THE UNITED REPUBLIC OF TANZANIA

ACT SUPPLEMENT

No. 4 30th June, 2018

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THE FINANCE ACT, 2018

ARRANGEMENT OF PARTS

<table>
<thead>
<tr>
<th>Part</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>PART I</td>
<td>PRELIMINARY PROVISIONS</td>
</tr>
<tr>
<td>PART II</td>
<td>AMENDMENT OF THE BANK OF TANZANIA ACT, (CAP.197)</td>
</tr>
<tr>
<td>PART III</td>
<td>AMENDMENT OF THE BUSINESS LICENSING ACT, (No. 25 OF 1972)</td>
</tr>
<tr>
<td>PART IV</td>
<td>THE CASHEWNUT INDUSTRY ACT, (CAP.203)</td>
</tr>
<tr>
<td>PART V</td>
<td>AMENDMENT OF THE EXCISE (MANAGEMENT AND TARIFF) ACT, (CAP.147)</td>
</tr>
<tr>
<td>PART VI</td>
<td>AMENDMENT OF THE GAMING ACT, (CAP.41)</td>
</tr>
<tr>
<td>PART VII</td>
<td>AMENDMENT OF THE INCOME TAX ACT, (CAP.332)</td>
</tr>
</tbody>
</table>

1
PART VIII AMENDMENT OF THE LAND ACT, (CAP.113)

PART IX AMENDMENT OF THE LOCAL GOVERNMENT FINANCES ACT, (CAP.290)

PART X AMENDMENT OF THE MINING ACT, (CAP.123)

PART XI REPEAL OF THE PLANNING COMMISSION ACT, (CAP.314)

PART XII AMENDMENT OF THE PORT SERVICE CHARGE ACT, (CAP.264)

PART XIII AMENDMENT OF THE PUBLIC FINANCE ACT, (CAP.348)

PART XIV AMENDMENT OF THE ROAD AND FUEL TOLLS ACT, (CAP.220)

PART XV AMENDMENT OF THE TANZANIA REVENUE AUTHORITY ACT, (CAP.399)

PART XVI AMENDMENT OF THE TAX ADMINISTRATION ACT, (CAP.438)

PART XVII AMENDMENT OF THE VALUE ADDED TAX ACT, (CAP.148)
THE UNITED REPUBLIC OF TANZANIA

NO. 4 OF 2018

I ASSENT

JOHN POMBE JOSEPH MAGUFULI
President

[30th June, 2018]

An Act to impose and alter certain taxes, duties, levies, fees and to amend certain written laws relating to the collection and management of public revenues.

ENACTED by Parliament of the United Republic of Tanzania.

PART I
PRELIMINARY PROVISIONS

1. This Act may be cited as the Finance Act, 2018.

2. This Act shall come into operation on the 1st day of July, 2018.

PART II
AMENDMENT OF THE BANK OF TANZANIA ACT, (CAP.197)

3. This Part shall be read as one with the Bank of Tanzania Act, hereinafter referred to as the “principal Act”.

3
4. The principal Act is amended in section 34-
(a) in subsection (1) by deleting paragraph (a) and substituting for it the following:
(a) make direct advances to the Government for the purposes of offsetting fluctuations between receipts from-
(i) voted funds which originated from the Consolidated Fund;
(ii) unspent funds from various sources; and
(iii) payments of the Government.
“(3) For purposes of this section and section 35:
“voted funds” means receipts from budgeted revenues of the Government which are deposited in and paid from the Consolidated Fund;
“unspent funds” means receipts of the Government from various sources which are deposited in and paid from the deposit accounts other than the Consolidated Fund.”

5. The principal Act is amended in section 35 by deleting the words “budgeted revenues” appearing in subsections (1) and (2) and substituting for them the words “voted and unspent funds.”

PART III
AMENDMENT OF THE BUSINESS LICENSING ACT,
(NO.25 OF 1972)

6. This Part shall be read as one with the Business Licensing Act, hereinafter referred to as the “principal Act”. 
7. The principal Act is amended in section 2, by deleting the definition of the term “business licence” and substituting for it the following:
“business licence” means a licence issued under this Act either in a paper or electronic form;”.

8. The principal Act is amended in section 9, by-
(a) deleting the marginal note and substituting for it the following:
“Business licence payable to Business Registration and Licensing Agency.”
(b) deleting the words “Central Government and substituting for them the words Business Registration and Licensing Agency.”

