

Zimbabwe

Finance Act

Chapter 23:04

Legislation as at 23 March 2017

FRBR URI: /akn/zw/act/1965/30/eng@2017-03-23

There may have been updates since this file was created.

PDF created on 21 February 2024 at 19:43.

Collection last checked for updates: 31 December 2017.

[Check for updates](#)



About this collection

The legislation in this collection has been reproduced as it was originally printed in the Government Gazette, with improved formatting and with minor typographical errors corrected. All amendments have been applied directly to the text and annotated. A scan of the original gazette of each piece of legislation (including amendments) is available for reference.

This is a free download from the Laws.Africa Legislation Commons, a collection of African legislation that is digitised by Laws.Africa and made available for free.

www.laws.africa
info@laws.africa

There is no copyright on the legislative content of this document.
This PDF copy is licensed under a Creative Commons Attribution 4.0 License (CC BY 4.0). Share widely and freely.

Finance Act Contents

1. Short title	2
2. Interpretation	2
2A. Meaning of small or medium enterprise or business	2
2B. ***	2
3. Regulations	2
Chapter I – Income tax and other taxes levied in terms of the Income Tax Act	3
Part I – Preliminary	3
4. Interpretation in Chapter I	3
4A. Payment of certain taxes in foreign currency	4
Part II – Credits to be deducted from income tax	6
5. Credits to which section 7 of Taxes Act relates	6
6. ***	6
7. ***	6
8. ***	6
9. ***	6
10. Taxpayers over 55 years of age	7
11. Blind persons	7
12. Invalid appliances and medical expenses	7
13. Mentally or physically disabled persons	8
Part III – Rates of income tax and other taxes levied in terms of the Income Tax Act	8
14. Income tax for periods of assessment after 1.1.10	8
15. Non-resident shareholders' tax	12
16. ***	12
17. Resident shareholders' tax	13
18. ***	13
19. Non-residents' tax on fees	13
20. Non-residents' tax on remittances	13
21. Non-residents' tax on royalties	13
22. Residents' tax on interest	13
22A. Tobacco levy	14
22B. Automated financial transactions tax	14
22C. Presumptive tax	14
22D. Demutualisation levy	15
22E. Carbon tax	15

22F. ***	16
22G. Intermediated money transfer tax	16
22H. NOCZIM debt redemption and strategic reserve levy	16
22I. Property or insurance commission tax	16
22J. Tax on non-executive directors' fees	17
22K. Tax on exercise of share options granted before 1st February, 2009	17
22L. Petroleum importers levy	17
Part IV – Employees tax	17
23. Matters to be regarded by Commissioner in relation to employees tax	17
Schedule to Chapter I (Section 4)	17
Chapter II – Stamp duties	21
24. Interpretation in Chapter II	21
24A. Payment of certain stamp duties in foreign currency	22
25. Duties prescribed	23
Schedule to Chapter II (Section 25)	23
Chapter III – Licences tariff	33
26. Interpretation in Chapter III	33
27. Imposition of fees for certain licences	33
Schedule to Chapter III (Section 27)	33
Chapter IV – Value added tax	34
28. Interpretation in Chapter IV	34
29. Rates of value added tax	34
30. Amendment of rates imposed by Section 29	35
31. Adjustments of tax	35
Schedule to Chapter IV (Section 29)	35
Paragraph (a)	36
Paragraph (b)	36
Paragraph (c)	36
Paragraph (d)	36
Chapter V – Betting and gaming tax	38
32. ***	38
33. ***	38
Chapter VI – Estate duty	38
34. Interpretation in Chapter VI	38
35. Rate of estate duty	39

Schedule to Chapter VI (Section 35)	39
Paragraph 1.	39
Subparagraph (i)	39
Subparagraph (ii)	39
Subparagraph (a)	39
Subparagraph (b)	39
Paragraph 2.	39
Subparagraph (i)	39
Subparagraph (ii)	39
Paragraph 3.	39
Subparagraph (i)	39
Subparagraph (ii)	39
Subparagraph (a)	39
Subparagraph (b)	40
Paragraph 4.	40
Subparagraph (i)	40
Subparagraph (ii)	40
Subparagraph (a)	40
Subparagraph (b)	40
Paragraph 5.	40
Subparagraph (i)	40
Subparagraph (ii)	40
Subparagraph (a)	40
Subparagraph (b)	40
Paragraph 6.	40
Subparagraph (i)	40
Subparagraph (ii)	40
Subparagraph (a)	40
Subparagraph (b)	41
Paragraph 6A.	41
Subparagraph (i)	41
Subparagraph (ii)	41
Subparagraph (a)	41
Subparagraph (b)	41
Paragraph 6B.	41

Subparagraph (i)	41
Subparagraph (ii)	41
Subparagraph (a)	41
Subparagraph (b)	41
Paragraph 6C.	41
Subparagraph (i)	41
Subparagraph (ii)	42
Subparagraph (a)	42
Subparagraph (b)	42
Paragraph 6D.	42
Subparagraph (i)	42
Subparagraph (ii)	42
Paragraph 6E.	42
Subparagraph (i)	42
Subparagraph (ii)	42
Paragraph 7.	42
Subparagraph (a)	42
Subparagraph (b)	42
Subparagraph (c)	43
Subparagraph (d)	43
Subparagraph (e)	43
Paragraph 8.	43
Subparagraph (a)	43
Subparagraph (b)	43
Chapter VII – Mining royalties, duty and fees	43
36. Interpretation in Chapter VII	43
37. Rates of mining royalties, duty and fees	44
37A. Collection of mining royalties	44
Schedule to Chapter VII (Section 37)	44
Chapter VIII – Capital gains tax	48
37AA. Interpretation in Chapter VIII	48
38. Rates of capital gains tax	48
39. Rates of capital gains tax withholding tax	49
39A. Payment of capital gains tax in foreign currency in certain circumstances	49
Chapter IX – Customs and excise	50

Rate of special excise duty on sales in second-hand motor vehicles	50
40. Interpretation in Chapter IX	50
41. Rate of special excise duty	50
Chapter X – Rentals and development levies for state land allocated for agricultural purposes	51
42. Interpretation in Chapter X	51
43. Rentals payable in respect of A1 and A2 farms	52
44. Development levy payable in respect of A1 and A2 farms	53
45. Collection of rentals and development levy	53
46. Public assistance to A1 and A2 farmers conditional on full payment of rentals and development levies	
Schedule to Chapter X (Sections 43 and 44)	54
Chapter XI – Statutory fees and charges	54
45. Interpretation in Chapter X	54
46. Revision of statutory fees and charges initiated by minister	55
47. Revision of statutory fees and charges initiated by heads of ministries	56
48. Electronic Single Window Facility	56
Chapter XII – Special excise duty on airtime and Health Fund Levy	56
48. Interpretation in Chapter XII	56
49. Rate of special excise duty on airtime	56

Zimbabwe

Finance Act

Chapter 23:04

There are multiple commencements

Provisions	Status
Chapter II, section 24(25), subpart	commenced on 5 July 1965.
Chapter III (section 26(27))	commenced on 23 February 1966.
Chapter IV, section 28(31), subpart; Chapter V (section 32(33))	commenced on 1 April 1967.
Chapter VI (section 34(35))	commenced on 1 February 1968.
Chapter VII (section 36(37A))	commenced on 6 September 1968.
Chapter VIII (section 37A(39A))	commenced on 1 August 1981.
Chapter I, Part I (section 4(4A)); Part II (section 5(13)); Part III, section 14(1), 14(2)(a)(i), 14(2)(a)(ii), 14(2)(a)(iii), 14(2)(a)(iv), 14(2)(a)(v), 14(2)(a)(vi), 14(2)(a)(vii), 14(2)(b), 14(2)(b1), 14(2)(c), 14(2)(d), 14(2)(e), 14(2)(f), 14(2)(g), 14(2)(h), 14(2)(i), 14(2)(j), 14(3), 14(4), 14(5), 14(6), 14(7), 14(8), section 15, section 16(22L); Part IV (section 23)	commenced on 1 April 1988.
Section 1(13); Chapter I, Part III, section 14(2)(a)(vii); Chapter II, item (a)(t); Chapter IV, paragraph (a)(d); Chapter IX (section 40(41)); Chapter X (section 42(46)); Chapter XI (section 45(48)); Chapter XII (section 48(49))	not yet commenced.

