



**THE FINANCE (PUBLIC REVENUE MANAGEMENT)
ACT, NO. 7 OF 2007**

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ACT NO. 7 OF 2007

I ASSENT


{ AMANI ABEID KARUME }
PRESIDENT OF ZANZIBAR AND
CHAIRMAN OF THE REVOLUTIONARY COUNCIL

14th SEPTEMBER, 2007

**AN ACT TO AMEND CERTAIN WRITTEN FINANCIAL AND
TAX LAWS RELATING TO COLLECTION AND
MANAGEMENT OF PUBLIC REVENUES**

ENACTED by the House of Representatives of Zanzibar.

**PART I
PRELIMINARY PROVISIONS**

Short title and commencement. 1. This Act may be cited as the Finance (Public Revenue Management) Act, 2007 and shall come into operation immediately after being assented to by the President.

**PART II
AMENDMENT OF THE PORT SERVICE CHARGE
ACT, NO. 2 OF 1999**

Construction. 2. This part shall be read as one with the Port Service Charge Act, No. 2 of 1999, in this part referred to as the Principal Act.

Addition of a new section 6A. 3. The Principal Act is hereby amended by adding a new section 6A immediately after section 6 as follows:-

Tax clearance. 6A.(1) All applications for any business licence to any licensing Authority or Institution shall be accompanied by tax clearance from the Zanzibar Revenue Board.



(2) No officer is allowed to issue any business licence, as the case may be, for the purpose of carrying on business or trade in Zanzibar without tax clearance to be issued under subsection (1) of this section.

(3) Any licence issued contrary to this section shall be invalid.

(4) Any officer who contravenes the provisions of this section and contributed to the loss of government revenue, commits gross misconduct and shall be punished in accordance with section 9(3) of the Public Finance Act, No. 12 of 2005.

(5) For the purpose of this section:-

"business license" includes trading licence or any other permit issued by a Licensing Authority or Institution issued to any person authorising such person to conduct a particular business or trade;

"Officer" means any officer of a Licensing Authority or Institution acting under the authority of the head of that Authority or Institution for the purposes of issuing business licences;

"Licensing Authority or Institution" means any Statutory Authority or Institution whose establishing statute provides the power of issuing business licences.



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

Construction. 4. This part shall be read as one with the Hotel Levy Act, No.1 of 1995 in this part referred to as the Principal Act.

Amendment of section 2. 5. Section 2 of the Principal Act is hereby amended by inserting a new interpretation of the word "Business" in its appropriate alphabetical order as follows:-

"Business" includes any activity carried on with a view to profit or gain.

Addition of a new section 3C. 6. The Principal Act is hereby amended by adding a new section 3C immediately after section 3B as follows:-

Tax clearance. 3C.(1) All applications for any business licence to any Licensing Authority or Institution shall be accompanied by tax clearance from the Zanzibar Revenue Board.

(2) No officer is allowed to issue any business licence, as the case may be, for the purpose of carrying on business or trade in Zanzibar without tax clearance to be issued under subsection (1) of this section.

(3) Any licence issued contrary to this section shall be invalid.

(4) Any officer who contravenes the provisions of this section and contributed to the loss of government revenue, commits gross misconduct and shall be punished in accordance with section 9(3) of the Public Finance Act No. 12 of 2005.

(5) For the purpose of this section:-



"business license" includes trading licence or any other permit issued by a Licensing Authority or Institution issued to any person authorising such person to conduct a particular business or trade;

"Officer" means any officer of a Licensing Authority or Institution acting under the authority of the head of that Authority or Institution for the purposes of issuing business licences.

"Licensing Authority or Institution" means any Statutory Authority or Institution whose establishing statute provides the power of issuing business licences.

Addition of a new section 4A.

7. The Principal Act is hereby amended by adding a new section 4A immediately after section 4 as follows:-

Tax returns and Payment.

4A.(1) Every person registered under this Act, shall lodge to the Commissioner a tax return in a prescribed form containing any information required in relation to his business.

(2) The tax return shall be submitted not later than the fifteenth day of the month immediately following the month to which the return relates.

(3) Subject to the provisions of this Act, payment of the tax shall be made not later than the twenty fifth day of the month after the end of every month.

(4) If the due date referred to under subsection (2) and (3) of this section falls to a public holiday, the due date will be the last working day before such public holiday.



(5) The Minister may by Regulations published in the Gazette prescribe other procedures for the completion and lodging of returns.

Addition of a new section 9A.

8. The Principal Act is hereby amended by adding a new section 9A immediately after section 9 as follows:-

Effects of

revocation or suspension.

9A. (1) Whenever the Commissioner has revoked or suspended any license by an Order under the provisions of section 9 (5) of this Act, the person whose licence has been so revoked or suspended shall stop his business with effect from the date specified in the Order by the Commissioner.

(2) Such a revocation or suspension order shall remain in place until the Commissioner is satisfied that all tax liabilities due from that person have been settled or settlement has been agreed upon, and the Commissioner withdraws the Order in writing.

(3) Any person who contravenes or fails to comply with the provision of this section, when he received a complaint from the Commissioner shall pay a fine of Tsh. One million within thirty day from the day he received that complaint.

PART IV AMENDMENT OF THE STAMP DUTY ACT, NO. 6 OF 1996

Construction.

9. This part shall be read as one with the Stamp Duty Act, No. 6 of 1996 in this part referred to as the Principal Act.

Additional of
a new section
3F.



10. The Principal Act is hereby amended by adding a new section 3F immediately after section 3E as follows:-

Tax clearance.