9. The principal Act is amended by adding immediately after section 14 the following new section:

14A.- (1) There shall be a register to be kept by every licensing authority at its principal office which shall contain business licence information as may be prescribed in the regulations.
(2) Every licensing authority shall furnish to the Minister information in respect of business licensing at such intervals as may be prescribed in the regulations.
(3) The business licence register may be accessed by any person upon payment of prescribed fees.”

10. The principal Act is amended in section 22, by-
(a) deleting subsection (1) and substituting for it the following:
“(1) The Chief Executive Officer may, if he is satisfied that a person has committed an offence under this Act or under any regulations made hereunder compound such offence by accepting from such person a sum of money which the offender had not
paid for his business license; and
(b) deleting paragraph (a) which appears in the
proviso under subsection (1) and substituting for
it the following:
“(a) such sum of money shall not be less
than one hundred thousand shillings
and not more than three hundred
thousand shillings; and”.

11. The principal Act is amended in section 29, by-
(a) adding immediately after paragraph (e) the
following new paragraph:
“(f) prescribing forms to be used for
application of business licence in a
paper or electronic form.”; and
(b) renaming paragraph (f) as paragraph (g).

12. The principal Act is amended in section 30, by
deleting the phrase “ten thousand shillings or of
imprisonment for a term not exceeding one year or both” and
substituting for it the phrase “one hundred thousand shillings
or to imprisonment for a term not less than two months and
not exceeding one year or to both.”

13. The principal Act is amended in the Schedule by
deleting the heading “A: Fees by Central Government
(MIT)” and substituting for it the heading “A: Fees by
Business Registration and Licensing Agency.”

PART IV
AMENDMENT OF THE CASHEWNUT INDUSTRY ACT,
(CAP.203)

14. This Part shall be read as one with the Cashewnut
Industry Act, hereinafter referred to as the “principal Act”.

15. The principal Act is amended in section 17A, by-
(a) deleting subsection (2) and substituting for it the following:

“(2) The total amount of export levy collected under subsection (1) shall be deposited in the Consolidated Fund.”; and

(b) deleting subsection (3).

PART V
AMENDMENT OF THE EXCISE (MANAGEMENT AND TARIFF) ACT,
(CAP.147)

16. This Part shall be read as one with the Excise (Management and Tariff) Act, hereinafter referred to as the “principal Act”.

17. The principal Act is amended in the Fourth Schedule by introducing new rates in respect of excisable items as follows:

<table>
<thead>
<tr>
<th>Heading</th>
<th>H.S. Code No.</th>
<th>Description</th>
<th>Unit</th>
<th>Old Excise Rate</th>
<th>New Excise Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>20.09</td>
<td>2009.11.00</td>
<td>Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Locally produced</td>
<td>Tshs. 9.00 per litre</td>
<td>Tshs. 9.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
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<td>----------------------</td>
<td>---------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Locally produced fruit juices manufactured from domestic fruits under heading 20.09</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imported fruit juices under the heading 20.09</td>
<td></td>
<td>Tshs. 221.00 per litre</td>
<td>Tshs. 232.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter or flavoured; ice and snow.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2201.10.00 Mineral waters and aerated waters</td>
<td>Locally produced, bottled</td>
<td>Tshs. 58.00 per litre</td>
<td>Tshs. 58.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imported, bottled</td>
<td>Tshs. 61.00 per litre</td>
<td>Tshs. 64.05 per litre</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2201.90.00 Other</td>
<td>Locally produced, bottled</td>
<td>Tshs. 58.00 per litre</td>
<td>Tshs. 58.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imported, bottled</td>
<td>Tshs. 61.00 per litre</td>
<td>Tshs. 64.05 per litre</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other nonalcoholic beverages, not including fruit vegetable juice of heading 20.09</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2202.10.00 Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other nonalcoholic beverages, not including fruit vegetable juice of heading 20.09</td>
<td></td>
<td>Tshs. 61.00 per litre</td>
<td>Tshs. 61.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>S. No.</td>
<td>Taxable Item</td>
<td>Locally Produced</td>
<td>Imported</td>
<td></td>
<td></td>
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<tr>
<td>-------</td>
<td>------------------------------------------------------------------------------</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2202.91.00</td>
<td><strong>Non-alcoholic beer</strong></td>
<td>Tshs. 561.00 per litre</td>
<td>Tshs. 561.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Locally produced</td>
<td>Tshs. 561.00 per litre</td>
<td>Tshs. 561.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Imported</td>
<td>Tshs. 561.00 per litre</td>
<td>Tshs. 589.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2202.99.00</td>
<td><strong>Other</strong></td>
<td>Tshs. 561.00 per litre</td>
<td>Tshs. 561.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Locally produced</td>
<td>Tshs. 561.00 per litre</td>
<td>Tshs. 561.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Imported</td>
<td>Tshs. 561.00 per litre</td>
<td>Tshs. 589.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.03</td>
<td><strong>Beer made from malt</strong></td>
<td>Tshs. 765.00 per litre</td>
<td>Tshs. 803.25 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2203.00.10</td>
<td><strong>Stout and porter</strong></td>
<td>Tshs. 765.00 per litre</td>
<td>Tshs. 803.25 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Locally produced</td>
<td>Tshs. 765.00 per litre</td>
<td>Tshs. 765.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Imported</td>
<td>Tshs. 765.00 per litre</td>
<td>Tshs. 803.25 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2203.00.90</td>
<td><strong>Other</strong></td>
<td>Tshs. 765.00 per litre</td>
<td>Tshs. 803.25 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Locally produced</td>
<td>Tshs. 765.00 per litre</td>
<td>Tshs. 765.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Imported</td>
<td>Tshs. 765.00 per litre</td>
<td>Tshs. 803.25 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.04</td>
<td><strong>Wine of fresh grapes, including fortified wines; grape must other than that of heading 20.09</strong></td>
<td>Tshs. 2,349.00 per litre</td>
<td>Tshs. 2,466.45 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2204.10.00</td>
<td><strong>Sparkling wine</strong></td>
<td>Tshs. 200.00 per litre</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>With the domestic grapes content exceeding 75%</td>
<td>Tshs. 200.00 per litre</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>Tshs. 2,349.00 per litre</td>
<td>Tshs. 2,466.45 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-Other wine; grapes must with fermentation prevented or arrested by the addition of alcohol:</td>
<td>Tshs. 200.00 per litre</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2204.21.00</td>
<td><strong>In containers holding 2 litres or less</strong></td>
<td>Tshs. 200.00 per litre</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>With the domestic grapes content exceeding 75%</td>
<td>Tshs. 200.00 per litre</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Code</td>
<td>Description</td>
<td>Duty on Reserve</td>
<td>Duty on Excise</td>
<td></td>
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<td>------</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2204.22.00</td>
<td>Other</td>
<td>Tshs.2,349.00 per litre</td>
<td>Tshs. 2,466.45 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- In containers holding more than 2 litres but not more than 10 litres</td>
<td>/</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>With the domestic grapes content exceeding 75%</td>
<td>Tshs. 200.00 per litre</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>/</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2204.29.00</td>
<td>Other</td>
