



**CORETAX  
AFRICA**



**BUDGET  
ANALYSIS  
2024 - 2025**

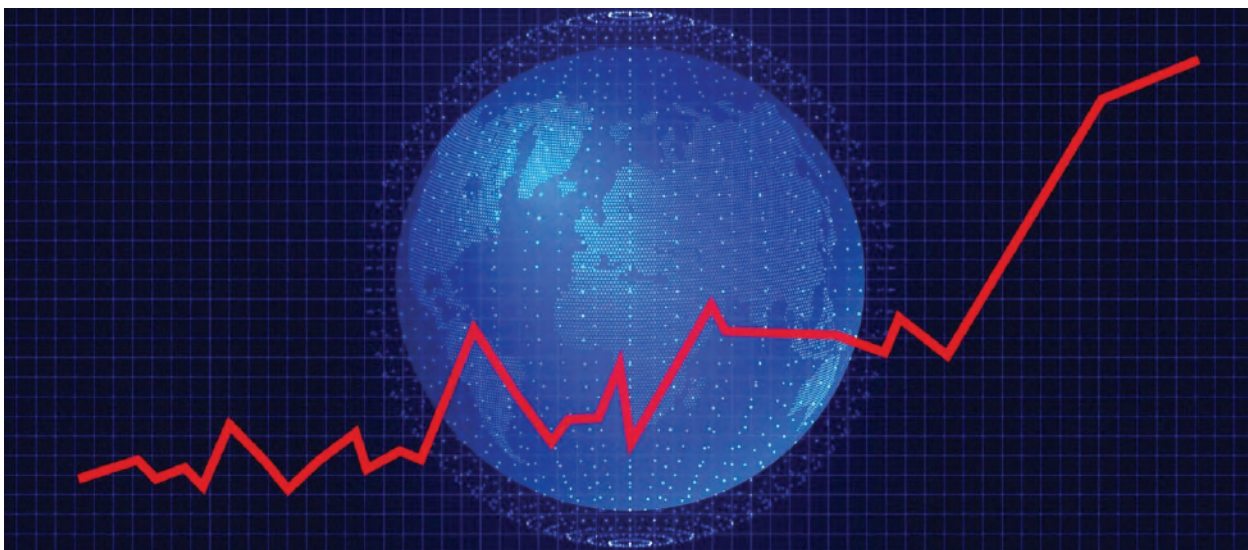
# TABLE OF CONTENTS

<b>Highlights</b>	<b>02</b>
<b>Economic Analysis</b>	<b>03</b>
<b>Strategic Priority Areas</b>	<b>06</b>
<b>Proposed Tax Changes</b>	<b>07</b>
<b>Income Tax</b>	<b>08</b>
<b>Strategic Priority Areas</b>	<b>09</b>
<b>Value Added Tax Changes</b>	<b>10</b>
<b>Income Tax</b>	<b>11</b>
<b>Tax Administration Act</b>	<b>12</b>
<b>Excise Duty</b>	<b>13</b>
<b>Custom Duty</b>	<b>14</b>
<b>Other Proposed Amendments</b>	<b>20</b>



# Highlights

In his opening remarks, the Minister of Finance, Hon. Dr. Mwigulu Nchemba (MP) highlighted the alignment of the current year budget to the overall East Africa budget whose main theme is ***“Sustainable Economic Transformation through Fiscal Consolidation and Investment in Climate Change Mitigation and Adaptation for Improved Livelihoods”***.



Reflecting on a positive economic performance for 2022/2023, marked by a GDP growth from 4.7% to 5.1%, improved agriculture, mining, construction, and record tourism, inflation was managed to an average of 4.04%.

The upcoming year's targets include a GDP growth to 5.4%, maintaining single-digit inflation, increasing domestic and tax revenue, and keeping a budget deficit under 3.0% of GDP. Key assumptions include private sector participation, resilience to disasters, global economic stability, and food security.

Priorities align with the Third National Five-Year Development Plan, focusing on an inclusive economy, industrialization, trade, human capital, ICT, business environment, and major projects including AFCON 2027 preparations.

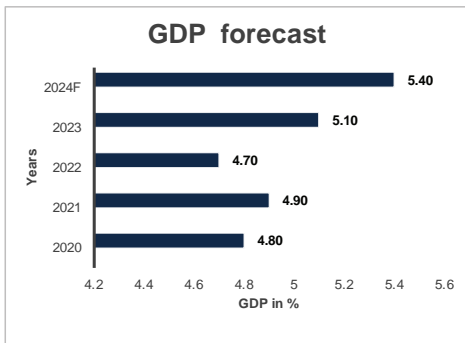




# Economic Analysis



## Gross Domestic Product (GDP)

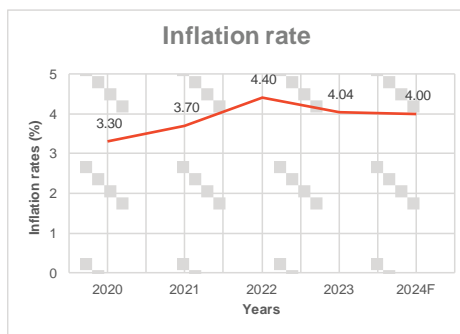


Source: BOT Monetary Policy Statement June 2024

GDP has grown from 4.7% in 2022 to 5.1% in 2023 largely driven by agriculture, mining & quarrying construction activities and tourism.