[This is the version of this document as it was at 23 March 2017 to 13 March 2018.]

[Note: This version of the Act was revised and consolidated by the Law Development Commission of Zimbabwe]

[Acts 30/1965, 4/1966, 41/1966, 56/1966 (s. 7), 65/1966, 4/1967 (s. 35), 6/1967, 29/1967 (s. 32), 35/1967, 30/1968, 37/1968, 10/1969, 36/1969 (s. 3), 39/1969, 49/1969 (ss. 16-19), 58/1969, 10/1970, 21/1970, 23/1970 (s. 56), 32/1970, 43/1970, 6/1971 (s. 67), 41/1971, 42/1971 (s. 4), 1/1972 (s. 91), 20/1972, 33/1972 (s. 18), 8/1973 (Part 1), 21/1973, 27/1973 (s. 102), 23/1974, 32/1975, 38/1976, 22/1976 (ss. 2 and 3), 16/1977, 27/1977, 12/1978 (s. 4), 23/1978, 35/1978, 22/1979, 1/1980, 11/1980, 10/1981, 55/1981, 30/1982, 19/1983, 32/1983, 7/1984, 24/1984, 19/1985, 20/1986, 17/1987, 4/1988, 16/1988, 22/1989, 10/1990, 19/1990, 21/1991, 17/1992, 12/1993, 19/1994, 4/1995, 17/1995, 23/1995, 4/1996, (modified by SI 94/1996), 10/1996 (modified by SI 94/1996), 13/1996, 17/1997, 23/1997, 29/1998, 9/1999, 21/1999, 22/1999, 18/2000, 27/2001, 12/2002, 14/2002, 15/2002, 10/2003, 16/2004, 17/2004, 18/2004, 29/2004, 2/2005, 8/2005, 6/2006, 12/2006, 8/2007, 16/2007, 3/2009, 5/2009, 10/2009, 3/2010, 5/2010, 8/2011, 9/2011, 1/2014, 6/2012, 8/2014, 11/2014, 8/2015, 9/2015, 2/2017. SIs. 136/2007, 46A/2008, 63/2008, 90/2008, 111/2008, 132/2008, 133/2008, 149/2008, 166/2008, 45/2009, 91/2009, 149/2009.]

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

1. Short title

This Act may be cited as the Finance Act [*Chapter 23:04*].

2. Interpretation

- (1) In this Act—
 - (a) any reference to a Chapter shall be construed as a reference to a Chapter of this Act;
 - (b) any reference to a Schedule shall be construed as a reference to a Schedule to the Chapter in which the reference appears.
- (2) Subsection (4) of section 10 of the Interpretation Act [*Chapter 1:01*] shall apply in construing this Act as if the definition of “division” in that subsection included a Chapter of this Act.

2A. Meaning of small or medium enterprise or business

- (1) In this section, a “Scheduled Act” means this Act or any of the other Acts specified in the First Schedule (‘the Scheduled Acts’) to the Revenue Authority Act [*Chapter 12:11*] (No. 17 of 1999).
- (2) For the purposes of any Scheduled Act, a reference to a “small enterprise”, “small business”, “medium-sized enterprise”, “medium-sized business”, “small or medium enterprise”, “small or medium sized enterprise”, “small or medium enterprise”, or “small or medium sized business” shall bear the meaning assigned to any identical or related term in the Small and Medium Enterprises Act [*Chapter 24:12*] or any other law that may be substituted for the same.

[section inserted by Act 8 of 2011]

2B. ***

[section repealed by Act 8 of 2011]

3. Regulations

- (1) The Minister responsible for finance may make such regulations as he or she may consider necessary or expedient for the administration of this Act and the better carrying out of its purposes.
- (2) Regulations made in terms of subsection (1) may amend or replace any rate of tax, duty, levy or other charge that is charged or levied in terms of any Chapter of this Act, and the rate as so amended or replaced shall, subject to subsection (3), accordingly be charged, levied and collected with effect from the date specified in such regulations, which date shall not be earlier than the date the regulations are published in the *Gazette*.
- (3) If any provision contained in regulations referred to in subsection (2) is not confirmed by a Bill which—
 - (a) passes its second reading stage in Parliament on one of the twenty-eight days on which Parliament sits next after the coming into operation of the instrument; and
 - (b) becomes law not later than six months after the date of such second reading;

that provision shall become void as from the date specified in the instrument as that on which the rate of tax, duty, levy or other charge shall be amended or replaced, and so much of the rate of tax, duty, levy or other charge as was amended or replaced, as the case may be, by that provision shall be deemed not to have been so amended or replaced.

[subsection substituted by Act 8 of 2007]

Chapter I

Income tax and other taxes levied in terms of the Income Tax Act

Part I – Preliminary

4. Interpretation in Chapter I

(1) In this Chapter—

“blind person” means a person whose eyesight is so defective during more than half of the period of assessment that he is unable to perform any work for which eyesight is essential;

“Exchange Control (General) Order” means the Exchange Control (General) Order, 1996, published in [Statutory Instrument 110 of 1996](#), or any other enactment that may be substituted for the same;

[definition inserted by section 2 of Act [3 of 2009](#)]

“family taxpayer” *[definition repealed by section 2 of Act [13 of 1996](#)]*

“foreign currency” means the euro, United States dollar, British pound, South African rand, Botswana pula and any other foreign currency denominated under the Exchange Control (General) Order;

[definition inserted by section 2 of Act [3 of 2009](#)]

“period of assessment” means—

- (a) the year of assessment; or
- (b) the period within or deemed by the Taxes Act to be within the year of assessment in respect of which an assessment is made in terms of the Taxes Act;

as the case may be;

“specified amount” means the appropriate amount specified in Part I of the Schedule in respect of the year of assessment concerned;

“specified percentage” means the appropriate percentage specified in Part II of the Schedule in respect of the year of assessment concerned;

“taxable income from trade or investment received or accrued in foreign currency” means taxable income from trade or investment received or accrued in United States dollars or, if such income is denominated in a foreign currency other than the United States dollar, the equivalent amount in United States dollars, 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;

[definition inserted by section 2 of Act [3 of 2009](#)]

“taxable income from employment earned in foreign currency” means taxable income from employment earned in United States dollars or, if such income is denominated in a foreign currency other than the United States dollar, the equivalent amount in United States dollars, 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 earned;

[definition inserted by section 2 of Act [3 of 2009](#)]

“Taxes Act” means the Income Tax Act [[Chapter 23:06](#)];

“taxpayer” means any person in respect of whom an assessment is made in terms of the Taxes Act.

- (2) For the purposes of this Chapter—
- (a) an expression to which a meaning is assigned in subsection (1) of section 2 or in subsection (1) of section 8 of the Taxes Act shall have the same meaning in this Chapter, unless the expression is otherwise defined in this Chapter;
 - (b) subsections (2) and (3) of section 2 and section 4 of the Taxes Act shall be deemed to be contained in this Chapter.