<td>Tshs.2,349.00 per litre</td>
<td>Tshs. 2,466.45 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Other</td>
<td>/</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>With the domestic grapes content exceeding 75%</td>
<td>Tshs. 200.00 per litre</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>/</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2204.30.00</td>
<td>Other</td>
<td>Tshs. 2,349.00 per litre</td>
<td>Tshs. 2,466.45 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.05</td>
<td>Vermouth and wine of fresh grapes flavoured with plants or aromatic substances</td>
<td>/</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2205.10.00</td>
<td>- In containers holding 2 litres or less</td>
<td>Tshs. 200.00 per litre</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>With the domestic grapes content exceeding 75%</td>
<td>/</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>Tshs. 2,349.00 per litre</td>
<td>Tshs. 2,466.45 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2205.90.00</td>
<td>- Other</td>
<td>/</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.06</td>
<td>Other fermented beverages (for example, cider, perry, mead, sake); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included.</td>
<td>Tshs.2,349.00 per litre</td>
<td>Tshs. 2,466.45 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2206.00.10</td>
<td>--- Cider</td>
<td>/</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Code</td>
<td>Description</td>
<td>Localised Products</td>
<td>Imported Products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>------------------------------------------------------------------------------</td>
<td>--------------------</td>
<td>-------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2206.00.20</td>
<td>Opaque beer (for example Kibuku) Beer made from 100% local unmalted cereals</td>
<td>/ Tshs.450.00 per litre</td>
<td>Tshs.450.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2206.00.90</td>
<td>Other Wines produced from locally grown fruits such as banana, tomato, rosella, etc other than grapes with domestic content exceeding 75%</td>
<td>Nil</td>
<td>Tshs. 200.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.08</td>
<td>Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.08</td>
<td>Locally produced products of this heading</td>
<td>Tshs. 3,315.00 per litre</td>
<td>Tshs. 3,315.00 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2208.20.00</td>
<td>Spirits obtained by distilling grape wine or grape marc</td>
<td>Tshs. 3,481.00 per litre</td>
<td>Tshs. 3,655.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2208.30.00</td>
<td>Whiskies</td>
<td>Tshs. 3,481.00 per litre</td>
<td>Tshs. 3,655.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2208.40.00</td>
<td>Rum and other spirits obtained by distilling fermented sugar – cane products</td>
<td>Tshs. 3,481.00 per litre</td>
<td>Tshs. 3,655.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2208.50.00</td>
<td>Gin and Geneva</td>
<td>Tshs. 3,481.00 per litre</td>
<td>Tshs. 3,655.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2208.60.00</td>
<td>Vodka</td>
<td>Tshs. 3,481.00 per litre</td>
<td>Tshs. 3,655.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2208.70.00</td>
<td>Liqueurs and cordials</td>
<td>Tshs. 3,481.00 per litre</td>
<td>Tshs. 3,655.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2208.90.10</td>
<td>Distilled Spirits (e.g. Uganda Waragi)</td>
<td>Tshs.3,481.00 per litre</td>
<td>Tshs.3,655.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2208.90.90</td>
<td>Other</td>
<td>Tshs.3,481.00 per litre</td>
<td>Tshs.3,655.05 per litre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
<td>kg</td>
<td>30%</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>---------</td>
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<td></td>
</tr>
<tr>
<td>2402.10.00</td>
<td>Cigars, cheroots and cigarillos, containing tobacco</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>2402.20.10</td>
<td>Of length not exceeding 72mm length including the filter tip</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Without filter tip and containing domestic tobacco exceeding 75%</td>
<td>mil</td>
<td>Tshs.12,447.00</td>
<td>Tshs.12,447.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>With filter tip and containing domestic tobacco exceeding 75%</td>
<td>mil</td>
<td>Tshs.29,425.00</td>
<td>Tshs.29,425.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>mil</td>
<td>Tshs.53,235.00</td>
<td>Tshs.55,896.75</td>
<td></td>
</tr>
<tr>
<td>2402.20.90</td>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Without filter tip and containing domestic tobacco exceeding 75%</td>
<td>mil</td>
<td>Tshs.12,447.00</td>
<td>Tshs.12,447.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>With filter tip and containing domestic tobacco exceeding 75%</td>
<td>mil</td>
<td>Tshs.29,425.00</td>
<td>Tshs.29,425.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>mil</td>
<td>Tshs.53,235.00</td>
<td>Tshs.55,896.75</td>
<td></td>
</tr>
<tr>
<td>24.03</td>
<td>Other manufactured tobacco and manufactured tobacco substitutes; &quot;homogenized&quot; or &quot;reconstituted&quot; Tobacco; tobacco extracts and essences.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2403.19.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Smoking tobacco, whether or not containing tobacco substitutes in any proportion:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-- Other (for example cut rag/filler)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>kg</td>
<td>Tshs. 26,888.00 per kg</td>
<td>Tshs. 28,232.40 per kg</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### PART VI
**AMENDMENT OF THE GAMING ACT, (CAP. 41)**