GDP in 2024 is forecasted to 5.4% driven by investment in private sectors and improvement in general business environment.

## Inflation

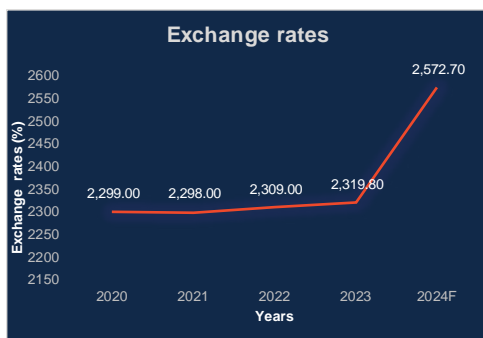


Source: Monthly BOT review – May 2024

The average inflation rate has decreased from 4.40% in 2022 to 4.04% in 2023 mainly. Average inflation rate for the month of April 2024 is 3.10%.

Inflation rate is expected to remain within the single-digit range of an average of 3.0% -5.0% mainly due to action taken by the central bank to counter the effect of exchange rates.

## Exchange Rates

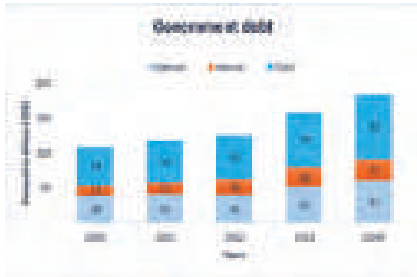


Source: Monetary policy June and monthly economic review May 2024

The exchange rate depreciated following an increase in demand for foreign exchange in the market due to high commodity prices in the world.

Following the shortage of dollar, the government has directed stakeholders who charge in foreign currency to amend and ensure that all levies, goods and services are quoted and paid in TZS. Sale of domestic goods or services in foreign currency is an offence.

Source: Annual Budget speech 2024/25



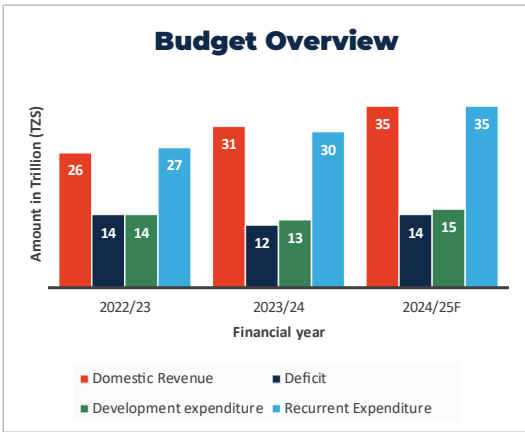
Source: Annual minister speeches

The external debt has increased by 19% from prior year mainly contributed by borrowings for developing projects and depreciation of TZS/USD.

The present value of government debt to GDP ratios is 35.6% compared to the threshold of 55%

Source: Minister speech 2024/25 budget

## Budget Overview



Government expects to mobilize and spend a total of 49.35 trillion shillings, equivalent to an increase of 11.2% compared to the 2023/24 budget.

The increase is mainly due to:

- Increase in government debt
- Interest rates & loans maturity
- Government staff costs
- Local and general elections
- Preparation of 2027 AFCON



# Strategic Priority Areas

## Enhancing competitive and inclusive economy

- Construction of railways, roads and airports
- Construction of ports
- Construction of East Africa crude oil pipeline.

