General Notice 2351 of 2020.

PARLIAMENT OF ZIMBABWE
Publication of Bill

THE following Bill is published with this Gazette in terms of Standing Order No. 134(1) of the National Assembly.


28-8-2020.

K. M. CHOKUDA,
Clerk of Parliament.

General Notice 2352 of 2020.

ZVIMBA RURAL DISTRICT COUNCIL

Invitation to Competitive Bidding (Domestic)

Zvimba Rural District Council invites prospective suppliers to participate in the following:

Tender number

Interested eligible bidders may obtain further information from The Chief Executive Officer, Zvimba Rural District Council, Private Bag2001, Murombedzi, Telephone +2638677007012.

A complete set of bidding documents may be purchased at Murombedzi Head Office/Harare Show Grounds Offices by interested bidders upon payment of a non-refundable fee of RTGS300,00. Bidding documents will be made available to interested bidders as from Friday, 28th August, 2020.

Bids must be enclosed in a sealed envelope and clearly marked on the outside with the advertised tender number, company name, description, and closing date. Bids must be delivered and deposited in a tender box situated at Murombedzi Council Offices on or before the closing dates.

Addressed to: The Chief Executive Officer, Zvimba Rural District Council, Private Bag 2001, Murombedzi.

NB: Bidders are free to attend the tender opening process to be held on the same date and time as the closing date, late submissions will be rejected and no liability shall be accepted for loss or late delivery. Zvimba Rural District Council does not bind itself to accept the lowest or any tender and reserves the right to accept the whole or part of any tender.

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FINANCE BILL 2020

FINANCE BILL, 2020

MEMORANDUM

This Bill will amend the Finance Act [Chapter 23:04], the Income Tax Act [Chapter 23:06], and the Capital Gains Tax Act [Chapter 23:01]. In more detail, the individual clauses of the Bill provide as follows:

PART I
PRELIMINARY

Clause 1

This clause sets out the Bill’s short title.

PART II
INCOME TAX

Amendments to Chapter I of Finance Act [Chapter 23:04]

Clause 2

This clause amends section 4A of the Finance Act [Chapter 23:04] that requires certain taxes to be paid in foreign currency in specified circumstances. In the Finance (No. 3) Act it was amended to require that royalties on the sale of minerals to be paid in foreign currency if the amounts from which the royalties are withheld are foreign currency amounts. The effect of this amendment is to update the cross-reference to the relevant taxing provision under Chapter VII of the principal Finance Act.

The clause will also create a presumption that all taxable amounts received are received in United States dollars, unless the recipients of the amounts furnish invoices or other documentary proof to the contrary.

Clauses 3 and 4

Section 14 of the Finance Act prescribes the rates of income tax payable by various classes of taxpayers. With effect from the 1st August, 2020, this Bill proposes to alter the income bands used in the calculation of income tax for the balance of the year of assessment, and in doing so will increase the tax-free threshold to $25 000.

Clause 5

This clause amends section 15 of the principal Finance Act setting the rate of Non-resident shareholders tax. It seeks to set a preferential rate on dividends distributed from a securities which, on the date of distribution, are listed in the official list kept by the soon-to-be established Victoria Falls Stock Exchange.

Clause 6

In terms of section 22E of the principal Finance Act and section 36E of the Income Tax Act ZIMRA is empowered to collect a carbon tax on petrol and diesel imports and on visitors to Zimbabwe who use within Zimbabwe a motor vehicle registered outside Zimbabwe shall. The purpose of this amendment to section 22E is to introduce differential rates of the levies for the importation of petrol and diesel otherwise than through the use of foreign currency “free funds”.

Clauses 7 and 11

The Finance Act 2018 applied intermediated money transfer tax (transfers of money between persons mediated by financial institutions otherwise than by cheque) on a comprehensive scale to electronic transactions involving the transfer of money through an intermediary, subject to certain exemptions. This Bill seeks to tax electronic
transfers of foreign currency for transaction purposes. Furthermore: (a) it also seeks to review the tax-free threshold for local currency transfers from ZW$100 to ZW$300 (or USS$5); and (b) it revises the maximum tax payable from ZW$25 000 to ZW$50 000 on transactions with values exceeding ZW$2 500 000 (or a maximum of US$2000 on transactions with values exceeding US$100 000).