18. This Part shall be read as one with the Gaming Act, hereinafter referred to as the “principal Act”.

19. The principal Act is amended in section 31(2) by-

(a) deleting the words “fifteen percent” appearing in paragraph (a) and substituting for them the words “eighteen percent”; and

(b) deleting the words “fifteen percent” appearing in paragraph (b) and substituting for them the words “twenty five percent”.

20. The principal Act is amended in section 31(A) by-

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

“(1) The gaming tax of twenty percent on winnings is hereby imposed on the amount or value of the winnings in connection with operation of the gaming activities.

(2) Notwithstanding subsection (1), land-based casino shall be taxed at a rate of twelve percent on the amount or value of winnings. “and

(b) renumbering subsections (2) and (3) as subsections (3) and (4) respectively.

21. The principal Act is amended by deleting the Second Schedule and substituting for it the following:
“SECOND SCHEDULE

(Made under section 31(2))

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Type of the Game</th>
<th>Gaming Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Sports Betting</td>
<td>Twenty five percent of Gross Gaming Revenue</td>
</tr>
<tr>
<td>2.</td>
<td>SMS Lotteries</td>
<td>Twenty five percent of Gross Gaming Revenue</td>
</tr>
<tr>
<td>3.</td>
<td>Slot Machines</td>
<td>Tshs. 100,000 per machine per month</td>
</tr>
<tr>
<td>4.</td>
<td>National Lotteries</td>
<td>Twenty percent of Gross Gaming Revenue</td>
</tr>
<tr>
<td>5.</td>
<td>Forty Machines Sites</td>
<td>Twenty five percent of Gross Gaming Revenue</td>
</tr>
</tbody>
</table>

PART VII
AMENDMENT OF THE INCOME TAX ACT,
(CAP. 332)

22. This Part shall be read as one with the Income Tax Act, hereinafter referred to as the “principal Act”.

23. The principal Act is amended in section 3 by deleting the reference to section 131 appearing in the definition of the term “approved retirement fund” and substituting for it the reference to “section 11 of the Tax Administration Act”.

24. The principal Act is amended by repealing section 10A.

25. The principal Act is amended in section 65B(2) by deleting the reference to paragraph 3(5) and substituting for it the reference to paragraph 1(5).

26. The principal Act is amended in section 65K(2) by deleting the reference to paragraph 3(6) and substituting for it the reference to paragraph 1(6).

27. The principal Act is amended by adding immediately after section 128 the following new section:

“Regulations

129. The Minister may make regulations for the better carrying
into effect of the principles, purposes and provisions of this Act”.

28. The principal Act is amended in the First Schedule—
(a) in paragraph 1(4), by deleting the rate of 20 percent and substituting for it the rate of 30 percent;
(b) in paragraph 3(2), by adding immediately after subparagraph (b) the following new subparagraph:

“(c) a newly established entity dealing in manufacture of pharmaceuticals or leather products and having a performance agreement with the Government of the United Republic of Tanzania shall be taxed at a reduced corporate rate of twenty percent for five consecutive years from the year of commencement of production.”;
(c) in paragraph 3(3) by deleting the rate of 0.3 percent and substituting for it the rate of 0.5 percent.

29. The principal Act is amended in the Second Schedule, by—
(a) deleting subparagraphs (v) and (w); and
(b) adding immediately after subparagraph (u) of paragraph 1 the following:

“(v) interest paid by the Government to a non-resident bank, financial institution, other government or representative of other government arising from a loan agreement that entitles such non-resident entity to a tax exemption for purposes of financing Government projects.”.
PART VIII
AMENDMENT OF THE LAND ACT,
(CAP. 113)

30. This Part shall be read as one with the Land Act, hereinafter referred to as the “principal Act”.

31. The principal Act is amended by adding immediately after section 33 the following new section:

“Exemption from land rent on Government

33A.—(1) Notwithstanding any provisions under this Act, the payment of rent for a right of occupancy shall not be paid exclusively for—

(a) central or local government use;
(b) government institution or organisation use;
(c) non profit organizations including religious institutions which provide health, education or other social services which are not profit oriented.

(2) The Minister may, by regulations set criteria for determining activities which are exempted from the payment of rent for right of occupancy under subsection (1)(c).
(3) Where the Commissioner is satisfied that part of the land granted to Government, public institution or organisation is used for purposes other than those specified under subsection (1) that part shall be apportioned and subjected to rent.

(4) The Commissioner shall, where the land ceases to be used exclusively for the purposes specified under sub-section (1), charge any rent or make any adjustment to the rent as may be appropriate.”

PART IX
AMENDMENT OF THE LOCAL GOVERNMENT FINANCES ACT, (CAP. 290)

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

33. The principal Act is amended in section 6(m) by adding immediately after the word “taxes” the phrase “fees for commercial advertisement on billboards posters or hoarding.”

34. The principal Act is amended in section 7(1) by deleting paragraph (r) and substituting for it the following: “(r) fee for commercial advertisement on billboards posters and hoarding;”
35. The principal Act is amended by adding immediately after section 37 the following new section:

**37A.-** (1) The local government authorities shall set aside ten percent from collection of their own sources of revenue for purposes of funding registered groups of women, youth and persons with disabilities.