## Developing industrialization service provision

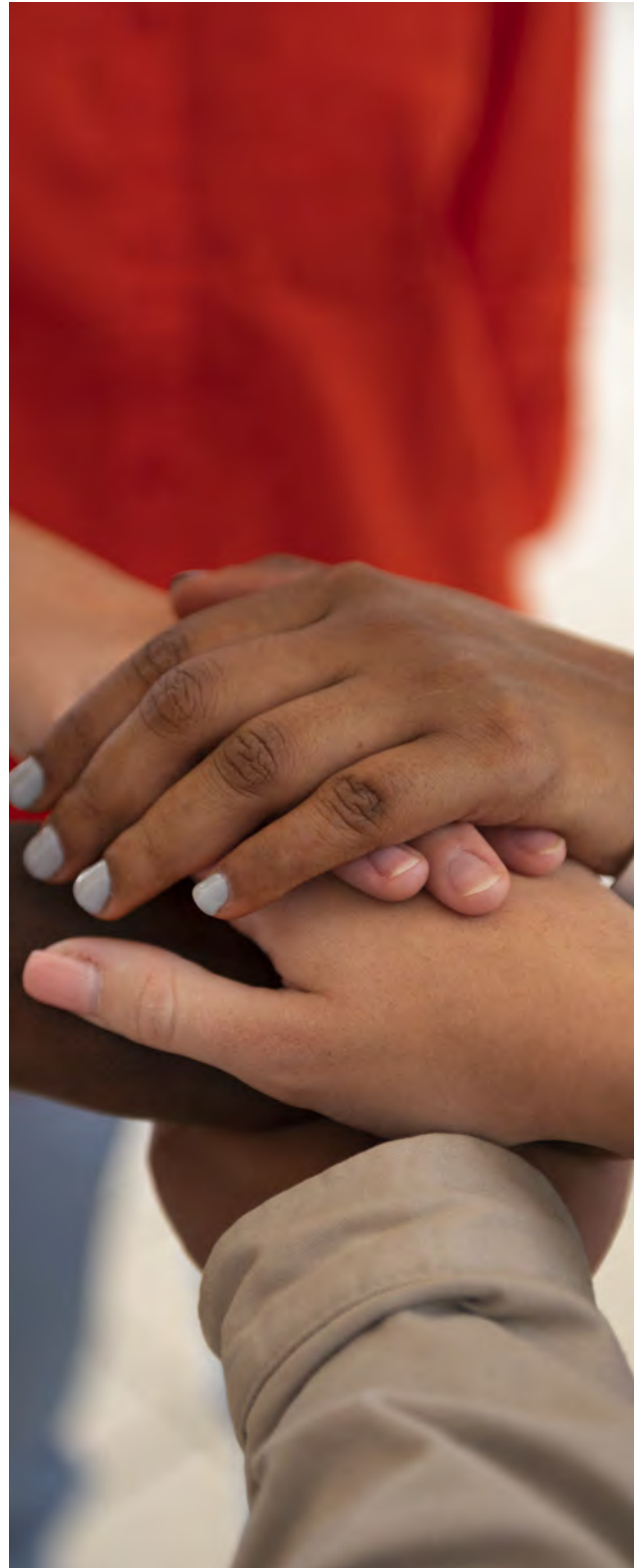
- Promotion of usage of in-country raw materials
- Expansion of national communication backbone.

## Investments and trade promotions

- Improve port infrastructure
- Deepening and widening entrance channel to the harbor

## Promotion human capital development

- Free education system
- Provision of loans to degree and diploma students
- Enhancing human resources in social economic sectors







# Proposed Tax Changes





# Income Tax

## Charitable institutions

To include institutions dedicated to advancing health services and environmental conservation under the category of charitable institutions.

### Rationale

Reducing the burden of income tax paid by the institutions before they were charitable.

## Tea industry exempted from paying Alternative minimum tax

### Rationale

The measure aims to provide relief to the struggling tea industry, which is currently facing financial difficulties due to declining market prices.

## The use of electronic receipts to authenticate purchases

### Rationale

To ensure the deductibility of an expense is the one with the issued fiscalized receipt.

## Contribution to treasury being allowable deduction for public entities

### Rationale

It is evident that tax is remitted to treasury similarly as the 15% contribution, then taxing the 15% contribution amounts double taxation of the same base.

## Tax relief on local transport service

To amend the applicable taxes on passenger transportation business with gross income not exceeding TZS 100 million and which are not legally bound to prepare accounts.

## Withholding tax on agriculture produce

To introduce withholding tax at the rate of 2% on payments to be made by resident entities upon purchasing of agricultural produce, fishing, animal, and poultry keeping besides forestry produce. The proposed tax shall be final withholding tax.

## Withholding tax on purchase of industrial minerals

To introduce a withholding tax of 2% for payments received in purchase of industrial minerals but it will exclude salt, metallic minerals or other precious minerals as stipulated in the Mining Act, Cap 123 when sold by Primary Mining Licensee or Artisanal miner.

## **Withholding tax on transfer of digital assets**

Introduce Withholding Tax at the rate of 3% on income derived from transfer of digital assets.

### **Rationale**

The changes go in tandem with the interpretation of the following word, “digital assets.” Furthermore, owner of the digital platform, or any person who facilitates digital asset transfers or exchange, will become a withholding agent and shall remit the withheld tax to the Commissioner General of the TRA. A foreign citizen who operates a digital platform which facilitate transfers or exchange of digital assets, shall be registered by Tanzania Revenue Authority under the Simplified Tax Regime.

## **Withholding tax on digital content creation**

To Introduce Withholding Tax at the rate of 5% on income derived from the business of digital content creation which is done by the resident business entities.