4A. Payment of certain taxes in foreign currency

- (1) Notwithstanding section 41 of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*] and the Exchange Control Act [*Chapter 22:05*]—
- (a) a person other than a company, a trust or a pension fund whose taxable income from employment is earned in whole or in part in a foreign currency shall pay tax in the same or another specified foreign currency on so much of that income as is earned in that currency;
 - (b) a person other than a company, a trust or a pension fund whose taxable income from trade or investment is received or accrued in whole or in part in a foreign currency shall pay tax in the same or another specified foreign currency on so much of that income as is received or accrued in that currency;
 - (c) a company, trust, pension fund or other juristic person whose taxable income is earned, received or accrued in whole or in part in a foreign currency shall pay tax in the same or another specified foreign currency on so much of that income as is earned, received or accrued in that currency;
 - (d) a person who is liable to presumptive tax as a small scale miner, an operator of a taxicab, omnibus, goods vehicle, driving school or hair dressing salon, or as an informal cross-border trader, in terms of [section 22C](#) (b) and (c), (d), (e), (f), (g), (h), (i), (j) or (k), shall pay that presumptive tax in a foreign currency;
[paragraph amended by Act 5 of 2009]
 - (e) the persons specified in [section 22E](#) and [22H](#) shall pay the taxes there mentioned in a foreign currency;
 - (f) the persons specified in [section 15](#), [17](#), [18](#), [19](#), [20](#), [21](#), [22](#), [22A](#), [22B](#), [22F](#), [22G](#), [22L](#) and [22J](#) shall pay the taxes there mentioned in a foreign currency to the extent that the amounts from which the taxes are withheld are foreign currency amounts.
- (2) Where only part of the taxable income from employment of a person referred to in subsection (1)(a) is paid in a foreign currency, the amounts of any tax due on both parts of such income in terms of [section 14](#) shall be calculated separately and paid in the appropriate currency relative to each part.
- (3) Where a person referred to in subsection (1)(a) earns any part of his or her taxable income in the form of a coupon or any instrument or token that, in the opinion of the Commissioner, is exchangeable, whether directly or indirectly, for foreign currency, that person shall pay an amount of tax to the Commissioner in foreign currency calculated on a valuation of that coupon, instrument or token which, in the opinion of the Commissioner, represents a fair valuation of that coupon, instrument or token in foreign currency.
- (4) For the purposes of subsection (3) the Commissioner may, in the case of any coupon, instrument or token denominated in units of weight, volume or other measure of a specified commodity, specify from time to time by notice in the *Gazette* that a unit by weight, volume or other measure of that commodity shall be deemed to be worth a specified amount of a foreign currency.
- (5) If the Commissioner has reasonable grounds to believe that the whole or any part of the income of a person referred to in subsection (1)(b) or (c) was received or accrued in the form of foreign currency,

or that any amount referred to in subsection (1)(f) from which a person withholds tax is a foreign currency amount, and that the person—

- (a) has prepared or maintained or authorised the preparation or maintenance of any false books of account or other records, or falsified or authorised the falsification of any books of account or records; or
- (b) has furnished a false return or information;

with the effect that liability for payment of any tax in foreign currency is avoided or postponed, the Commissioner may deem that—

- (c) the whole of such person's income from trade or investment is received or accrued in foreign currency;
- or

- (d) the whole of the amount from which the person withholds tax is a foreign currency amount;

as the case may be, unless, in respect of any particular transaction, such person proves to the satisfaction of the Commissioner that the income received or accrued in respect of that transaction was received or accrued in Zimbabwean currency, or that the amount in question is a Zimbabwean currency amount.

- (6) The liability of a person referred to in subsection (1)(b) or (c) to pay any tax in foreign currency is not affected by that person's failure to comply with any law (including but not limited to the Shop Licences Act [Chapter 14:17] and the Exchange Control Act [Chapter 22:05]) requiring the registration or licensing of the trade, investment or other activity by means of which his or her income is received or accrued.
- (7) For the avoidance of doubt it is declared that all the provisions of the Taxes Act shall apply, with such changes as may be necessary, to the payment in foreign currency of the taxes referred to in subsection (1)(a), (b), (c), (d), (e) and (f) in the same way as they apply to the payment of such taxes in Zimbabwean currency.

In particular—

- (a) section 37B, relating to the duty to keep records, shall apply so that records of those transactions involving payments in foreign currency—
 - (i) are clearly distinguished from records of transactions involving Zimbabwean currency; and
 - (ii) employ the foreign currency concerned as the unit of account in relation to those transactions involving payments in that foreign currency;
- (b) section 48 of the Taxes Act, relating to reduced assessments and refunds, shall apply so that any part of a tax paid in foreign currency that is required to be refunded shall be refunded in foreign currency;
- (c) section 71, providing (among other things) for the payment of interest on unpaid tax, shall apply so that any interest due on any part of a tax payable in foreign currency that is unpaid, shall be paid in foreign currency.
- (8) The Commissioner may require any person referred to in subsection (1)(c), (d), (e) or (f) who tenders payment of any tax in a foreign currency other than the United States dollar, to tender instead the equivalent amount of that tax in United States dollars, being an amount obtained by applying the international cross rate of exchange of the first-mentioned currency for the United States dollar prevailing on the day the tax concerned becomes due.

[section inserted by section 3 of Act 3 of 2009]

Part II – Credits to be deducted from income tax

5. Credits to which section 7 of Taxes Act relates

- (1) Subject to this Part and to section 50 of the Taxes Act, the credits to be deducted from the income tax with which a person is chargeable in pursuance of section 7 of that Act shall—
 - (a) if the period of assessment is twelve months, be the credits for which provision is made in this Part;
 - (b) if the period of assessment is less than twelve months, be—
 - (i) the credit for which provision is made in section ten, reduced proportionately; and
 - (ii) the credits for which provision is made in sections eleven, twelve and thirteen.
- (2) Notwithstanding any other provision of this Act, the total amount of credits to be deducted in terms of—
 - (a) *[paragraph repealed by section 3(b) of Act 13 of 1996]*
 - (b) *[subparagraph repealed by section 2(b)(ii) of Act 17 of 1997]*
 - (c) *[subparagraph repealed by section 2(b)(ii) of Act 17 of 1997]*
 - (d) any provision of this Part from the income tax with which any person is chargeable in any year of assessment shall not exceed the total income tax with which that person is chargeable in respect of that year of assessment.
- (3) Notwithstanding any other provision of this Act, no credit shall be deducted from the income tax with which a company or trust is chargeable in any year of assessment.
- (4) The credits to be deducted from the tax with which a person is chargeable in pursuance of section 7 of the Taxes Act shall be expressed as amounts in United States dollars:

Provided that where the tax with which a person is chargeable in pursuance of section 7 of the Taxes Act is not payable wholly or in part in foreign currency, the amount of the appropriate credit shall be converted to Zimbabwean dollars using such rate as the Minister shall prescribe generally or for the purpose of this subsection.

[subsection inserted by section 5 of Act 3 of 2009]

6. ***

[section repealed by Act 13 of 1996]

7. ***

[section repealed by Act 17 of 1995]

8. ***

[section repealed by Act 17 of 1995]

9. ***

[section repealed by Act 17 of 1995]

10. Taxpayers over 55 years of age

A credit of the specified amount shall be deducted from the income tax with which a taxpayer is chargeable, where he or she had attained the age of fifty-five years prior to the commencement of the year of assessment.

Provided that, if the period of assessment is less than twelve months, the amount referred to in this section shall be reduced proportionately.

[section substituted by Act 10 of 2009]

11. Blind persons

A credit of the specified amount shall be deducted from the income tax with which a taxpayer who is a blind person is chargeable:

Provided that any portion of such credit which is not applied in reduction of the income tax with which a blind person who is married is chargeable shall be allowed as a deduction from the income tax with which his or her spouse is chargeable.