(2) The funds so set aside under subsection (1) shall be appropriated as loans to registered groups of women, youth and people with disability by forty percent, forty percent for youth and twenty percent for people with disability.

(3) Loans issued under this section shall not be subjected to any interest.

(4) The Minister may, by regulations, prescribe the procedure for the management and distribution of such loans to registered groups of women, youth and people with disability.

36. The principal is amended in section 42 by deleting subsection (1) and substituting for it the following:

“(1) Every local government authority shall, after consultation with the Accountant General, open and maintain in its name a bank account and such other additional accounts as may be necessary subject to this Act.”
PART X
AMENDMENT OF THE MINING ACT,
(CAP. 123)

37. This Part shall be read as one with the Mining Act, hereinafter referred to as the “principal Act”.

38. The principal Act is amended in section 90A by adding immediately after subsection (5) the following new subsection:

“(6) This section shall not apply to salt producers.”

PART XI
REPEAL OF THE PLANNING COMMISSION ACT,
(CAP.314)

39. The Planning Commission Act, is hereby repealed.

40.-(1) Consequent to the repeal of the Planning Commission Act, all assets, interests, rights, privileges, liabilities or obligations vested in the Planning Commission shall be vested in the Ministry responsible for finance and planning.

(2) The Minister responsible for finance and planning in consultation with the President’s Office may, by notice published in the Gazette, determine the assets and liabilities to be allocated to the Ministry and to other government institutions or departments.

(3) Where any question arises as to whether any particular property, or any particular asset, interest, right, privilege, liability or obligation has been transferred to or vested in accordance with provisions of subsection (1), a certificate under the hand of the Minister responsible for finance and planning shall be conclusive evidence that the property, asset, interest, right, privilege, liability or obligation was or was not so transferred or vested.
41.- (1) Employees or staff of the Planning Commission who are necessary for the purposes of the Ministry, government institutions or departments shall, subject to laws and procedures governing public service be transferred to public offices on such terms and conditions not less favourable than those applicable to them before the transfer.

(2) Every employee or staff of the Planning Commission whose service is not transferred to a public office shall be paid terminal benefits in accordance with the applicable laws and regulations governing the terms and conditions of his service immediately before the termination.

(3) An employee or staff who is deemed to be employed or transferred to a public office shall continue to be a member of a statutory, voluntary pension or any other superannuation scheme in accordance with the laws and regulations governing the scheme.

42.- (1) All deeds, bonds, agreements, instruments and working arrangement subsisting immediately before the repeal of the Planning Commission Act, transferred to the Ministry, government institutions or departments shall continue in full force and shall be enforceable by or against the Ministry, government institutions or departments.

(2) Any proceeding or cause of action relating to the property, rights and liabilities transferred to the Ministry or government institutions or departments under this Part or to any employee transferred, may be continued and shall be enforced by or against the Ministry, government institutions or departments.
PART XII
AMENDMENT OF THE PORT SERVICE CHARGE ACT,  
(CAP.264)

43. This Part shall be read as one with the Port Service Charge Act, hereinafter referred to as the “principal Act”.

44. The principal Act is amended in section 5, by-
(a) deleting subsection (2);
(b) renumbering subsection (3) as subsection (2).

PART XIII
AMENDMENT OF THE PUBLIC FINANCE ACT,  
(CAP.348)

45. This Part shall be read as one with the Public Finance Act, hereinafter referred to as the “principal Act”.

46. The principal Act is amended in section 3 by inserting in their appropriate alphabetical order the following definitions:
   “Treasury Single Account” means a unified structure of Government bank accounts that gives a consolidated view of Government cash resources; and
   “Sub-Treasury Single Account” means an account that receives funds from TSA for disbursement to beneficiaries;

47. The principal Act is amended by adding immediately after section 11 the following new sections:
   “Treasury Single Account” 11A.- (1) There shall be opened and maintained in the Bank of Tanzania a Government account to be known as a Treasury Single Account or in its acronym “TSA”.
(2) The Accountant General shall open, operate and manage the account under subsection (1).