Clause 8

In terms of section 22H of the principal Finance Act and section 36H of the Income Tax Act ZIMRA is empowered to collect the debt redemption levy for the amortisation of NOCZIM debt and the strategic reserve levy from oil companies that import their own petroleum products. The purpose of this amendment to section 22H is to introduce differential rates of the levies for the importation of petrol and diesel otherwise than through the use of foreign currency “free funds”

Clause 9

This clause amends the definition of the “year of assessment” in section 2(1) of the Income Tax Act in line with the amendment referred to in clauses 3 and 4.

Clause 10

Section 12A of the Income Tax Act provides for taxation of certain income deemed to be from a source within Zimbabwe, namely, the taxation of radio and television services from outside Zimbabwe to an address in Zimbabwe, or of electronic services by an electronic commerce operator domiciled outside Zimbabwe to a person resident in Zimbabwe. This clause will apply the provisions of the Income Tax Act on quarterly provisional payments to the payment by such operators of tax on income deemed to be from a source within Zimbabwe.

Clause 11

Section 15 of the Income Tax Act sets out amounts that are to be deducted from taxpayers’ income for the purpose of determining their taxable income. One such allowable deduction is a specified amount of donations approved by the Minister responsible for Health to the State or a fund for equipping, constructing, maintaining and stocking hospitals operated by the State, a local authority or a religious organisation. The effect of the amendment sought by this clause is to specify that such deduction shall not exceed, whether cumulatively or otherwise, the Zimbabwe dollar equivalent of one hundred thousand United States dollars at the rate prevailing on the day, or the last day (as the case may be) the donation or donations are made.

Clause 12

Section 80 of the Income Tax Act provides that if persons (“payees”) who enter into contracts with the Government or statutory bodies have not submitted income tax returns for the most recent year of assessment, the Government or the statutory body concerned is obliged to withhold 10% of all payments due to them under the contracts and pay the withheld amounts to the Commissioner-General. These amounts are then be set off against the income tax due by the payees when their tax liability is finally assessed. This clause will excludes from the scope of who is a “payee” growers or contracted growers of cotton making a delivery of cotton or cotton seed in accordance with the Agricultural Marketing Authority (Seed Cotton and Seed Cotton Products) Regulations, 2009.

Clause 13

The Third Schedule to the Income Tax Act sets out amounts which are exempt from income tax. Among other amendments this clause the receipts and accruals of the Victoria Falls Stock Exchange will be exempted from tax as well those of any special purpose vehicle (SPV) initially wholly owned by the Infrastructure Development Bank of Zimbabwe wherein private sector contractors, in return for a share in the equity
of the SPV, undertake to construct on-campus student accommodation at any public institution of higher or tertiary education

Clause 14

The Thirteenth Schedule to the Income Tax Act provides for the manner of administering the “Pay as You Earn” scheme for the collection of employees’ income tax. The effect of this amendment is to exclude from the scope of “remuneration” (and thus from the scope of PAYE) the COVID-19 civil servants’ allowance, that is, the part of the salary of a civil servant or of a civil service pension that is denominated in United States dollars

Clause 16

This amendment exempts from capital gains tax amounts received or accrued on the sale of any marketable securities that are traded in the soon-to-be established Victoria Falls Stock Exchange.
ARRANGEMENT OF SECTIONS

PART I
PRELIMINARY

Section
1. Short title.