## **Applicability of Section 56**

To exclude applicability of Section 56 on allotment of shares in a resident entity.

## **Enhancing profit base subject to tax chargeability**

Moving from 30% to 40% on tax chargeability on profit base from the fourth year of the loss-making business entities made in four previous consecutive years.

### **Rationale**

The purpose of the measure is to make the government collect taxes earlier without affecting previous business losses incurred by the business entity which shall be allowed deductions in the subsequent years of income.

## **Exemption of withholding tax chargeable on interest**

To exempt withholding tax on interest payments from resident financial Institutions to foreign non-resident financial Institutions and funds with agreements for concessionary loans.

## **Procedures for recognition and writing off bad debts**

To prescribe procedures through Regulation for review, recognition and writing off bad debts.



# Value Added Tax (VAT)

## VAT Refunds to be paid within 30 days.

The minister proposed that the VAT refunds be paid within 30 days from the date of submission of the refund applications to promote voluntary tax compliance and improve the accountability of the Tanzania Revenue Authority (TRA).

## Expanding the VAT Base to include "online data services."

The definition for "online data services" shall be provided for clarity and adapt to technological advancements.

## Abolishment of VAT exemption on supply of precious metals and gemstones

The minister proposed to abolish VAT exemption on supply of precious metals, gemstones, and other precious stones at refineries.

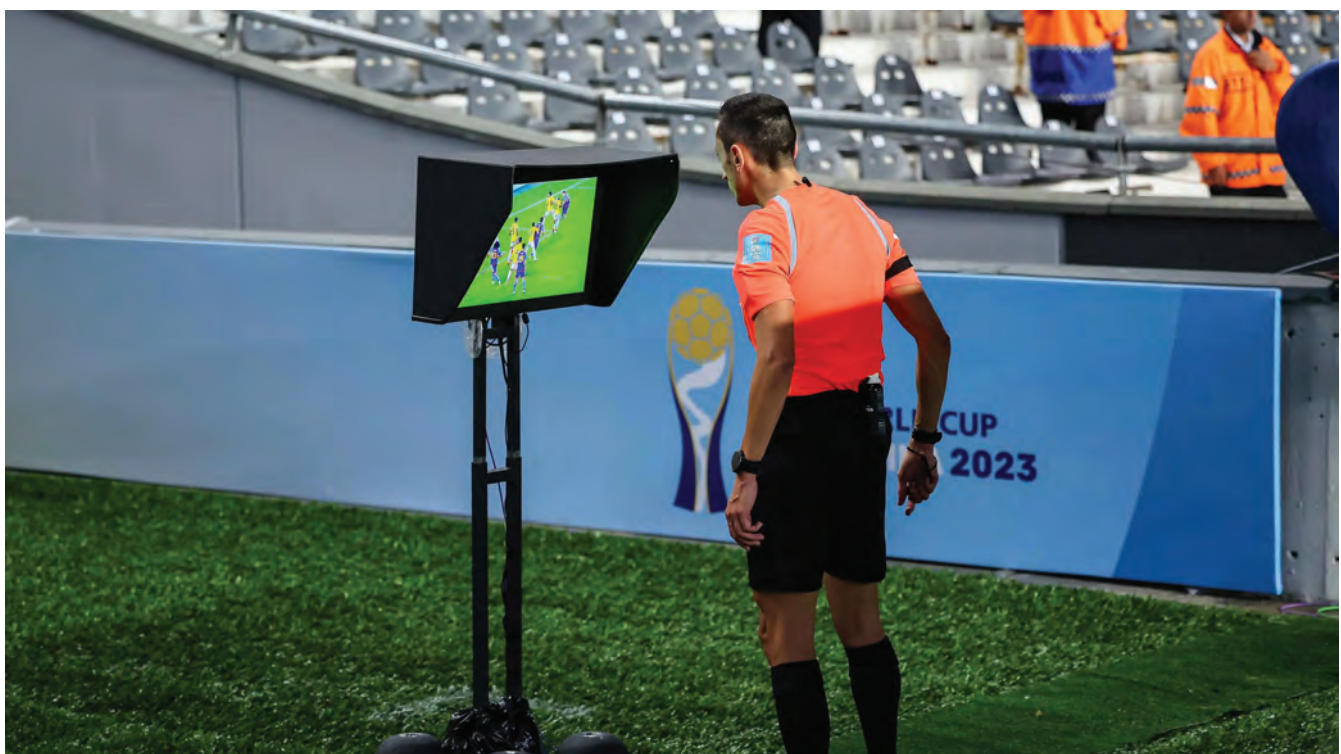
## New Zero-Rated Goods and Services

- On gold supplied to the Central Bank of Tanzania. The benefits working in tandem with the benefits proposed in the Mining Act amendments.
- On gold supplied to domestic refineries. The benefits working in tandem with the benefits proposed in the Mining Act amendments.
- On fertilizer manufactured locally for the period of one year.
- On textile products (Fabric and Garments) made using locally grown cotton.