11B.- (1) Functions of the Treasury Single Account shall be-
(a) to receive all moneys released from the Consolidated Fund;
(b) to remit moneys to Sub-TSA;
(c) to receive unspent and unapplied moneys from Sub-TSA.
(2) For purposes of this section-
(a) unspent funds means funds that were deposited in the Government account and the intended beneficiary failed to utilise the funds; and
(b) unapplied funds means funds that were previously sent to a commercial bank that failed to be applied to the intended account.

11C.- (1) The Minister may make regulations for proper and effective implementation of sections 11A and 11B.
(2) Without prejudice to generality of subsection (1), the Minister may make regulations prescribing-
(a) the role of Paymaster General to the Treasury Single Account;
(b) the manner and procedures for funding of TSA and Sub TSA account;
(c) setting and control of daily expenditure limits;
(d) the manner and procedure in relation to processing and remittance of funds;
(e) handling of unspent and unapplied balances; and
(f) any matter incidental to or connected to the Treasury Single Account.

Operation of TSA

11D. The Treasury Single Account shall come into effect within six months from the date of coming into operation of this Act.”

48. The principal Act is amended in section 12 by adding immediately after subsection (1) the following proviso:

“Provided that, this subsection shall not apply to amounts allocated to the fund from the Consolidated Fund and any other funds or moneys referred to under Article 135(2) of the Constitution”.

PART XIV
AMENDMENT OF THE ROAD AND FUEL TOLLS ACT,
(CAP.220)

49. This Part shall be read as one with the Road and Fuel Tolls Act, hereinafter referred to as the “principal Act”.

23
50. The principal Act is amended generally by deleting the words “other agencies” wherever they appear in the Act and substituting for them the word “agency”.

51. The principal Act is amended in section 3 by deleting the definitions of the terms “road agency” and “TANROADS” and substituting for them the following:

“road agency” means TANROADS or any local government authority and includes any institution or body established for purposes of development, maintenance or management of classified roads;

“TANROADS” means the Tanzania National Road Agency established under the Executive Agencies Act;”

52. The principal Act is amended in section 4 by deleting subsection (3) and substituting for it the following:

“(3) At least ninety percent of the money deposited in the Fund shall be used for maintenance and emergency repair of classified roads and related administrative costs in the Mainland Tanzania in accordance with approved operational plans and budget of the road agency as approved by the Parliament.”

53. The principal Act is amended in section 5, by-

(a) deleting the words “Road Fund Accountant” and substituting for them the words “Senior officers” appearing in subsection (4);

(b) adding immediately after subsection (4) the following:

“(5) In performing their duty of ensuring collection, all toll collectors of the Fund under this Act shall submit monthly reports to the Board.”;
(c) adding immediately after the word “Minister” appearing in subsections (6) and (7) the words “responsible for roads”.

54. The principal Act is amended in section 6 by deleting the words “not more than two” appearing in subsection (1).

55. The principal Act is amended in section 14(1) by adding immediately after paragraph (d) the following:

“(e) fraudulently or forcibly drive a vehicle through a toll station without paying the toll;
(f) fraudulently discharge imported fuel out of a toll station without paying the toll;
(g) having collected any toll, fail or refuse to remit the toll to the Commissioner or to any other authorised person;
(h) use exempted fuel for purposes other than the intended purposes.”

56. The principal Act is amended by adding immediately after section 14 the following new section:

14A. Any person who misuses money deposited in the Fund upon conviction shall be liable to a fine equivalent to the amount misused or for imprisonment for a term of not less than five years or to both.”.

57. The principal Act is amended in paragraph 1 of the Fourth Schedule, by-

(a) deleting the words “and the Chief Executive” appearing in subparagraph (1);  
(b) adding immediately after subparagraph (2) the following subparagraph:
“(3) The members shall elect a vice chairman of the Board from amongst their number.”

(c) renumbering subparagraphs (3), (4), (5) and (6) as subparagraphs (4), (5), (6) and (7) respectively.

PART XV
AMENDMENT OF THE TANZANIA REVENUE AUTHORITY ACT, (CAP. 399)

58. This Part shall be read as one with the Tanzania Revenue Authority Act, hereinafter referred to as the “principal Act”.

59. The principal Act is amended in section 20, by-

(a) deleting the words “or other commissioners” appearing in the marginal note and substituting for them the word “directors”;

(b) deleting the words “or other commissioners” wherever they appear in this section and substituting for them the word “directors”.

60. The principal Act is amended in section 33, by-

(a) deleting subsection (2); and

(b) designating the contents of subsection (1) as section 33.