PART II
INCOME TAX

Amendments to Chapter I of Finance Act [Chapter 23:04]

2. Amendment of section 4A of Cap. 23:04
3. Amendment of section 14 of Cap. 23:04
4. Amendment of Schedule to Chapter I of Cap. 23:04.
5. New section substituted for section 15 of Cap. 23:04
6. Amendment of section 22E of Cap. 23:04.
7. Amendment of section 22G of Cap. 23:04.
8. Amendment of section 22H of Cap. 23:04

Amendments to Income Tax Act [Chapter 23:06]

9. Amendment of section 2 of Cap. 23:06
10. Amendment of section 12A of Cap. 23:06.
11. Amendment of section 15 of Cap. 23:06
12. Amendment of section 80 of Cap. 23:06
13. Amendment of Third Schedule to Cap. 23:06.
14. Amendment of Thirteenth Schedule to Cap. 23:06
15. Amendment of Thirtieth Schedule to Cap. 23:06.

PART III
CAPITAL GAINS TAX

16. Amendment of section 10 of Cap. 23:01

PART IV
MINES AND MINERALS

Amendment to Chapter VII of Finance Act [Chapter 23:04]

BILL

To make further provision for the revenues and public funds of Zimbabwe and to provide for matters connected therewith or incidental thereto.

ENACTED by the Parliament and the President of Zimbabwe.

PART I

PRELIMINARY

1 Short title

This Act may be cited as the Finance Act, 2020.

PART II

INCOME TAX

Amendments to Chapter I of Finance Act [Chapter 23:04]

2 Amendment of section 4A of Cap. 23:04

With effect from 22nd February, 2019, the Finance Act [Chapter 23:04] is amended in section 4A (“Payment of certain taxes in foreign currency”) —

(a) in subsection (1) by the repeal of paragraph (f) and the substitution of —

“(f) the persons specified in section 37 shall pay the royalties there mentioned in a foreign currency to the extent that the amounts from which the royalties are withheld are foreign currency amounts;

H.B. 4 2020.]
(g) the persons who in the Thirtieth Schedule to the Taxes Act are liable to pay intermediated money transfer tax in foreign currency shall pay that tax in the same foreign currency;”.

(b) by the insertion of the following subsection after subsection (8) —

“(9) It shall be presumed that every transaction to which the provisions of this section apply was conducted using the United States dollar only, unless the taxpayer or registered operator (in the case of the payment of valued added tax) provides documentary proof in the form of an invoice or other documentary proof satisfactory to the Commissioner that the transaction in question was conducted using the Zimbabwe dollar or a foreign currency other than the United States dollar.”.

3 Amendment of section 14 of Cap. 23:04

Section 14 (“Income tax for periods of assessment after 1.1.88”)(2) of the Finance Act [Chapter 23:04] is amended with effect from the period beginning on the 1st August, 2020, and ending the 31st December, of the year of assessment beginning on the 1st. January, 2020, by the insertion after paragraph (a) of the following paragraph—

“(al) in the case of a person other than a company, a trust or a pension fund, at the specified percentage of each dollar of each of the following parts of his or her taxable income from employment—

(i) so much as does not exceed twenty-five thousand dollars;
(ii) so much as exceeds twenty-five thousand dollars but does not exceed seventy-five thousand dollars;
(iii) so much as exceeds seventy-five thousand dollars but does not exceed one hundred and fifty thousand dollars;
(iv) so much as exceeds one hundred and fifty thousand dollars but does not exceed three hundred thousand dollars;
(v) so much as exceeds three hundred thousand dollars but does not exceed five hundred thousand dollars;
(vi) so much as exceeds five hundred thousand dollars:

Provided that where a person earns any part of his or her taxable income from employment in a foreign currency, there shall be substituted for the figures referred to in subparagraphs (i) to (vii) the following figures—

A. in subparagraph (i), “eight hundred and forty United States dollars”;
B. in subparagraph (ii), “eight hundred and forty United States dollars” and “three thousand six hundred United States dollars” respectively;
C. in subparagraph (iii), “three thousand six hundred United States dollars” and “twelve thousand United States dollars” respectively;
D. in subparagraph (iv), “twelve thousand United States dollars” and “twenty-four thousand United States dollars” respectively;
E. in subparagraph (v), “twenty-four thousand United States dollars” and “thirty-six thousand United States dollars” respectively;

F. in subparagraph (vi), “thirty-six thousand United States dollars”;

(and, if such income is denominated in a foreign currency other than the United States dollar, the equivalent amount in United States dollars shall be calculated, being an amount obtained by applying the international cross rate of exchange of that currency for the United States dollar prevailing on the day the income is received or accrued);”.