12. Invalid appliances and medical expenses

(1) In this section—

“invalid appliance or fitting” includes—

- (a) a wheelchair or any mechanically propelled vehicle which is specially designed and constructed for the carriage of one person, being a person suffering from a physical defect or disability; or
- (b) any artificial limb, leg calipers or crutch; or
- (c) any special fitting for the modification or adaptation of a motor vehicle, bed, bathroom or toilet to enable its use by a person suffering from a physical defect or disability; or
- (d) spectacles or contact lenses;

“medical expenses” means—

- (a) the sum of any payments made for the purchase, hire, repair, modification or maintenance of any invalid appliance or fitting which the Commissioner is satisfied is necessary for use by a taxpayer or his spouse or any child or the taxpayer as a consequence of any mental or physical defect or disability; and
- (b) the sum of any payments made for—
 - (i) services rendered to a taxpayer, his spouse and minor children or one or more of them by a medical or dental practitioner; and
 - (ii) drugs and medicines supplied to a taxpayer, his spouse and minor children or one or more of them on the prescription of a medical or dental practitioner; and
 - (iii) the accommodation, maintenance, nursing and treatment, including blood transfusions and X-ray and laboratory examinations, tests and the like, of a taxpayer, his spouse and minor children or one or more of them in or at a hospital, maternity-home, nursing-home, sanatorium, surgery, clinic or similar institution; and
 - (iv) the conveyance by ambulance, including an air ambulance, of a taxpayer, his spouse and minor children or one or more of them;

and

- (c) the amount of any contributions paid to a medical aid society in respect of the taxpayer or his spouse or any minor children.
- (2) Subject to subsection (4), a credit to be determined in accordance with subsection (3) shall be deducted from the income tax with which a taxpayer is chargeable in respect of payments which the taxpayer made in the period of assessment by way of medical expenses.
- (3) The amount of the credit deductible in terms of subsection (2) shall be calculated at the rate of one dollar for every two dollars paid by way of medical expenses.
[subsection amended by Act 29 of 1998]
- (4) No credit shall be deducted in terms of subsection (2) in respect of any payment such as is referred to in paragraph (a) or (b) of the definition of “medical expenses” in subsection (1) if the taxpayer is not at any time during the period of assessment ordinarily resident in Zimbabwe.
- (5) For the purposes of this section—
 - (a) a payment made from the deceased estate of a taxpayer by way of medical expenses which are incurred before the death of the deceased shall be treated as having been made immediately before the death of the deceased; and
 - (b) a taxpayer shall not be treated as having made a payment by way of medical expenses to the extent that the taxpayer, his spouse or dependant is entitled to a refund or payment from any source whatsoever in connection with the medical expenses to meet which the payment was made.
- (6) The provisions of the Taxes Act relating to objections or appeals shall apply, *mutatis mutandis*, in respect of any decision made by the Commissioner in terms of this section.

13. Mentally or physically disabled persons

- (1) Subject to this section, a credit of the specified amount shall be deducted from the income tax with which a taxpayer is chargeable, where it is proved to the satisfaction of the Commissioner that the taxpayer is mentally or physically disabled to a substantial degree, but is not blind.
- (2) Subject to this section, a credit of the specified amount shall be deducted from the income tax with which a taxpayer, other than a married woman, is chargeable in respect of each child of the taxpayer who is proved to the satisfaction of the Commissioner to be mentally or physically disabled to a substantial degree.
- (3) Any portion of a credit deductible in terms of subsection (1) or (2) which is not applied in reduction of the income tax with which a married person is chargeable shall be allowed as a deduction from the income tax with which his or her spouse is chargeable.
- (4) No credit shall be deductible in terms of subsection (1) or (2) if the taxpayer is not at any time in the period of assessment ordinarily resident in Zimbabwe.
- (5) A person shall not be regarded for the purposes of subsection (1) or (2) as being mentally or physically disabled if his disablement is of a temporary or transitional nature.
- (6) The provisions of the Taxes Act providing for objections or appeals shall apply, *mutatis mutandis*, in respect of any decision made by the Commissioner in terms of this section.

Part III – Rates of income tax and other taxes levied in terms of the Income Tax Act

14. Income tax for periods of assessment after 1.1.10

- (1) In this section—

“approved BOOT or BOT arrangement” means a contract or other arrangement approved by the Commissioner, under which a person undertakes to construct an item of infrastructure for the State or a statutory corporation in consideration for the right to operate or control it for a specified period, after which period he or she will transfer or restore ownership or control of the item to the State or the statutory corporation concerned;

“approved tourist development zone” means a tourist development zone declared under regulations made in terms of section 57(2)(k) of the Tourism Act [Chapter 14:20] and approved by the Commissioner;

“Authority” means the Zimbabwe Tourism Authority established in terms of the Tourism Act [Chapter 14:20];

“company” or “trust”, is deemed to include a reference to any ecclesiastical, charitable or educational institution to the extent that any part of the income of such institution is derived from trade or investment, not being income from trade or investment that is exempt from tax in terms of paragraph 2(e) of the Third Schedule to the Taxes Act;

[definition inserted by Act 8 of 2015]

“contractor”, in relation to an approved BOOT or BOT arrangement, means the person who enters into the arrangement with the State or the statutory corporation concerned;

“licensed investor” means a person licensed under the Export Processing Zones Act [Chapter 14:071] before its repeal by the Zimbabwe Investment Authority Act [Chapter 14:30] (No. 4 of 2006) on the 1st January, 2007;

[definition inserted by Act 3 of 2010]

“manufacturing operations” means any process of production which substantially changes the original form of, or substantially adds value to, the thing or things constituting the product;

“operator” and “tourist facility” have meanings given to those terms in section 2 of the Tourism Act [Chapter 14:20];

“taxable income from employment” means any part of the taxable income of a person, other than a company, a trust or a pension fund, which consists of remuneration as defined in the Thirteenth Schedule to the Taxes Act;

“taxable income from trade or investment” means any part of the taxable income of a person, other than a company or a trust, which is received by or accrues to him or her from any trade, investment or other activity, but does not include taxable income from employment;

“trust” does not include a deceased or insolvent estate or the estate of an individual under a legal disability.

- (2) Subject to this section and section 50 of the Taxes Act, the income tax with which a person is chargeable in the year of assessment beginning on the 1st January 2010, or any subsequent year of assessment, shall be calculated—
- (a) 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 earned in foreign currency—
 - (i) so much as does not exceed three thousand six hundred United States dollars;
 - (ii) so much as exceeds three thousand six hundred United States dollars but does not exceed eighteen thousand United States dollars;
 - (iii) so much as exceeds eighteen thousand United States dollars but does not exceed thirty-six thousand United States dollars;

- (iv) so much as exceeds thirty-six thousand United States dollars but does not exceed sixty thousand United States dollars;
- (v) so much as exceeds sixty thousand United States dollars but does not exceed one hundred and twenty thousand United States dollars;
- (vi) so much as exceeds one hundred twenty thousand United States dollars but does not exceed one hundred and eighty thousand United States dollars;
- (vii) so much as exceeds one hundred and eighty thousand United States dollars but does not exceed two hundred and forty thousand United States dollars;
- (vii) so much as exceeds two hundred and forty thousand United States dollars.

[Please note: numbering as in original.]

[with effect from 1 January, 2015 as amended by Act [11 of 2014](#)]

- (b) in the case of a company or a trust, other than a pension fund, at the specified percentage of each United States dollar of its taxable income earned in foreign currency, other than income referred to in paragraph (e), (h) or (i);

[paragraph substituted by Act [11 of 2014](#)]

- (b1) in the case of a person other than a company, a trust or a pension fund, who is the holder of a temporary employment permit issued in terms of the Immigration Act *[Chapter 4:02]* in respect of his or her employment with a licensed investor having a qualifying degree of export-orientation as defined in section 2 of the Taxes Act, at the specified percentage of each United States dollar of his or her taxable income from that employment;

[paragraph inserted by Act [2 of 2017](#)]

- (c) in the case of a company or a trust, other than a pension fund, at the specified percentage of each United States dollar of its taxable income earned in foreign currency, other than income referred to in paragraph (e), (f), (g), (h) or (i);
- (d) in the case of a pension fund, at the specified percentage of each United States dollar of its taxable income earned in foreign currency from trade or investment:

Provided that this paragraph shall not apply in respect of any period before the date specified in terms of paragraph 2(i) of the Third Schedule to the Taxes Act;

- (e) in respect of that part of the taxable income of a licensed investor having a qualifying degree of export-orientation as defined in section 2 of the Taxes Act which is attributable to the operations to which its investment licence relates, for the first five years after the commencement of the operation, at the percentage of each dollar of that income specified in Part II of the Schedule in respect of those years;

