, or other minerals being used for the construction of buildings, roads, dams, and aerodromes	● Gypsum, limestone being burned for the production of lime, or material used for the manufacture of cement.
	(k) Taxi registration fee	● Vehicles for private use
	(l) Licensing fee under section 41(1) of the Surface and Marine Transport Regulatory Authority Act, 2001 (No. 9 of 2001) for vehicles which are ordinarily housed or kept within the area of the urban authority	● Vehicle registered outside the urban authority ● Vehicles not ordinarily housed or kept within the area of the urban authority

	(m) Tender fee for procurement activities tendered by the local government authority	<ul style="list-style-type: none"> <li>• Procurement activities by central government, a person or body of persons other than local government authority</li> </ul>
	(n) Parking fees for parking bays in places other than central bus stand	<ul style="list-style-type: none"> <li>• Central bus stand</li> </ul>
	(o) Central bus stand fees for vehicles moving from one destination to the other	<ul style="list-style-type: none"> <li>• Stands other than central bus stand</li> </ul>
	(p) Hunting licences fees 20% of the money derived from hunting fees charged under the Wildlife Conservation Act 1974 (No. 12 of 1974)	<ul style="list-style-type: none"> <li>• Excess of 20% of hunting fees</li> </ul>
	(q) Pharmacies, drug shops, private dispensaries and private clinic registration fees not exceeding 20% of the fees collected under any written law	<ul style="list-style-type: none"> <li>• Excess of 20% of fees collected</li> <li>• Government Institutions</li> <li>• Religious Organizations</li> </ul>
	(r) Valuation services fee for valuation undertaken on buildings done by local government authority staff	<ul style="list-style-type: none"> <li>• Valuation by private valuer</li> <li>• Valuation on public buildings</li> </ul>
	(s) Plying fees for commercial vehicles moving to and fro within the area of a local government authority	<ul style="list-style-type: none"> <li>• Vehicles moving to or from a local government authority area</li> </ul>
	(t) Scaffolding/Hoarding permit fees	<ul style="list-style-type: none"> <li>• Fences around completed houses</li> </ul>
4.	<b>Levies</b>	
	(a) Service levy charges to corporate entities of cap of 0.3 on turn-over, net of VAT and excise duty	<ul style="list-style-type: none"> <li>• In excess of cap of 0.3% of turnover, net of VAT and excise duty</li> <li>• Non-corporate entities</li> </ul>
	(b) Property rate on buildings in actual occupation	<ul style="list-style-type: none"> <li>• Structures which are not buildings</li> </ul>

		<ul style="list-style-type: none"> <li>• Buildings not in actual occupation</li> <li>• Buildings exempted under the Urban Authorities (Rating) Act, 1983 (No. 2 of 1983). mud houses</li> </ul>
	(c) Fish landing or auction levy	<ul style="list-style-type: none"> <li>• Non-commercial fishing</li> <li>• Fish hawking</li> <li>• Fish small retailers</li> <li>• Fish in auction mart but not sold</li> </ul>
	(d) Guest houses	<ul style="list-style-type: none"> <li>• Hotels including tourist hotels and camping tents</li> </ul>
5.	<b>Sales, renting and hiring of local government authority assets or products and market dues.</b>	
	(a) House rent for local government authority houses	<ul style="list-style-type: none"> <li>• Houses not owned by Local government authority</li> </ul>
	(b) (j) Market stalls and slab dues as prescribed under the Markets Ordinance (Cap. 106)  (ii) <i>magulio</i>  (iii) auction marts ( <i>minada</i> )	<ul style="list-style-type: none"> <li>• Peasants selling agricultural produce on an on-and-off basis</li> <li>• <i>Magulio</i> managed by village councils</li> <li>• Small vendors selling cooked food items such as buns, fried fish, and the like</li> </ul>
	(c) Hire/Rent for local government authority vehicles, plants and other assets	-
	(d) Land rent (shared with Central Government)	-

	(c) Bank interest and premium on local government authority monies and shares	-
<b>6.</b>	<b>Fines and Penalties</b>	
	(a) Fines and penalties to be imposed by the Council as stipulated in the by-laws	-
	(b) One-half of all fines imposed by, and one-half of the value of all things and articles forfeited as a result of an order of any magistrates court within the area of the local government authority	-
	(c) Stray animals penalty”	-

**PART XI**

**AMENDMENT OF THE PETROLEUM (CONSERVATION) ACT, 1981**

**38.** This Part shall be read as one with the Petroleum (Conservation) Act, 1981 in this Part referred to as the “principal Act”.