4 Amendment of Schedule to Chapter I of Cap. 23:04

The Schedule (“Credits and Rates of Income Tax”) to Chapter I of the Finance Act [Chapter 23:04] is amended with effect from the part of the year of assessment beginning on the 1st August, 2020, in Part II by the deletion of the items relating to the level of taxable income earned from employment, and the substitution of the following—

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<th>Specified percentage %</th>
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<td>14(2)(a1)(iii)</td>
<td>$75 001 to $150 000</td>
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<td>14(2)(a1)(iv)</td>
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<tr>
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</tr>
<tr>
<td>14(2)(a1)(vii)</td>
<td>$500 001 and more</td>
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</table>

<table>
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<tr>
<th>“Section”</th>
<th>Taxable income from employment in foreign currency</th>
<th>Specified percentage %</th>
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<td>US$ 841 to US$3 600</td>
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<td>14(2)(a1)(iv)</td>
<td>US$12 001 to US$24 000</td>
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<tr>
<td>14(2)(a1)(v)</td>
<td>US$24 001 to US$36 000</td>
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<tr>
<td>14(2)(a1)(vii)</td>
<td>US$36 001 and more</td>
<td>40</td>
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</tbody>
</table>

5 New section substituted for section 15 of Cap. 23:04

With effect from the year of assessment beginning on the 1st August, 2020, section 15 of the Finance Act [Chapter 23:04] is repealed and the following section is substituted—
“15 Non-resident shareholders’ tax

The non-resident shareholders’ tax chargeable in terms of section 26 of the Taxes Act shall be calculated—

(a) in the case of a dividend distributed from a security which, on the date of distribution, is listed in the official list kept by a registered securities exchange (other than the securities exchange referred to in paragraph (b)) in terms of the Securities and Exchange Act [Chapter 24:25], at the rate of ten per centum;

(b) in the case of a dividend distributed from a security which, on the date of distribution, is listed in the official list kept by the Victoria Falls Stock Exchange as defined in paragraph 4(f) of the Third Schedule to the Taxes Act., at the rate of five per centum;

(c) in the case of any other dividend, at the rate of fifteen per centum;

of each dollar of the dividend from which the tax is to be withheld and paid in terms of the Ninth Schedule to the Taxes Act.”.

6 Amendment of section 22E of Cap. 23:04

With effect from the 24th June, 2020, section 22E (“Carbon Tax”) of the Finance Act [Chapter 23:04] is amended by the insertion after subsection (1a) of the following subsection—

“(1b) The carbon tax chargeable in terms of section 36E of the Taxes Act shall be paid at the rate of seventy-four point six Zimbabwe cents per litre of diesel and two hundred and twenty-nine point four Zimbabwe cents per litre of petrol of the cost, insurance, freight value (as defined in the Customs and Excise Act [Chapter 23:02]) of petroleum product, imported otherwise than by the use of “free funds” by—

(a) the State oil procurement entity or other person or entity importing petroleum product for his or her own consumption; or

(b) any person licensed by the Minister responsible for energy to import the petroleum product in bulk.”.

7 Amendment of section 22G of Cap. 23:04

With effect from the 1st August, 2020, section 22G (“Intermediated Money Transfer Tax”) of the Finance Act [Chapter 23:04] is amended by the repeal of the proviso thereto and its substitution by—

“Provided that if a single transaction on which the tax is payable is equivalent to or exceeds—

(a) two million five hundred thousand Zimbabwe dollars, a flat intermediated money transfer tax of fifty thousand dollars shall be chargeable on such transaction; or

(b) one hundred thousand United States dollars, a flat intermediated money transfer tax of two thousand United States dollars shall be chargeable on such transaction.”