# New VAT Exemptions

- On supply and importation of motor vehicles, equipment, machinery, and other goods for official use of Tanzania People's Defense Force.
- On supply of aircraft, aircraft engine, aircraft parts and aircraft maintenance to a local aircraft manufacturer, assembler or producer.
- On supply and importation of water treatment chemicals, water meter, sewage.
- On importation of Video Assistant Referee equipment and accessories to ensure that Tanzania secures the necessary sports equipment as a host for the Africa Cup of Nations (AFCON) tournament in 2027.
- On single axle tractors (Power Tiller) of HS Code 8701.10.00. to align the scope of exempted items and harmonize the HS Codes in the East African Community Common External Tariff book, 2017, with those in the current version of the External Tariff book for the year 2022.
- On supply and importation of agricultural implements with HS Code 8201.10.00 (Spades and Shovels) and HS Code 8201.30.00 (Mattocks and Picks).
- On supply of double refined edible oil from locally grown seeds by a local manufacturer for one year.



# Tax Administration Act

## **Empowerment of the Tax Ombudsman Office to Hear and Address Tax Complaints Emanating from Tax Decisions or Objections**

Prior to this, the ombudsman office was limited to hearing and addressing complaints from taxpayers regarding service, procedural or administrative matters arising in the course of administering tax laws.

## **Increase in Value of Currency Points from TZS 15,000 to TZS 20,000**

The currency point system applies in respect of penalties and fines prescribed under the Tax Administration Act. Therefore, the increased value of one currency point, leads to increased fines and penalties. For e.g. The penalty for late filing of corporate tax return is 15 currency points which was equivalent to TZS 225,000. With the new proposal, the penalty shall now be TZS 300,000. Additionally, the penalty for failure to submit transfer pricing documentation shall increase from TZS 52,500,000 to TZS 70,000,000.

## **Increase in Fine Limits for Failure to Issue EFD Receipts or Failure to use an EFD machine**

The Minister has proposed setting a maximum fine of 1000 currency points amounting to TZS 20,000,000, due to the increase in the value of currency points from TZS 15,000 to TZS 20,000 as introduced earlier.



# Excise Duty

## Amendment to the Excise (Management and Tariff) Act

The Minister proposes to include excisable goods charged as a percentage of the value of the goods (ad valorem rates) that were not included in the Finance Act, 2023 adjustments for non-petroleum products and beer and tobacco products.

### Proposed Changes to Additional Items

ITEM	HS CODE	CURRENT RATE	PROPOSED RATE
Bottled Water	HS Code 2201.10.00 and 2201.90.00	63.8 shs per litre	58 shs per litre
Imported Un-denatured Ethyl Alcohol	HS Code 2207.10.00		7,000 shs per litre
Locally produced Un-denatured Ethyl Alcohol (alcohol strength by volume 80% or higher)	HS Code 2207.10.00		5,000 shs per litre
Imported and locally manufactured Tomato Sauce and Tomato Ketchup (Other than Tomato Paste)	HS Code 2103.20.00		300 per kilogram
Imported and locally Manufactured Chilli Sauce and Chilli Ketchup (Other than chili paste) and Mango pickle	HS Code 2103.90.00		300 per kilogram
Imported opaque Beer	HS Code 2206.00.20		963.90 shs per litre
Imported beer made of mixed fruits	HS Code 2206.20.90		2,959.74 shs per litre
Locally manufactured and imported solvent-based paint and vanishes (paint or varnish that dissolves in non-aqueous medium)	Heading 32.08		500 shs per kilogram

### New Excise Duty on Betting, Gaming and Lottery

#### Betting, Gaming, and National Lottery Stakes

- Rate: 10% of the value of the stake.
- Allocation: Funds collected will be ring-fenced for the Universal Health Insurance Fund.

#### Advertising Fees for Betting, Gaming, and Lotteries

- Rate: 10% of the value of the stake.