[paragraph substituted by Act [2 of 2017](#)]

- (f) in respect of that part of the taxable income earned in foreign currency of the holder of a special mining lease which is attributable to special mining lease operations as defined in the Taxes Act, determined in accordance with the Twenty-Second Schedule to that Act, at the specified percentage of each United States dollar of that income;
- (g) in respect of that part of the taxable income of a company or a trust derived from mining operations, at the specified percentage of each United States dollar of such part of its taxable income;

- (h) in respect of that part of the taxable income of a contractor under an approved BOOT or BOT arrangement which is attributable to his or her operations under the arrangement—
 - (i) for the first five years after the commencement of the arrangement, at the percentage of each United States dollar of that income specified in Part II of the Schedule in respect of those years;
 - (ii) for the second five-year period after the commencement of the arrangement, at the percentage of each United States dollar of that income specified in Part II of the Schedule in respect of that period;
 - (iii) thereafter, at the specified percentage applicable to persons referred to in paragraph (b) or (c), as the case may be;
 - (i) in respect of that part of the income earned in foreign currency of an industrial park developer which is attributable to the operations of his or her industrial park, at the specified percentage of each United States dollar of that income in the year of assessment in which he or she commences such operations before the year of assessment beginning on the 1st January, 2010, and in each of the four years of assessment next following that year of assessment, and thereafter at the higher specified percentage;
 - (j) in respect of that part of the taxable income earned in foreign currency of the operator of a tourist facility in an approved tourist development zone which is attributable to his or her operation of that facility, at the specified percentage of each United States dollar of that income in the year of assessment in which he or she commences such operation before the year of assessment beginning on the 1st January, 2010, and in each of the four years of assessment next following that year of assessment, and thereafter at the higher specified percentage;
- [paragraphs (i) and (j) substituted by Act 3 of 2010]*
- (3) Where a company conducts manufacturing operations and, in any year of assessment, the following percentages of its total manufacturing output is exported from Zimbabwe—
- (a) more than thirty *per centum* but less than forty-one *per centum* ; or
 - (b) more than forty-one *per centum* but less than fifty-one *per centum*; or
 - (c) more than fifty-one *per centum*;
- the income tax with which the company is chargeable, in respect of so much of its taxable income as, in the opinion of the Commissioner, is derived from manufacturing operations conducted in Zimbabwe during that year of assessment, shall be at the specified percentage of each United States dollar of the taxable income derived from such manufacturing.
- [subsection substituted by Act 11 of 2014]*
- (4) For the purposes of subsection (3) percentages of a company's manufacturing output shall be calculated by quantity or volume rather than according to value.
- (5) Subject to subsection (6) and to section 50 of the Taxes Act, if in the year of assessment beginning on the 1st April, 1988, or any subsequent year of assessment, the taxable income of a person, other than a company or a trust, includes—
- (a) any amount referred to in proviso (iv) to paragraph (b) of the definition of "gross income" in section 8(1) of the Taxes Act; or
 - (b) any amount included by virtue of paragraph (c) of the definition of "gross income" in section 8(1) of the Taxes Act; or
 - (c) any amount referred to in paragraph 5 of the Seventh Schedule to the Taxes Act;

the income tax with which that person is chargeable in respect of that year of assessment shall be calculated—

- (d) in respect of so much of the taxable income as would remain had the amount specified in paragraph (a), (b) or (c), as the case may be, not been included (hereinafter called “the first amount”), at the appropriate rates referred to in subsection (2)(a); and
- (e) in respect of each dollar of so much of the taxable income as would remain were the first amount deducted, at the highest rate at which any part of the first amount is chargeable:

Provided that, if the first amount consists of taxable income from employment and does not exceed the amount referred to in subparagraph (i) of subsection(a), then so much of the person’s taxable income as exceeds that second-mentioned amount shall be chargeable at the rate applicable to the amounts referred to in sub-paragraph (ii) of subsection (2)(a).

- (6) If in the year of assessment beginning on the 1st January 2010, or any subsequent year of assessment, the taxable income of a person includes any amount by way of dividends from a company incorporated outside Zimbabwe, that amount—
 - (a) shall be charged to tax at the specified percentage; and
 - (b) shall be deducted from the person’s taxable income prior to the application of subsections (2), (3), (4) and (8) to that income:
- (7) In respect of the year of assessment beginning on the 1st January, 2010, and any subsequent year of assessment, there shall be charged, in the case of a person other than a company or trust, an AIDS levy equal to three *per centum* of the amount of income tax with which he or she is chargeable in terms of subsection (2)(a) or (b) in respect of that year of assessment, after the deduction of any credits that are to be deducted under Part II of this Chapter, and the levy shall be payable in addition to the income tax with which the person is chargeable under this section.
- (8) In respect of the year of assessment beginning on the 1st January, 2010, and any subsequent year of assessment, there shall be charged, in the case of a company or trust, an AIDS levy equal to three *per centum* of the amount of income tax with which the company or trust is chargeable in terms of subsection (2)(c) in respect of that year of assessment, and the levy shall be payable in addition to the income tax with which the company or trust is chargeable under this section.

[section substituted by Act 10 of 2009]

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 in terms of the Securities Exchange Act [Chapter 24:25], at the rate of ten *per centum*;

[paragraph amended by Act 17 of 2004 and Act 10 of 2009]

- (b) 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.

[paragraph amended by Act 10 of 2009 and repealed by Act 29 of 1998]

16. ***

[section repealed by Act 29 of 1998]

17. Resident shareholders' tax

The resident shareholders' tax chargeable in terms of section 28 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 in terms of the Securities Exchange Act [Chapter 24:25], at the rate of ten *per centum*;

[paragraph amended by Act 17 of 2004 and Act 10 of 2009]

- (b) 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 Fifteenth Schedule to the Taxes Act.

[paragraph amended by Act 10 of 2009]

18. ***

[section repealed by Act 5 of 2009]

19. Non-residents' tax on fees

The non-residents' tax on fees chargeable in terms of section 30 of the Taxes Act shall be calculated at the rate of fifteen *per centum* of each dollar of the fees from which such tax is to be withheld and paid in terms of the Seventeenth Schedule to that Act.

[section amended by Act 10 of 2009]

20. Non-residents' tax on remittances

The non-residents' tax on remittances chargeable in terms of section 31 of the Taxes Act shall be calculated at the rate of fifteen *per centum* of each dollar of the remittance from which such tax is to be paid in terms of the Eighteenth Schedule to that Act.

[section amended by Act 3 of 2010]

21. Non-residents' tax on royalties

The non-residents' tax on royalties chargeable in terms of section 32 of the Taxes Act shall be calculated at the rate of fifteen *per centum* of each dollar of the royalty from which such tax is to be withheld and paid in terms of the Nineteenth Schedule to that Act.

[section amended by Act 10 of 2009]

22. Residents' tax on interest

The residents' tax on interest chargeable in terms of section 34 of the Income Tax Act shall be calculated at the rate of—

- (a) fifteen *per centum* of each dollar of the interest from which such tax is to be withheld and paid in terms of the Twenty-First Schedule to the Income Tax Act, in the case where the interest is earned on a fixed-term deposit with a tenure of at least ninety days; or
- (b) fifteen *per centum* of each dollar of the interest from which such tax is to be withheld and paid in terms of the Twenty-First Schedule to the Income Tax Act, in every other case.

[section substituted by Act 6 of 2012]

22A. Tobacco levy

The tobacco levy chargeable in terms of section 36A of the Taxes Act shall be calculated in respect of—

- (a) buyers of auction and contract tobacco at the rate of 1,50 cents of each dollar;
- (b) sellers of auction and contract tobacco at the rate of 0,75 cents of each dollar;

of the price from which the levy is to be withheld and paid in terms of the Twenty-Fourth Schedule to that Act.