Construc-  
tion Act  
No. 18 of  
1981

**39.** The principal Act is amended in section 4 by adding immediately after subsection (3) the following -

Amend-  
ment of  
section 4

“(4) Petroleum products imported into the United Republic through the port of Dar Es Salaam, prior to customs clearance shall be offloaded at Kurasini oil jetty and be pumped through flow meters which shall be installed in the manner prescribed by the Minister to record the quantity of products imported by and delivered to the importer.”

**PART XII**

**AMENDMENT OF THE PORT SERVICES CHARGE ACT, 1973**

**40.** This Part shall be read as one with the Port Services Charge Act, 1973 hereinafter referred to as the “principal Act”.

Construc-  
tion Act  
No. 11 of  
1973

**41.** Subsection (1) of section 3 of the principal Act is amended by deleting the “comma” and the words “other than and substituting for them the word “or.”

Amend-  
ment of  
section 3

Amend-  
ment of  
section 4

**42.** Subsection (1) of section 4 of the principal Act is amended-

(a) by deleting a "full stop" appearing at the end of paragraph (b) and substituting for it "a semicolon";

(b) by adding immediately after paragraph (b) the following new paragraph -

"(c) any passenger embarking on a ferry which plies at a distance of up to three kilometres from the port."

Amend-  
ment of  
section 7

**43.** Section 7 of the principal Act is amended by-

(a) adding immediately after sub section (2) the following subsections-

"(3) Where any collection agent and every servant or agent of a collection agent employed by such collection agent in that behalf, who collects the charge from a person liable to pay the same fails to remit to the Commissioner the charge so collected, the Commissioner may recover such charge by distress upon the goods and chattels of the agent.

(4) Where any tax due from an agent remains unpaid, the Commissioner may, by notice in writing, require any other person-

(a) from whom any money is due, or is accruing or may become due to the agent; or

(b) who holds, or may subsequently hold money on account of the agent; or

(c) having authority from any person to pay money to the agent,  
to pay that money, or of much as is sufficient to discharge the tax from the agent, in the manner directed by the Commissioner as and when it would, but for the notice, be or become payable to the agent.



(5) A person on whom a notice under subsection (4) has been served and who fails to comply with the notice, commits an offence and upon conviction is liable to a fine not exceeding one hundred thousand shillings or ten percentum of the amount demanded by the notice, whichever is greater."

(b) by renumbering subsection (3) as subsection (6).

### PART XIII

#### AMENDMENT OF THE STAMP DUTY ACT, 1972

44. This Part shall be read as one with the Stamp Duty Act, 1972 hereinafter referred to as the "principal Act"

Constructi-  
on Act  
No, 20 of  
1972

45. The Schedule to the principal Act is amended by adding immediately after item (k) which appears under Article 51 the following item-

Amend-  
ment of  
the  
Schedule

"(1) for selling fish by fishermen."

### PART XIV

#### AMENDMENT OF THE TANZANIA REVENUE AUTHORITY ACT, 1995

46. This Part shall be read as one with the Tanzania Revenue Authority Act, 1995 hereafter referred to as the "principal Act"

Constru-  
ction Act  
No. 11 of  
1995

47. The principal Act is amended in section 16 by deleting subsection (6) and substituting for it the following-

Amend-  
ment of  
section 15

"(6) Subject to any express direction by the Commissioner General to the contrary, any of the powers and duties of the Commissioner General under this Act may be exercised by any officer authorized in writing in that behalf by the Commissioner General.

(7) Notwithstanding anything contained in any written law, any officer duly authorized in writing in that behalf by the Commissioner General may appear in any Court on behalf of

Act No. 9 of 1985

the Commissioner General in any proceedings to which the Commissioner General is a party and, subject to the directions of the Director of Public Prosecutions, any such officer may conduct any prosecution for any offence under the laws specified in the First Schedule of this Act and for such purpose shall have all the powers of a public prosecutor appointed under the Criminal Procedure Act, 1985."