# Customs Duty

## The East African Community Customs Management Act

Items	HS Code	Current Rate	Proposed Rate
Lithium-ion Electric accumulators	8507.60.00	25%	0%
Unassembled Television (CKD)	8528.72.10; and 8528.73.10.	10%	0%
Various inputs used in the assembling or manufacturing of mobile phones			0%
Other paper, paperboard, cellulose wadding and webs of cellulose fibres	4811.90.00	25%	10%
Float glasses	7005.10.00; 7005.21.00; 7005.29.00; and 7005.30.00	35%	10%
Inputs on production of yoghurt	3923.50.90; 4819.20.90; 4819.30.00; 4819.50.00; 4821.90.00; and 7607.19.90	25% or 35%	0%
Inputs and raw materials on manufacturing of optical fiber	3215.19.00; 3403.99.00; 3506.91.00; 3818.00.00; 3907.99.00; 3907.99.00; 3916.90.00; 3917.39.00; 3919.90.90; 3920.69.90; 3920.99.90; 3921.14.90; 3921.90.90; 5402.11.00; 5404.90.00; 7019.90.90; 8536.90.00; and 8544.49.00		0%
Inputs on manufacture of mosquito repelants	4817.30.00; 4819.10.00; 5407.51.00; and 3921.19.90		0%
Inputs on production of food and beverages	2106.90.20		10%
Float, toughened and multiple-walled insulating units of glass	7005.10.00; 7005.21.00; 7005.29.00; 7005.30.00; 7007.19.00; 7007.29.00 and 7008.00.00	EAC CET 10%	35%

Items	HS Code	Current Rate	Proposed Rate
Ceramic tiles	6907.21.00; 6907.22.00; and 6907.23.00.	EAC CET 35%	35% or USD 3 Sqm which ever is higher
Flat-rolled products of iron or non-alloy steel	7210.49.00; 7210.61.00; 7210.69.00; 7210.70.00; 7210.90.00; and 7212.30.00.	EAC CET 25% or USD 200/MT whichever is higher	25% or USD 300/MT whichever is higher
Flat-rolled products of iron or non-alloy steel	7212.40.00 and 7212.50.00.	EAC CET 35%	25% or USD 300/MT whichever is higher
Flat-rolled products of iron or non-alloy	7212.60.00.	EAC CET 10%	10% or USD 300/MT whichever is higher
Iron and steel flat rods products	7225.91.00; 7225.92.00; and 7225.99.00.	EAC CET 10%	25% or USD 300/MT whichever is higher
Corrugated iron sheets	7210.41.00.	EAC CET 35%	35% or USD 500/MT whichever is higher
Salt	25.01	EAC CET 25% or 35%	50%
Semi-finished flat rolled products	7226.99.00	EAC CET 10%	10% or USD 300/MT whichever is higher
Refined vegetable oils	1507.90.00; 1508.90.00; 15.09; 15.10; 1511.90.30; 1511.90.90; 1512.19.00; 1512.29.00; 1513.19.00; 1513.29.00; 1514.19.00; 1514.99.00; 1515.19.00; 1515.29.00; 1515.50.00; 1515.60.00 and 1515.90.00.	EAC CET 35%	35% or USD 500/MT whichever is higher
Hybrid motor vehicle tariff lines	8703.40.00; 8703.50.00; 8703.60.00; and 8703.70.00		0%



Items	HS Code	Current Rate	Proposed Rate
Cash registers and other Electronic Fiscal Device (EFD) Machines and Point of Sale (POS) imported by the Government or authorized persons	8470.50.00; 8470.90.00	EAC CET 10%	0%
Corks and stoppers	4503.10.00	10%	0%
Cocoa powder, not containing added sugar or other sweetening matter	1805.00.00.	EAC CET 0%	10%
Packaging materials	7310.21.00; 6305.10.00; 3923.50.10; 3923.50.90 and 3920.30.90	25%	0%
Sacks and bags of polymers of ethylene used as inputs by domestic processors of cashew nuts	3923.21.00	25%	0%
Inputs used by domestic processors of cotton lint	3920.30.90; 6305.39.00; 7217.90.00	25%	0%
Raw materials used to manufacture sanitary pads and baby diapers		25% or 10%	0%
Packaging Materials for seeds	3923.29.00; 6305.10.00; 4819.40.00; 7310.29.90; 6305.33.00; 6305.20.00; 6304.91.90 and 7607.19.90	25%	0%
Iron and steel products	7209.16.00; 7209.17.00; 7209.18.00; 7209.25.00; 7209.26.00; 7209.27.00; 7209.28.00; 7209.90.00; 7211.23.00; 7211.90.00; 7226.92.00; and 7225.50.00.	EAC CET 10%	10% or USD 125/MT whichever is higher
Iron and steel reinforcement bars and hollow profiles	7213.10.00; 7213.20.00; 7213.99.00; 7306.30.00; 7306.50.00; 7306.61.00; 7306.69.00; and 7306.90.00.	EAC CET 25% or USD 200/MT whichever is higher	25% or USD 250/MT whichever is higher
Monofilament of which any cross-sectional dimension exceeds 1mm, rods, sticks and profile shapes whether or not surface worked but not otherwise worked of plastics	3916.10.00; 3916.20.00; and 3916.90.00	EAC CET 0%	10%
Paper and paper products	4804.29.00	EAC CET 10%	25%