[section substituted by Act [11 of 2014](#) and amended by Act [9 of 2015](#)]

22B. Automated financial transactions tax

The automated financial transactions tax chargeable in terms of section 36B of the Taxes Act shall be calculated at the rate of zero comma zero five United States dollars for each transaction on which the tax is payable.

[section inserted by Act [13 of 1996](#) and amended by Act [16 of 2007](#), s.i 149 of 2008 and Act [5 of 2009](#)]

22C. Presumptive tax

The presumptive tax chargeable in terms of section 36C of the Taxes Act shall be in the case of—

- (a) informal traders, calculated at the rate of ten *per centum* of each dollar of the rent upon which the tax is chargeable in terms of the Twenty-Sixth Schedule to the Taxes Act;
- (b) small-scale miners, calculated at the rate of zero *per centum* of each dollar of the purchase-price of precious metals or precious stones upon which the tax is chargeable in terms of the Twenty-Sixth Schedule to the Taxes Act; or
- (c) operators of taxicabs for the carriage of passengers for hire or reward having seating accommodation for not more than seven passengers, twenty-five dollars per month for each such taxicab so operated; or
- (d) operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than eight or more than fourteen passengers, forty dollars per month for each such omnibus so operated; or
- (e) operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than fifteen or more than twenty-four passengers, forty-five dollars per month for each such omnibus so operated; or
- (f) operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than twenty-five or more than thirty-six passengers, seventy dollars per month for each such omnibus so operated; or
- (g) operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than thirty-seven passengers, one hundred dollars per month for each such omnibus so operated; or
- (h) operators of goods vehicles having a carrying capacity—
 - (i) of more than ten tonnes but less than twenty tonnes two hundred dollars per month;
 - (ii) of ten tonnes or less but which is driving one or more trailers resulting in a combined carrying capacity of more than fifteen tonnes but less than twenty tonnes, five hundred dollars per month;

- (iii) of twenty tonnes or more, five hundred dollars per month;
- or
- (i) operators of driving schools providing driving tuition
 - (i) for class 4 vehicles only, one hundred dollars per month;
 - (ii) for class 1 and 2 vehicles (whether or not in addition to providing driving tuition for other classes of vehicles), one hundred and thirty dollars per month;
- (j) operators of hairdressing salons, ten dollars per chair per month; or
- (k) informal cross-border traders, ten *per centum* of the value for duty purposes of the commercial goods being imported by the traders concerned; or
- (l) operators of restaurants or bottle-stores, seventy dollars per month; or
- (m) cottage industry operators, seventy dollars per month: or
- (n) operators of commercial waterborne vessels of a description referred to in paragraph 2(a) of the definition of “commercial waterborne vessel” in the Twenty-Sixth Schedule of the Taxes Act, having a carrying capacity (inclusive of cabin crew)—
 - (i) of not more than five passengers, sixty dollars per month per vessel;
 - (ii) of six passengers but less than sixteen passengers, one hundred dollars per month per vessel;
 - (iii) of sixteen passengers but less than twenty-six passengers, two hundred dollars per month per vessel;
 - (iv) of more than twenty-six passengers but less than fifty passengers, three hundred and fifty dollars per month per vessel;
 - (v) of fifty or more passengers, four hundred and fifty dollars per month per vessel;
- or
- (o) operators of commercial waterborne vessels of a description referred to in paragraph 2(b) of the definition of “commercial waterborne vessel” in the Twenty-Sixth Schedule of the Taxes Act (that is to say, operators of fishing rigs), eighty dollars per month.

[section substituted by Act [2 of 2017](#)]

22D. Demutualisation levy

The demutualisation levy chargeable in terms of section 36D of the Taxes Act shall be calculated, in respect of each Zimbabwean member of the mutual society concerned, at the rate of two and one-half *per centum* of the amount upon which the levy is payable in terms of paragraph 2 of the Twenty-Seventh Schedule to the Taxes Act.

[section inserted by Act [22 of 1999](#)]

22E. Carbon tax

- (1) The carbon tax chargeable in terms of section 36E of the Taxes Act shall be paid at the rate of one point three United States cents per litre of diesel and four United States 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, whichever is the greater amount, imported 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.

[subsection substituted by section 7 of Act [3 of 2009](#) and amended by s.i 149 of 2009]

- (2) In addition, a visitor to Zimbabwe who uses within Zimbabwe a motor vehicle registered outside Zimbabwe shall, upon entering Zimbabwe, and for each month or part of a month during which he or she visits Zimbabwe, pay carbon tax in respect of such vehicle to the Zimbabwe Revenue Authority in United States dollars (or the equivalent in Euros or in any other currency denominated under the Exchange Control (General) Order, 1996 ([Statutory Instrument 110 of 1996](#)) at the prevailing international cross rate of exchange), at the rate of ten United States dollars per vehicle.

[subsection substituted by Act [2 of 2017](#)]

[section substituted by Act [8 of 2005](#)]

22F. ***

[section repealed by Act [10 of 2009](#)]

22G. Intermediated money transfer tax

The intermediated money transfer tax chargeable in terms of section 36G of the Taxes Act shall be calculated at the rate of zero comma zero five United States dollars for each transaction on which the tax is payable.

[section inserted by Act [15 of 2002](#) and amended by Act [29 of 2004](#) and Act [5 of 2009](#)]

22H. NOCZIM debt redemption and strategic reserve levy

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

- (a) in relation to the NOCZIM debt redemption levy, be calculated at the rate of one point three United States cents per litre of diesel and five point seven United States cents per litre of petrol;

[paragraph amended by Act [2 of 2017](#)]

- (b) in relation to the strategic reserve levy, be calculated at the rate of one point five United States cents per litre of diesel and one point five United States cents per litre of petrol;

purchased or imported by—

- (c) an oil company from NOCZIM or its subsidiaries or successors; or
- (d) any person licensed by the Minister responsible for energy to import the petroleum product in bulk.

[section substituted by Act [8 of 2011](#)]

22I. Property or insurance commission tax

The property or insurance commission tax chargeable in terms of section 36I of the Taxes Act shall be calculated at the rate of twenty *per centum* of each dollar of the commission from which such tax is to be paid in terms of the Thirty-Second Schedule to that Act.

[section inserted by Act [29 of 2004](#)]

22J. Tax on non-executive directors' fees

The tax on non-executive directors' fees chargeable in terms of section 36J of the Taxes Act shall be calculated at the rate of twenty *per centum* of each dollar of the fees from which such tax is to be paid in terms of the Thirty-Third Schedule to that Act.

[section inserted by Act [12 of 2006](#)]

22K. Tax on exercise of share options granted before 1st February, 2009

Notwithstanding paragraph (t) of the definition of "gross income" in section 8(1) of the Taxes Act, where an employee was, before the 1st February, 2009, offered shares pursuant to a share option scheme operated by his or her employer, there shall be charged on the sale of any of those shares after that date a tax of five *per centum* of each United States dollar on the market value of those shares prevailing on the date of the exercise of the option.

[section inserted by Act [5 of 2009](#)]

22L. Petroleum importers levy

The petroleum importers levy chargeable in terms of section 36K of the Taxes Act shall be calculated at the rate of 0,04 United States dollars per litre of petroleum product transported by a petroleum importer by road.

[section substituted by Act [8 of 2011](#)]

Part IV – Employees tax**23. Matters to be regarded by Commissioner in relation to employees tax**

The Commissioner, in exercising the powers conferred on him by paragraph 3 of the Thirteenth Schedule to the Taxes Act—

- (a) shall have regard to the rates of income tax referred to in section fourteen; and
- (b) may have regard to the credits referred to in section twelve, in so far as they relate to payments referred to in paragraph (c) of the definition of "medical expenses" in subsection (1) of that section;
- (c) in the case of directives, may have regard to the credits referred to in sections ten to thirteen.