## PART XV

## AMENDMENT OF THE VALUE ADDED TAX ACT, 1997

Commencement Act No. 24 of 1997

48. This Part shall be read as one with the Value Added Tax Act, 1997 hereinafter referred to as "the principal Act."

Amendment of section 2

49. Section 2 of the principal Act is amended -

- (a) by deleting the whole definition of the term "Appeals Tribunal";
- (b) by deleting the phrase "sections 13, 14 or 15" appearing at the end of the definition of the term "Taxable Value" and substituting for it the phrase "sections 13 or 14";

Amendment of section 5

50. Subsection (1) of section 5 of the principal Act is amended -

- (a) by deleting paragraph (a);
- (b) by renaming paragraphs (b), (c) and (d) as paragraphs "(a)" "(b)" and "(c)" respectively;

Amendment of section 6

51. The principal Act is amended in section 6 by adding immediately after subsection (4) the following new subsections: -

"(5) Notwithstanding the provisions of subsections (1), (2) and (3), the Minister may, after consultation with the Authority and by order published in the *Gazette*, make provisions in respect of the time at which a supply is to be treated as taking place."

**52.** The principal Act is amended in section 7 by adding immediately after subsection (4) the following new subsection:-

Amend-  
ment of  
section 7

“(5) The Minister may, by order published in the *Gazette* and after consultation with the Authority, in relation to goods and service generally or in specific goods or services, vary the rules for determining where a supply of such goods and service is made.”

**53.** Section 13 of the principal Act is amended in subsection (5) by inserting a phrase “or appoint an independent professional valuer to carry out such assessment” between the word “principle” and “as” appearing at the beginning of that subsection.

Amend-  
ment of  
section 13

**54.** Section 17 of the principal Act is amended in subsection (5) by -

Amend-  
ment of  
section 17

(a) removing the “full stop” immediately after the word “auditors” appearing at the end of that subsection;

(b) by adding immediately after the word “auditors” appearing at the end of this subsection the phrase “but who are also tax consultants registered with the Tanzania Revenue Authority.”

**55.** Section 43 of the principal Act is amended in subsection (2) by deleting the words “Part X” appearing immediately after the word “under” at the end of the second line of that subsection and substituting therefor a phrase “the Tax Revenue Appeals Act, 2000.”

Amend-  
ment of  
section 42  
Act No.  
15 of  
2000

**56.** The principal Act is amended by repealing section 69 and substituting for it, the following-

Repeal of  
section 69

“Repay-  
ments and  
remissions

**69.** Where any VAT, penalty or interest not due to the Commissioner General under this Act is paid to him or VAT, penalty or interest due is not charged and paid by a taxable person because of misunderstanding arising from incorrect or misleading advise by an officer, the Commissioner General may repay or remit the VAT, penalty or interest.”

**57.** The First Schedule to the principal Act is amended by deleting the “Notes” appearing under item 2 and substituting therefor the following -

Amend-  
ment of  
the First  
Schedule

"Notes:

For the purposes of this Schedule:

- (a) goods are treated as exported from the United Republic of Tanzania if they are delivered or made available to an address outside the United Republic of Tanzania as evidenced by documentary proof acceptable to the Commissioner;
- (b) all supplies of services are treated as being supplied in the place where the supplier belongs as defined in subsection (4) of section 7 except supplies of services which may be treated as exported, subject to documentary proof acceptable to the Commissioner as follows-
  - (aa) services relating to land, shall be treated as being exported, only when the land, in respect of the services supplied, is situated outside the United Republic of Tanzania;
  - (bb) any supply of service consisting of;
    - (i) cultural, sporting, scientific, education, or entertainment services;
    - (ii) services relating to exhibitions, conferences or meetings;
    - (iii) services ancillary to, including organizing, any supply of a description within the meaning of paragraphs (aa) and (bb) herein; and
    - (iv) the valuation of, or any work carried out on any goods, shall be treated as exported, only when such services are physically carried outside the United Republic of Tanzania"