Imported wheat grain	1001.99.10; 1001.99.90	35%	10%
Refined Bleached Deodorized (RBD) Palm Stearin	1511.90.40	10%	0%
Safety matches	3605.00.00.	EAC CET 25%	25% or USD 1.35/kg whichever is higher
Mineral water	2201.10.00.	EAC CET 25%	60%
Gypsum powder	2520.20.00	EAC CET 0%	10%
Worn items of clothing, footwear and articles	6309.00.10; 6309.00.20 and 6309.00.90	EAC CET 35% USD 0.40/Kg whichever is higher	35%
Raw materials and industrial inputs used to manufacture textiles and leather footwear.		Remission	Remission
New pneumatic tyres of rubber, of a kind used on motorcycles	4011.40.00.	EAC CET 10%	25%
Milk cans	7310.10.00 and 7310.29.90	EAC CET 25%	0%
Organic surface-active agents	3402.31.00; 3402.39.00; and 3402.49.00	10%	0%
Raw material manufacture textiles and leather footwear.	3208.20.10; 3208.20.20; 3208.90.20 and 3210.00.10	25%	0%
Raw materials used to manufacture different types of fertilizers.	2710.99.00; 2528.00.00; and 3505.20.00	25% or 10%	0%
Packaging materials for processed tobacco	5310.10.00	25%	0%
Packaging Materials used by local manufacturers of tea (blenders).	4819.20.90; 5407.44.00; and 3923.29.00	25%	0%
CKD for three wheel motorcycle excluding chassis and its components	8704.21.90	25%	10%



Items	HS Code	Current Rate	Proposed Rate
Inputs used to manufacture glass reinforced plastic pipes	3920.61.10; 7019.39.00; 7019.31.00; 6006.90.00; 7019.12.00; 3920.10.10; 4016.93.00; and 3907.91.00	25%	0%
Refined sugar (sugar for industrial use)	1701.99.10 and 1701.99.20	100% or USD 460/MT whichever is higher	10%
Flat-rolled products	7212.20.00	10%	10% or USD125/MT whichever is higher
Baby diapers	9619.00.90	25%	35%
Cotton yarn	headings 52.05; 52.06; and 52.07 except HS Code 5205.23.00	10%	25%
Horticultural products	0604.20.00;0604.90.00; 0808.10.00; and 0808.30.00	25%	35%
Raw materials used to manufacture food flavors	1901.90.10; 3302.10.00; and 3505.10.00	10%	0%
Inputs used to manufacture corrugated boxes	4804.39.00; 4805.11.00; 4805.19.00; 4805.24.00; and 4805.25.00	10% or 25%	0%
Inputs used to manufacture soap	3401.20.10	35%	10%
Inputs used to manufacture electrical cables	7312.10.00; 7217.20.00; 7408.19.00; 7409.11.00; 7605.21.00; 2710.19.56; 3815.90.00; 5402.19.00; 5903.90.00; 7907.00.00; and 2712.10.00	10% or 25%	0%
Polyester/ Nylon Twine	5607.50.00	EAC CET 10%	25%
Smart cards imported by the National Identification Authority	8523.52.00	EAC CET 25%	0%
Flat-rolled products of iron or non-alloy steel	7210.30.00	EAC CET 25%	25% or USD 250/MT whichever is higher
Imported Vitenge	5208.51.10; 5208.52.10; 5209.51.10; 5210.51.10; 5211.51.10; 5212.15.10; 5212.25.10; 5513.41.10; and 5514.41.10	EAC CET 50%	35%



Imported cotton grey fabric	5208.11.00; 5208.12.00; 5208.13.00; 5208.19.00; 5209.11.00; 5209.12.00; 5209.19.00; 5210.11.00; 5210.19.00; 5211.11.00; 5211.12.00; 5211.19.00; 5212.11.00; and 5212.21.00	EAC CET 25%	25% or 0.25 USD per meter whichever is higher
Imported items (Other paper, paperboard, cellulose wadding and webs of cellulose fibres)	4811.90.00	EAC CET 10%	25%
Buses for transportation of more than 25 persons, imported for rapid transport project	8702.10.99 and 8702.20.99	EAC CET 25%	0%
Nails, tacks, drawing pins, corrugated nails staples (other than those of heading 83.05) and similar articles of iron or steel, whether or not with heads of other materials	7317.00.00	EAC CET 35%	35% or USD 350 per metric ton whichever is higher
Cane sugar imported under a permit issued by the Tanzania Sugar Board	1701.14.90	EAC CET 100% or USD 460/MT whichever is higher	35%
inputs/raw materials used to manufacture capital goods/equipment for various sectors	72.14; 72.15; 72.16; 32.08; 73.07; 83.11; 85.44; 68.06; 74.19; 72.08; 73.06; 73.12; 73.15; 73.18; 84.82; 84.83; 72.22; 73.04; 84.81; 84.84; 7325; 40.10; and 76.06	10%, 25% and 35%	0%
Inputs used to manufacture radiators	7409.11.00; 7409.19.00; 7410.11.00; 7410.12.00; 7409.21.00; 8001.10.00; and 3810.90.00	10%, 25% and 35%	0%
Inputs used to manufacture wiring harnesses for vehicles and motorcycles	8538.90.00; 4016.99.00; 8205.59.00; 8536.10.00; 8536.69.00; 8536.90.00; 8547.20.00; 3926.90.90; 3917.32.00; and 8544.30.00	10% or 25%	0%
Crude vegetable oils of soya-beans, groundnuts, coconuts, mustard, and linseed	1507.10.00; 1508.10.00; 1513.11.00; 1513.21.00; 1514.11.00; 1514.91.00; and 1515.11.00	EAC CET 0%	10%