[section 23 substituted by section 8 of Act [13 of 1996](#) from 1 April 1997]

Schedule to Chapter I (Section 4)***Credits and rates of income tax******Part I - Credits***

[Part I substituted by section 9 of Act [3 of 2009](#)]

<i>Section</i>	<i>Nature of credit</i>	<i>//Specified amount \$//</i>
10	Credit for taxpayers over 55 years of age	US\$900
11	Blind persons credit	US\$900
13	Mentally or physically disabled persons credit	US\$900

Part II - Rates of Income tax on taxable income

[Part II substituted by of Act [11 of 2014](#)]

<i>Section</i>	<i>Level of taxable income</i>	<i>Specified percentage %</i>
14(2)(a)(i)	Up to US\$3 600	0
14(2)(a)(ii)	US\$3 601 to US\$18 000	20
14(2)(a)(iii)	US\$18 001 to US \$36 000	25
14(2)(a)(iv)	US\$36 001 to US\$60 000	30
14(2)(a)(v)	US\$60 001 to US\$120 000	35
14(2)(a)(vi)	US\$120 001 to US\$180 000	40
14(2)(a)(vii)	US\$180 001 to \$240 000	45
14(2)(a)(viii)	US\$240 501 and more.	50
14(2)(b)	Taxable income of individual from trade or investment	25
14(2)(b1)	Taxable income of individual (holding temporary employment permit from employment with a licensed investor having qualifying degree of export-orientation as defined in section 2 of the Taxes Act) <i>[item inserted by Act 3 of 2017]</i>	15
14(2)(c)	Taxable income of company or trust	25
14(2)(d)	Taxable income of pension fund from trade or investment	15
14(2)(e)	Taxable income of licensed investor having qualifying degree of export-orientation as defined in section 2 of the Taxes Act (before the end of the fifth year of its operations as such)	0

	Taxable income of licensed investor (after the fifth year of its operations as such) <i>[item substituted by Act 3 of 2017]</i>	15
14(2)(f)	Taxable income of holder of special mining lease	15
14(2)(g)	Taxable income of company or trust derived from mining operations	25
14(2)(h)	Taxable income of person engaged in approved BOOT or BOT arrangement: First five years of arrangement	0
	Second five years of arrangement	15
14(2)(i)	Taxable income of industrial park developer (before the fifth year of his or her operations as such)	0
	Taxable income of industrial park developer (after the fifth year of his or her operations as such)	25
14. (2)(j)	Taxable income of operator of a tourist facility in approved tourist development zone(before the fifth year of his or her operation as such)	0
Taxable income of operator of a tourist facility in approved tourist development zone(after the fifth year of his or her operation as such)	Taxable income from manufacturing of a company which exports more than 30% or more of its output but less than 41%	25
14. (3) (a)	Taxable income from manufacturing of a company which exports more than 30% or more of its output but less than 41%	20
14. (3) (b)	Taxable income from manufacturing of a company which exports more than 41% or	17

	more of its output but less than 50%	
14. (3) (c)	Taxable income from manufacturing of a company which exports 51% or more of its output	,5
	<i>[item 14(3) substituted by Act 11 of 2014]</i>	15
14. (5)	Dividends from company incorporated outside Zimbabwe	20
	<i>[item 14(5) inserted by Act 5 of 2010]</i>	20

Part III

[Part III repealed by of Act [10 of 2009](#)]

Chapter II Stamp duties

24. Interpretation in Chapter II

(1) In this Chapter—

“African Development Bank” means the bank referred to in the African Development Bank (Membership of Zimbabwe) Act *[Chapter 22:01]*;

[definition inserted by Act [8 of 2015](#)]

“African Export-Import Bank” means the bank referred to in the African Export-Import Bank (Membership of Zimbabwe and Branch Office Agreement) Act *[Chapter 22:17]*;

[definition inserted by Act [18 of 2015](#)]

“mortgage finance” means the provision of loans for the acquisition of immovable property for residential purposes, which loans are secured by the collateral of that immovable property;

[definition inserted by Act [11 of 2014](#)]

“principal Act” means the Stamp Duties Act *[Chapter 23:09]*;

“this Act” includes the principal Act.

(2) Any expression to which a meaning has been or may be construed as having been assigned in the principal Act shall, when used in this Chapter, have the same meaning.

24A. Payment of certain stamp duties in foreign currency

- (1) Notwithstanding section 41 of the Reserve Bank of Zimbabwe Act [Chapter 22:15] and the Exchange Control Act [Chapter 22:05], the stamp duty payable on—
- (a) the registration in a Deeds Registry of the acquisition of immovable property that was acquired in foreign currency;
 - (b) any mortgage bond or notarial bond, or any cession or substitution of debtor in respect thereof referred to in item 1 of the Schedule, that is denominated in a foreign currency;
 - (c) any broker's note referred to in item 2 of the Schedule that is denominated in a foreign currency;
 - (d) any off-market share transfer instrument referred to in item 3 of the Schedule that is denominated in a foreign currency;
 - (e) any cheque referred to in item 4 of the Schedule;
 - (f) any policy of insurance referred to in item 5 that is denominated in a foreign currency;
- shall be payable in the same or another specified foreign currency.
- (2) If the Registrar of Deeds has reasonable grounds to believe that—
- (a) the whole or any part of the consideration payable by the person who has acquired immovable property is payable in the form of foreign currency; or
 - (b) the transaction underlying any of the following instruments, namely—
 - (i) a mortgage bond or notarial bond, or any cession or substitution of debtor in respect thereof; or
 - (ii) a broker's note; or
 - (iii) an off-market share transfer instrument; or
 - (iv) a policy of insurance;involved the payment of a foreign currency, whether in whole or in part;
- and the person, in supplying information, producing documents or making a declaration, required under or by virtue of the principal Act—
- (c) fails to disclose any material fact relevant to the nature of the transaction by which property has been acquired or to the consideration payable in respect of any property or to the value on which duty is payable; or
 - (d) makes a false statement; or
 - (e) falsifies or authorises the falsification of any document;
- with the effect that liability for payment of any stamp duty in foreign currency is avoided or postponed, the Registrar of Deeds may determine the fair value of the immovable or other property in question in United States dollars, and thereupon the duty shall be calculated in accordance with the fair value as so determined.
- (3) For the avoidance of doubt it is declared that all the provisions of the principal Act shall apply, with such changes as may be necessary, to the payment in foreign currency of stamp duty, in the same way as they apply to the payment of such duty in Zimbabwean currency.
- (4) The Registrar of Deeds may require any person who tenders payment of stamp duty in a foreign currency other than the United States dollar, to tender instead the equivalent amount of that duty in United States dollars, being an amount obtained by applying the international cross rate of

exchange of the first-mentioned currency for the United States dollar prevailing on the day the stamp duty concerned becomes due.

[section inserted by section 22 of Act 3 of 2009]

25. Duties prescribed

- (1) For the purposes of section 5 of the principal Act, the duties payable on instruments and other matters shall be as prescribed in the Schedule.
- (2) Where the transaction underlying any of the following instruments, namely—
 - (a) a mortgage bond or notarial bond, or any cession or substitution of debtor in respect thereof; or
 - (b) a broker's note; or
 - (c) an off-market share transfer instrument; or
 - (d) a policy of insurance;

involves the payment of Zimbabwean currency, whether in whole or in part, the stamp duty prescribed in the Schedule that is payable on the Zimbabwe dollar component of that transaction shall be converted from United States dollars at the rate of twenty Zimbabwe dollars to one United States dollar, or at such other rate as the Minister may, by notice in a statutory instrument, prescribe.

[subsection inserted by section 23 of Act 3 of 2009]

Schedule to Chapter II (Section 25)

Stamp duty on instruments and other matters

[Schedule substituted by section 22 of Act 3 of 2009]

Item 1. Bonds		
	US\$	c
Any mortgage bond or notarial bond, or any cession or substitution of debtor in respect thereof—		
for every \$100 or part thereof of the debt secured or to be secured	0	40

Exemptions to Item:

- (a) Any sum separately secured by a bond to cover any costs incurred in connection with the debt.
- (b) Any bond which is auxiliary or collateral to, or substituted for, a previously made and duly stamped bond executed by the same person and for the same debt or obligation.
- (c) Any bond which is executed by way of suretyship only, where there exists a duly stamped bond for the same debt or obligation executed by the principal debtor or obligor.