8 Amendment of section 22H of Cap. 23:04

With effect from the 24th June, 2020, section 22H of the Finance Act [Chapter 23:04] is repealed and substituted by—
"22H NOCZIM debt redemption and strategic reserve levy

The NOCZIM debt redemption levy chargeable in terms of section 36H of the Taxes Act shall—

(a) in relation to the NOCZIM debt redemption levy, where diesel or petrol is purchased or imported otherwise than through the use of “free funds” (as defined in section 2 of the Exchange Control Regulations, 1995) by—

(i) NOCZIM or its subsidiaries or successors; or

(ii) any person licensed by the Minister responsible for energy to import the petroleum product in bulk;

be calculated at the rate of seventy-four point six Zimbabwe cents per litre of diesel and three hundred and twenty-six point nine Zimbabwe cents per litre of petrol;

(b) in relation to the strategic reserve levy, where diesel or petrol is purchased or imported otherwise than through the use of “free funds” (as defined in section 2 of the Exchange Control Regulations, 1995) by—

(i) NOCZIM or its subsidiaries or successors; or

(ii) any person licensed by the Minister responsible for energy to import the petroleum product in bulk;

be calculated at the rate of one hundred and seventy-two point one Zimbabwe cents per litre of diesel and one hundred and seventy-two point one Zimbabwe cents per litre of petrol.”.

Amendments to Income Tax Act [Chapter 23:06]

9 Amendment of section 2 of Cap. 23:06

Section 2 (“Interpretation”) (1) of the Income Tax Act [Chapter 23:06] is amended in the definition of “year of assessment” by the insertion of the following proviso after proviso (vii)—

“(viii) the year of assessment beginning on the 1st January, 2020, in respect of the taxable income from employment of a person other than a company, a trust or a pension fund, consists of the following two periods—

A. the seven-month period beginning on the 1st January, 2020, and ending on the 31st July, 2020;

B. the five-month period beginning on the 1st August, 2020, and ending on the 31st December, 2020.”.

10 Amendment of section 12A of Cap. 23:06

Section 12A (“Taxation of certain income deemed to be from a source within Zimbabwe”) of the Income Tax Act [Chapter 23:06] is amended by the insertion of the following subsections after subsection (5)—

“(6) Every person mentioned in subsection (2) or the representative taxpayer shall, pay the tax and submit a return in the form prescribed by the Commissioner-General, declaring total income derived in every quarter of a year of assessment:

Provided that the taxpayer or representative taxpayer shall complete and submit the registration form in the form prescribed by the Commissioner.
(7) If the taxpayer fails to submit any return, on the dates in subsection 8, as required by subsection (5), the Commissioner-General may estimate the taxable income which is required to be estimated, and such estimate shall be final and conclusive.

(8) Subject to this section, the tax payable in terms of subsection (3) shall be paid as follows —

(a) the first quarter payment shall be paid on or before the 25th March in relevant year of assessment; and

(b) the second quarter payment shall be paid on or before the 25th June in the relevant year of assessment; and

(c) the third quarter payment shall be paid on or before the 25th September in the relevant year of assessment; and

(d) the fourth quarter payment shall be paid on or before the 20th December in the relevant year of assessment:

(9) The tax payable shall be paid in foreign currency on the dates mentioned in subsection (7).

(10) The providers of services shall be required to notify the Commissioner General by 31 March of every year of assessment where they remain eligible to pay tax.

(11) Any person who fails to pay to the Commissioner-General any amount of the tax mentioned in subsection (3) shall be liable for the payment to the Commissioner, not later than the date on which payment should have been made in terms of paragraph 2, as the case may be, of—

(a) the amount of non-residents’ tax on e-commerce payments which the payer, as the case may be, failed to pay to the Commissioner; and

(b) a further amount equal to one hundred per centum of such non-residents’ tax on e-commerce payments.

(12) The Commissioner-General, if satisfied in any particular case that the failure to pay the tax was not due to any intent to evade the provisions of this section, may waive the payment of the whole or such part as he thinks fit or repay the whole or such part as he thinks fit of the amount referred to in subparagraph (b) of subparagraph (10).