## Other Proposed Amendments

### Local Government Authorities Act

#### Direct remission of 20% of collected revenue from property tax and land rent to the local government authorities.

The minister proposes 20% of the revenue collected from property tax and land rent be directly remitted to the Local Government Authorities (LGA), in contrast to the current practice where the LGAs request for refund from the consolidated fund.

### Public Service Social Security Fund Act

#### Increased lumpsum payments for retirees

The minister proposes increasing lump sum payments for retirees whose retirement benefits were affected by the merging of the public service pension schemes.

Target group	Previous rate	Proposed rate
Pensioners initially paid 50% of total savings as lumpsum	33%	40%
Pensioners initially paid 25% of total savings as lumpsum	33%	35%

These changes will affect retirees from 2022/23 to 2029/30, after which ongoing retirement benefits will be managed by the PSSSF to ensure scheme sustainability.

### The Road and Fuel Tolls Act

#### Introduction of toll charges for vehicles using Compressed Natural Gas (CNG)

The minister proposes introducing a charge of Tsh. 382 per kilogram on motor vehicles using CNG. This measure is intended to include motor vehicles using CNG in contributing to the Road Fund.





## **Mandatory Installation of ETS Machines for Manufacturing License**

The proposal seeks to amend the Electronic Tax Stamps Regulations, requiring manufacturing licenses to be issued exclusively to entities that have installed ETS machines and commenced production.

## **Proposed Amendment to the Railway Act, 2017**

The Minister proposes to increase the Railway Development Levy from the current rate of 1.5% to 2% of the Cost, Insurance, and Freight (CIF) value and Allocate the Collected Revenue as follows:

- 50% of the revenue will be directed to the Railway Development Fund.
- 50% of the revenue will be allocated to the Road Fund.

## **Proposed Amendment to the Motor Vehicle (Tax Registration and Transfer) Act**

The Minister proposes an amendment to the Motor Vehicle Act by including in scope electric motor vehicles to the same registration requirements and associated fees as other motor vehicles.

## **Introduction of Export Levy on Crude Sunflower Oil, cake, and Seeds at a Rate of 10% (item 23)**

## The Import Control Act

The proposal seeks to amend the Electronic Tax Stamps Regulations, requiring manufacturing licenses to be issued exclusively to entities that have installed ETS machines and commenced production.

### Introduction of Industrial development levy on the following imported goods

Item	HS Code	Introduced levy
Wire rods	7213.91.90	10%
Beer made from malt	22.03	10%
Non-alcoholic beer	2202.91.00	5%
Energy drinks	2202.99.00	5%
Organic surface-active agents- detergents	3402.50.00	10%
Liquid	3402.90.00	105

## The Mining Act



### Exemption of Inspection Fees Payable for Gold Supplied to the Bank of Tanzania (BOT)

The proposal aims to incentivize the gold supply to BOT and boost the gold and foreign currency reserve. However, the current law only mandates a 1% clearance fee, not inspection fees as stated in the Minister's proposal.

### Reduction of Royalty Rates

- Reduction of the royalty rate from 6% to 2% on gold supplied to the BOT, with the royalty payment considered final payments. This reduction aims to incentivize gold supply to BOT, reduce associated costs, enhance growth of national gold and foreign currency reserves, and address USD shortages for international transactions.
- Reduction of royalty rate on goods supplied to domestic refineries would also be reduced from 4% to 2%. This reduction is intended to incentivize supply to domestic refineries, ensure availability of feedstock, and support local refining capacity.

## **Contact Us**

**Evelyn Manu**

**Director – Tax and Business Support Services**

**Phone: +255 717381538**

**Email: [emanu@coretaxafrica.co.tz](mailto:emanu@coretaxafrica.co.tz)**

**Donasia Massambo**

**Director – Transfer Pricing Services**

**Phone: +255 763200490**

**Email: [dmassambo@coretaxafrica.co.tz](mailto:dmassambo@coretaxafrica.co.tz)**

**Nyakorema Mosabi**

**Director – Tax and Business Support Services**

**Phone: +255 712409987**

**Email: [smosabi@coretaxafrica.co.tz](mailto:smosabi@coretaxafrica.co.tz)**



**CORETAX  
AFRICA**