3F.(1) All applications for any business licence to any Licensing Authority or Institution shall be accompanied by tax clearance from the Zanzibar Revenue Board.

(2) No officer is allowed to issue any business licence, as the case may be, for the purpose of carrying on business or trade in Zanzibar without tax clearance to be issued under subsection (1) of this section.

(3) Any licence issued in contrary to this section shall be invalid.

(4) Any officer who contravenes the provisions of this section and contributed to the loss of government revenue, commits gross misconduct and shall be penalised in accordance with section 9(3) of the Public Finance Act, No. 12 of 2005.

(5) For the purpose of this section:-

"business license" includes trading licence or any other permit issued by a Licensing Authority or Institution issued to any person authorising such person to conduct a particular business or trade;

"Officer" means any officer of a Licensing Authority or Institution acting under the authority of the head of that Authority or Institution for the purposes of issuing business licences;

"Licensing Authority or Institution" means any Statutory Authority or Institution whose establishing statute provides the power of issuing business licences.



Amendment
of section
13A.

11. The Principal Act is hereby amended by deleting subsections (2), (3) and (4) of section 13A and replacing for them the following subsections.

"(2) The tax return shall be submitted not later than the fifteenth day of the month immediately following the month to which the return relates.

(3) Subject to the provisions of this Act the payment of the tax shall be made not later than the twenty fifth day of the month after the end of every month.

(4) If the due date referred to under subsections (2) and (3) of this section falls to a public holiday, the due date will be the last working day before such public holiday.

(5) The Minister may by Regulations published in the Gazette prescribe other procedures for the completion and lodging of returns".

PART V
AMENDMENT OF THE PETROLEUM LEVY
ACT, NO. 7 OF 2001

Construction.

12. This part shall be read as one with the Petroleum Levy Act, No. 7 of 2001, in this part referred to as the Principal Act.

Amendment
of section 2.

13. Section 2 of the Principal Act is hereby amended by adding new interpretation of the words "Petroleum Levy" in its appropriate alphabetical order as follows:-

"Petroleum Levy" means any levy imposed under this Act.

Addition of a
new section 3A.

14. The Principal Act is hereby amended by adding a new section 3A immediately after section 3 as follows:-



Exemption. 3A. Notwithstanding the provisions of this Act, the Minister may exempt any technical aid or donor funded project from payment of petroleum levy if the agreement relating to such project provides for tax exemption.

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

Construction.

15. This part shall be read as one with the Value Added Tax Act, No. 4 of 1998 in this part referred to as the Principal Act.

Additional of
a new
section 18A.

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

Tax clearance.

18A.(1) All applications for any business licence to any Licensing Authority or Institution shall be accompanied by tax clearance from the Zanzibar Revenue Board.

(2) No officer is allowed to issue any business licence, as the case may be, for the purpose of carrying on business or trade in Zanzibar without tax clearance to be issued under subsection (1) of this section.

(3) Any licence issued contrary to this section shall be invalid.

(4) Any officer who contravenes the provisions of this section and contributed to the loss of government revenue, commits gross misconduct and shall be penalised in accordance with section 9(3) of the Public Finance Act, No. 12 of 2005.

(5) For the purpose of this section:-



"business license" includes trading licence or any other permit issued by a Licensing Authority or Institution issued to any person authorising such person to conduct a particular business or trade;

"Officer" means any officer of a Licensing Authority or Institution acting under the authority of the head of that Authority or Institution for the purposes of issuing business licences;

"Licensing Authority or Institution" means any Statutory Authority or Institution whose establishing statute provides the power of issuing business licences.

Addition of a
new
Section 51A.

17. The Principal Act is hereby amended by adding a new section 51A immediately after section 51 as follows:-

Effects of
revocation or
suspension.

51A.(1) Whenever the Commissioner has revoked or suspended any license by an Order under the provisions of section 51 (5) of this Act, the person whose licence has been so revoked or suspended shall stop his business with effect from the date specified in the Order by the Commissioner.

(2) Such a revocation or suspension order shall remain in force until the Commissioner is satisfied that all tax liabilities due from that person have been settled or settlement has been agreed upon, and the Commissioner withdraws the Order in writing.

(3) Any person who contravenes or fails to comply with the provision of this section, when he received a complaint from the Commissioner shall pay a fine of Tsh. One million within thirty day from the day he received that complaint.



Amendment
of section 43.

18. Section 43 of the principal Act is hereby amended as follows:-

(a) By inserting a new para (c) immediately after para (b) appearing in subsection (1) as follows:-

(c) his failure to register in accordance with section 19 of this Act.

(b) By deleting subsection (3),(4) and (5) thereof.

PART VII
AMENDMENT OF THE ZANZIBAR REVENUE BOARD
ACT, NO. 7 OF 1996

Construction.

19. This part shall be read as one with the Zanzibar Revenue Board Act, No.7 of 1996 in this part referred to as the Principal Act.

Amendment
of section 15A.

20. Subsection 2 of section 15A of the Principal Act is hereby amended by deleting the words "and also shall be the Deputy Commissioner of the Value Added Tax (VAT) under Act No. 4 of 1998" appearing after the word "Board".

Addition of a
new section
19A.

21. The Principal Act is hereby amended by adding a new section 19A immediately after section 19 as follows:-

Request for
assistance.

19A. The Commissioner may seek assistance of the police or any relevant institution to perform specific assignments relating to the collection of Government Revenue.

PASSED in the House of Representatives on the 2nd day of August, 2007.

(IBRAHIM MZEE IBRAHIM)
CLERK OF THE HOUSE OF REPRESENTATIVES