(13) If it is proved to the satisfaction of the Commissioner-General that any person has been charged with tax in excess of the amount properly chargeable in terms of this section, the Commissioner shall authorize a refund in so far as it has been overpaid:

Provided that the Commissioner-General shall not authorise any refund in terms of this subsection unless the claim therefor is made within six years of the date of payment of such tax.”.

11 Amendment of section 15 of Cap. 23:06

With effect from the year of assessment beginning on the 1st April, 2020, section 15 (“Deductions allowed in determination of taxable income”) (2) of the Income Tax Act [Chapter 23:06] is amended in paragraph (r1) by the repeal of the proviso thereto and the substitution of—

“Provided that the deduction allowable under this paragraph shall not exceed, whether cumulatively or otherwise, the Zimbabwe dollar equivalent of one hundred thousand United States dollars at the rate prevailing on the day, or the last day (as the case may be) the donation or donations are made;”.

8
12 Amendment of section 80 of Cap. 23:06

Section 80 (“Withholding of amounts payable under contracts with State or statutory corporations”) (1) of the Income Tax Act [Chapter 23:06] is amended in the definition of “payee” by the insertion of the following paragraph after paragraph (e) —

“(f) any grower or contracted grower of cotton making a delivery of cotton or cotton seed in accordance with the Agricultural Marketing Authority (Seed Cotton and Seed Cotton Products) Regulations, 2009, published in Statutory Instrument 142 of 2009, or any other law that may be substituted for the same);”.

13 Amendment of Third Schedule to Cap. 23:06

With effect from the year of assessment beginning on the 1st August, 2020, the Third Schedule (“Exemptions from Income Tax”) to the Income Tax Act [Chapter 23:06] is amended—

(a) in paragraph 1 by the insertion of the following paragraphs after paragraph (e) —

“(f) the Victoria Falls Stock Exchange, being a securities exchange licensed under the Securities and Exchange Act [Chapter 24:25] under conditions specified under the Exchange Control Act [Chapter 22:05] to permit companies incorporated, registered or doing business in Zimbabwe to raise capital through the issuance of and dealing in shares, debentures and other securities denominated in United States dollars;

(g) with effect from the 1st January, 2021, any special purpose vehicle (SPV) initially wholly owned by the Infrastructure Development Bank of Zimbabwe wherein private sector contractors, in return for a share in the equity of the SPV, undertake to construct on-campus student accommodation at any public institution of higher or tertiary education.”;

(b) in paragraph 4 by the insertion of the following paragraphs after paragraph (v) —

“(w) monetary benefits received in lieu of a motor vehicle receivable in terms of the conditions of service attaching to the employment of—

(i) a chairperson, vice-chairperson, commissioner and secretary of an independent constitutional commission

(ii) a member of the Civil Service of the rank of Chief Director and Director;

(x) risk allowances payable to frontline public sector health personnel involved in combating the COVID-19 public health State of Disaster declared on 28th March, 2020, for a period of 12 months commencing from 1st April, 2020.

14 Amendment of Thirteenth Schedule to Cap. 23:06

With effect from the 1st June, 2020, to the 31st August, 2020, the Thirteenth Schedule (“Employees’ Tax”) to the Income Tax Act [Chapter 23:06] is amended in paragraph 1(1) in the definition of “remuneration” by the insertion of the following paragraph after paragraph (h) —

“(i) the COVID-19 civil servants’ allowance, that is, the part of the salary of a civil servant or of a civil service pension that is denominated in United States dollars.”.
15 Amendment of Thirtieth Schedule to Cap. 23:06

With effect from the 1st August, 2020, the Thirtieth Schedule ("Intermediated Money Transfer Tax") to the Income Tax Act [Chapter 23:06] is amended—

(a) in paragraph 1 ("Interpretation") (1) in the definition of “transaction on which the tax is payable”—

(i) by the repeal of paragraph (g);

(ii) by the repeal of paragraph (r) and the substitution of—

“(r) the transfer of money involving a transaction other than one mentioned in the foregoing paragraphs, if the value of transaction is three hundred Zimbabwe dollars or below or five United States dollars or below.”;

(b) in paragraph 2 ("Liability for intermediated money transfer tax") by the insertion of the following subparagraph after subparagraph (2)—

“(3) For the avoidance of doubt it is declared that the transfer of money from a nostro foreign currency account is a transaction on which tax is payable in terms of this Schedule.”.