Amend-  
ment of  
the  
Second  
Schedule

58. The "principal Act" is amended in the Second Schedule by deleting the whole of item 21.

59. The Third Schedule to the principal Act is amended-

Amend-  
ment of  
the Third  
Schedule

- (a) in item 5, by inserting a phrase "including ambulance" immediately after the word "use" appearing at the end of the second line of that item;
- (b) in item 9-
  - (i) by deleting paragraph (a) of sub-item (1) and substituting for the following-
    - "(a) in the case of a religious organization for the advancement of religion, if the relief is on motor vehicles described in tariff heading number 87.03 and H.S codes 8702.20.10 and 8702.90.20 under the First Schedule of the Customs Tariff Act, 1976, such motor vehicles, shall not exceed 3000cc;"
  - (ii) by adding immediately after sub-item (3), the following new sub-item (4)-
    - "(4) Notwithstanding the provisions of paragraphs (b) and (c), the special relief provided thereby shall not include motor vehicles.";
- (c) by deleting item 11;
- (d) by renumbering items 12,13,14, 15, 16,17,18, and 19 as 11, 12, 13, 14, 15, 16, 17 and 18;
- (e) by adding immediately after item 18 as renumbered, the following new items-

"19. The supply of packing materials to the registered milk processor or manufacturer.

20. The importation by or supply to a registered water drilling company of goods to be used solely for water drilling.

21. The importation by or supply to a registered pharmaceutical manufacturing company, of goods to be used solely in the manufacturing of human medicines."

PART XVI  
AMENDMENT OF THE PUBLIC FINANCE ACT, 2001

Constru-  
tion Act  
No. 6 of  
2001

**60.** This Part shall be read as one with the Public Finance Act, 2001.

Amend-  
ment of  
section 7

**61.** Section 7 of the principal Act is amended-

- (a) by inserting the words “registered with the National Board of Accountants and Auditors” between the words “auditors” and “on” appearing in subsection (1);
- (b) by adding the “comma” and the word “regions” between the words “agency” and “or” appearing in paragraph (a) of subsection (3).

Amend-  
ment of  
section 8

**62.** Subsection (3) of section 8 of the principal Act is amended by inserting the words “it is” between the words “whether” and “property”.

Amend-  
ment of  
section 16

**63.** Section 16 of the principal Act is amended by deleting the figure “139” appearing between the words “Article” and “of” and substituting for it the figure “136”.

Amend-  
ment of  
section 25

**64.** Section 25 of the principal Act is amended-

- (a) in subsection (1), by deleting the word “six” appearing between the words “of” and “months” and substituting for it the word “three”;
- (b) in subsection (2) by deleting the word “four” appearing between the words “of” and “months” and substituting for it the word “three”.

Amend-  
ment of  
section 32

**65.** Section 32 of the principal Act is amended by deleting the side note “Act No. 27 of 1972” appearing against paragraph (c) of subsection (1), and substituting for it the side note “Act No. 33 of 1972”.

66. Subsection (1) of section 33 of the principal Act is amended by deleting the words "section 41" appearing between the words "which" and "applies" and substituting for them the words "Article 143 of the Constitution."

Amend-  
ment of  
section 33

#### PART XVII

##### AMENDMENT OF THE LOCAL GOVERNMENT (DISTRICT AUTHORITIES) ACT, 1982

67. This Part shall be read as one with the Local Government (District Authorities) Act, 1982 hereinafter referred to as the "principal Act".

Constru-  
tion Act  
No. 7 of  
1982

68. Section 113 of the principal Act is amended by-

Amend-  
ment of  
section  
113

(a) re-designating subsection (2) as subsection (3); and

(b) inserting the following subsection between sub section (1) and the re-designated subsection (3):

"(2) Where, the regulations are to be made in relation to which consultations are required in accordance with subsection (1), such consultations shall be signified in writing to have been made by the Minister other than the Minister and that consent to their promulgation has been procured as such.";

#### PART XVIII

##### AMENDMENT OF THE LOCAL GOVERNMENT (URBAN AUTHORITIES) ACT, 1982

69. This Part shall be read as one with the Local Government (Urban Authorities) Act, 1982 hereinafter referred to as the "principal Act".

Constru-  
tion Act  
No. 8 of  
1982

70. Section 57 of the principal Act is amendment by-

Amend-  
ment of  
section 57

(a) re-designating subsection (2) as subsection (3); and

(b) inserting the following subsection between subsection (1) and the re-designated subsection (3):

“(2) Where, the regulations are to be made in relation to which consultations are required in accordance with subsection (1), such consultations shall be signified in writing to have been made by the Minister other than the Minister and that consent to their promulgation has been procured as such.”

Passed in the National Assembly on the 5<sup>th</sup> August, 2003.

.....  
*Clerk of the National Assembly*