61. The principal Act is amended by repealing section 35.

PART XVI
AMENDMENT OF THE TAX ADMINISTRATION ACT, (CAP. 438)

62. This Part shall be read as one with the Tax Administration Act, hereinafter referred to as the “principal Act”.

26
63. The principal Act is amended in section 24, by-

(a) adding immediately after subsection (5) the following-

“(6) The particulars to be furnished in respect of an application for a Taxpayer Identification Number shall not be a basis for assessment of tax.”;

(b) renumbering subsection (6) as subsection (7).

64. The principal Act is amended in section 65(1) by deleting the words “within a period of twelve months prior to the entity” and substituting for them the words “during the time of occurrence of the”.

65. The principal Act is amended in section 70, by-

(a) designating the contents of section 70 as subsection (1);

(b) deleting the words “except that in the case of interest, the remission shall not exceed fifty percent of the total interest amount” appearing in subsection (1) as designated;

(c) adding immediately after subsection (1) as designated the following-

“(2) The Minister may, by regulations or order published in the Gazette, prescribe eligibility, duration and procedure of accessing the remission provided for under this section.”

PART XVII
AMENDMENT OF THE VALUE ADDED TAX ACT, (CAP. 148)

66. This Part shall be read as one with the Value Added Tax Act, hereinafter referred to as the “principal Act”.

27
67. The principal Act is amended in section 6(2)(a) by deleting subparagraph (ii) and substituting for it the following:

“(ii) concessional loan, non concessional loan or grant through an agreement between the Government of the United Republic of Tanzania and another government or representative of another government, donor or lender of concessional loan or non concessional loan, or

(iii) a grant agreement duly approved by the Minister in accordance with the provisions of the Government Loans, Grants and Guarantees Act entered between local government authority and a donor.”

68. The principal Act is amended in section 85, by-

(a) deleting the words “and non-profit organisation” appearing in the marginal note; and

(b) deleting the words “non-profit organisation” appearing in subsection (1)(a).

69. The principal Act is amended in Part I of the Schedule -

(a) in item 3, by adding immediately after sub-item 33 the following new sub-item:

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>34.</td>
<td>Oil-cake of soya beans</td>
<td>2304.00.00</td>
</tr>
<tr>
<td>35.</td>
<td>Oil-cake and other solid residues of cotton seeds</td>
<td>2306.10.00</td>
</tr>
<tr>
<td>36.</td>
<td>Oil-cake and other solid residues of sunflower seeds</td>
<td>2306.30.00</td>
</tr>
<tr>
<td>37.</td>
<td>Maize Bran</td>
<td>2302.10.00</td>
</tr>
<tr>
<td>38.</td>
<td>Wheat Bran</td>
<td>2302.30.00</td>
</tr>
<tr>
<td>39.</td>
<td>Lysine</td>
<td>2922.41.00</td>
</tr>
</tbody>
</table>
41. Mycotoxin binders  3824.10.00
42. Pollard  2309.90.10
43. Rice Bran  2306.90.90
44. Cotton cake  2304.00.00

(b) by deleting item 7 and substituting for it the following:
“7. Medicine or pharmaceutical products

1. Essential Human and veterinary medicine, drugs, medical equipment and packaging material which have been approved by the Minister responsible for health:
Provided that, the packaging material is specifically designed for packing pharmaceutical products and printed for use by a local manufacturer whose name appears on the packaging material.

2. Food supplements or Vitamins supplied to the Government.”

(c) in item 8, by adding immediately after sub-item 10 the following new sub-item:

<table>
<thead>
<tr>
<th></th>
<th>Sanitary Pads</th>
<th>9619.00.10</th>
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</table>

(d) in item 15, by deleting sub item 4 and substituting for it the following:

<table>
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<tr>
<th></th>
<th>Petrol (MSR and MSP)</th>
<th>2710.12.10 and 2710.12.20</th>
</tr>
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</table>
(e) adding immediately after item 22 the following new items:

<p>| | | | |</p>
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<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>23</td>
<td>Revenue Stamps of HS Code</td>
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<tr>
<td></td>
<td>4907.00.90</td>
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</tr>
<tr>
<td>24</td>
<td>Electronic cash register</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Code 8470.50.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Passed by the National Assembly on the 28th June, 2018.

**Stephen Kagaigai**

*Clerk of the National Assembly*