PART III
CAPITAL GAINS TAX

16 Amendment of section 10 of Cap. 23:01

With effect from the year of assessment beginning on the 1st August, 2020, section 10 ("Exemptions from capital gains tax") of the Capital Gains Tax Act [Chapter 23:01] is amended by the insertion after paragraph (q) of the following paragraph—

“(q) amounts received or accrued on the sale or disposal of any shares or other marketable securities listed on the Victoria Falls Stock Exchange as defined in paragraph 4(f) of the Third Schedule to the Taxes Act.”.

PART IV
MINES AND MINERALS

Amendments to Chapter VII of Finance Act [Chapter 23:04]

17 Substitution of sections 37 and 37A of Chapter VII of Cap. 23:04

Sections 37 and 37A in Chapter VII of the Finance Act [Chapter 23:04] are repealed and substituted by—

“37 Rates of mining royalties, duty and fees, and collection thereof

(1) For the purposes of the provisions of the principal Act specified in the Schedule the rates of duty and fees shall be as therein shown.

(2) With effect from the 1st January, 2010, and every subsequent year of assessment, the following persons shall, as agents for and on behalf of the Commissioner-General of the Zimbabwe Revenue Authority, deduct royalty on the following minerals at source, based on the face value of the invoice therefor—

(a) in respect of precious stones, precious metals (other than gold), base metals, industrial metals, coalbed methane and coal, the Minerals Marketing Corporation established in terms of the Minerals Marketing Corporation Act [Chapter 21:04], any person authorised by the Minerals Marketing Corporation to export such minerals in its own right;
(b) in respect of gold, the Minerals Marketing Corporation established in terms of the Minerals Marketing Corporation Act [Chapter 21:04], any person authorised by the Minerals Marketing Corporation to export gold in its own right and every financial institution;

(3) Royalties deducted in terms of subsection (1) shall be remitted by the person deducting them to the Zimbabwe Revenue Authority no later than the tenth day of the month following the month in which the proceed from which the royalties were deducted are received,

(4) If royalties are not remitted timeously in terms of subsection (2), interest, calculated at a rate to be fixed by the Minister by statutory instrument, shall be payable on so much of the royalties as remain unpaid during the period beginning on the day next following the last day provided for its remittance and ending on the date the royalties are remitted in full:

Provided that, in special circumstances, the Commissioner-General of the Zimbabwe Revenue Authority may extend the time for the remittance of royalties without charging interest.

(5) As soon as it comes to the notice of the Commissioner that any person responsible for remitting royalties timeously in terms of subsection (3) has failed to do so, the Commissioner shall serve upon that person notice to pay double the amount of the royalties payable (hereinafter called the “primary civil penalty”).

(6) A person upon whom the Commissioner has served notice in terms of subsection (1) who fails without just cause to comply with the notice within the first seven days of the period of one hundred and eighty-one (181) days referred to in paragraph (a) below—

(a) be liable for a secondary civil penalty of thirty United States dollars (or the maximum monetary figure specified from time to time for level 4, whichever is the lesser amount) for each day the person remains in default, not exceeding a period of 181 days;

(b) if the person continues to be in default after the period specified in paragraph (a), be guilty of an offence and liable on conviction to a fine not exceeding level 10 or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.

(7) A primary and secondary civil penalty that becomes payable by the infringer shall constitute a debt due by the infringer to the Zimbabwe Revenue Authority and shall, at any time after it becomes due, be recoverable in a court of competent jurisdiction by proceedings in the name of the Authority.

(8) The primary and secondary civil penalty shall be paid into and form part of the Consolidated Revenue Fund.

(9) For the avoidance of doubt it is declared that, in calculating the gross fair market value of a mineral on the basis of which royalty is deducted for the purposes of this Chapter, no deduction shall be made of beneficiation, processing or other costs whatsoever incurred in the production of the mineral concerned.”.