- (d) Any cession or substitution of debtor in respect of a bond mentioned in exemption (b), not being a substituted bond.
- (e) Any cession or substitution of debtor in respect of a bond mentioned in exemption (c).
- (e) any cession by a creditor of a mortgage bond for valuable consideration if the ceding creditor certifies in writing to the Registrar that the valuable consideration therefor will be used for mortgage finance.

[Please note: numbering as in original.]

[paragraph inserted by Act 11 of 2014 and numbered (e) instead of (f) in error. Law Reviser]

- (f) any registration of a bond i the instance of the African Development Bank or African Export-import Bank to secure a loan or other credit facility advanced by it to any person in Zimbabwe in pursuance of the objects of either of those institutions.

[paragraph inserted by Act 8 of 2015]

Item 2. Brokers' note		
	US\$	c
(1) In respect of the purchase of any marketable security— for every \$100 or part thereof of the consideration 0 25 <i>[item amended by section 10 of Act 5 of 2009]</i>	0	25
for every \$100 or part thereof of the consideration 0 50 <i>[item amended by section 18 of Act 5 of 2009]</i>	0	50
<i>[The amendments inserted by Act 5 of 2009 are contradictory. Law Reviser]</i>		
(2) In respect of the purchase or sale of any movable property other than a marketable security— for every \$100 or part thereof of the consideration	0	10
(3) In respect of the purchase or sale of any immovable property	1	00

Exemptions to Item:

- (a) A broker's note where the value of the consideration does not exceed \$20.

- (b) A broker's note in respect of any public loan raised by the State or a local authority.
- (c) A broker's note in respect of any marketable security issued by a statutory body as defined in section 2 of the Audit and Exchequer Act [Chapter 22:03] or by a local authority or building society.

Item 3. Off-market share transfer instruments		
	US\$	c
Any off-market share transfer instrument referred to in section 17A of the principal Act	2	00

Item 4. Cheques		
	US\$	c
Any cheque as defined in section 72 of the Bills of Exchange Act [Chapter 14:02]	0	5

Exemptions to Item:

- (a) A cheque drawn by any employee of the State for the purpose of the State.
- (b) A draft or order by any banker on another banker which is not available for payment or credit to any third person and is used solely for settling or clearing accounts between such bankers.

Item 5. Policies of insurance		
	US\$	c
(1) Any policy or certificate of insurance or renewal thereof or any other document which is in the form of a guarantee, fidelity, security or surety bond and is signed by an insurance company or by any person transacting business on behalf of brokers or underwriters at Lloyd's (in this paragraph called a policy), where such policy is not otherwise provided for in this Item—		
for every dollar or part thereof of the premium payable for the period for which the policy is issued or renewed or, if the policy is not renewable, of each and every premium payable <i>[Item amended by Act 5 of 2009. Underpayment condoned by section 7 of Act 9 of 2015]</i>	0	05
Maximum	100 000	
Minimum-		
(a) if the policy is not renewable and the period of the policy—		
(i) does not exceed 31 days	0	50
(ii) exceeds 31 days	2	00
(b) if the policy is renewable and the period of the policy or the renewal thereof—		
(i) does not exceed 31 days	0	50
(ii) exceeds 31 days, for every year or part of a year for which the policy is issued or renewed	2	00

(2) Any ticket, coupon, notice, bill or other document purporting to be an insurance or to entitle a person to insurance in the event of death, accident, sickness or the like	5% of the annual receipts from the sale or issue for valuable consideration of any such documents	
(3) Any policy or certificate of insurance of any crop in respect of damage or destruction by hail	5	00
(4) Any policy or certificate of marine insurance executed outside Zimbabwe, or any renewal thereof	5	00
(5) Any interim policy of insurance the currency of which does not exceed four calendar months Provided that the duty on any such interim policy shall not exceed that payable upon a final policy covering a like risk.	3	00
(6) Any endorsement made after the issue of a policy shall be stamped as a new policy if the effect of such endorsement is—		
(a) to substitute some other person for the person insured; or		
(b) to substitute some other matter or thing for the matter or thing which is the subject of the policy; or		
(c) to increase the amount of the insurance; or		
(d) to make a material alteration to the subject matter of the policy: Provided that in the case of a policy such as is described in paragraph (1), duty shall be payable in terms of this paragraph only in respect of any increase in		

the premium payable in terms of such endorsement.		
---	--	--

Exemptions to Item:

- (a) A policy of life insurance, including a funeral policy.
- (b) A policy, bond or document which assures an annuity or a pension on retirement
- (c) An interim cover note issued in respect of a policy of insurance to be issued within Zimbabwe.
- (d) A policy or instrument issued solely for the purpose of effecting reinsurance by one insurance company or association in respect of another insurance company or association.
- (e) A certificate of insurance relating to a duly stamped policy of insurance.
- (f) A policy or instrument issued solely for the purpose of a bond or guarantee executed in terms of the Customs and Excise Act [*Chapter 23:02*].

Item 6. Registration in the Deeds Registry of the acquisition of immovable property		
	\$	c
(1) For the registration in the Deeds Registry of any acquisition of property-		
(a) in respect of so much of the value of the property as does not exceed \$5 000— for every \$100 or part thereof of the value	0	7
(b) in respect of so much of the value of the property as exceeds \$5 000 but does not exceed \$15 000—	3	00
(c) in respect of so much of the value of the property as exceeds \$15 000 but does not exceed \$100 000 for every \$100 or part thereof of the value	5	00
	US\$	c
(1) For the registration in the Deeds Registry of any acquisition of property that has been acquired with foreign currency— <i>[Please note: numbering as in original.]</i>		
(a) in respect of so much of the value of the property as does not exceed 5 000 United States dollars — for every \$100 or part thereof of the value	1	00
(b) in respect of so much of the value of the property as exceeds	2	00

\$5 000 but does not exceed 20 000 United States dollars— for every \$100 or part thereof of the value		
(c) in respect of so much of the value of the property as exceeds \$20 000 but does not exceed 100 000 United States dollars for every \$100 or part thereof of the value	3	00
(d) in respect of so much of the value of the property as exceeds 100 000 United States dollars— for every \$100 or part thereof of the value	4	00

Exemptions to Item:

- (a) An acquisition of property whereby no change of beneficial interest in the property acquired is effected:

Provided that this exemption shall not apply where property which has been transferred to an administrator circumstances mentioned in exemption (i) is subsequently transferred to the person on whose behalf it has been held by the administrator, except where that person is an heir or legatee referred to in exemption (c).

- (b) An ecclesiastical, charitable or educational institution which is recognized in Zimbabwe as being of a public character and is approved by the Minister, in respect of property or any portion thereof acquired for a purpose which does not consist in the main of the acquisition of gain by the institution or any other person:

Provided that—

- (i) if, within ten years after the date of acquisition of the property, the property or any portion thereof is used for a purpose which consists in the main of the acquisition of gain by the institution or any other person, duty shall become due and payable on the fair value of such property or such portion thereof as determined by the Registrar of Deeds in terms of section 23(4) and (5) of the principal Act, taking the date when the property or portion thereof was first so used as being the date of acquisition of the property. If, after that date, the duty is still unpaid, the Registrar of Deeds shall make a note on the title deeds to the property and in his or her register stating that transfer of the property is prohibited until the duty has been paid; and until the duty has been paid no transfer of the property shall be passed;
 - (ii) where the acquisition of immovable property by an ecclesiastical, charitable or educational institution was registered in the Deeds Registry prior to the 1st October, 1972, and that institution was exempted from the duty payable in terms of the Item then in force, proviso (i) shall apply in determining whether any duty shall become due and payable after the date of the registration of the acquisition of the immovable property.
- (c) An heir or legatee, or a tutor, curator or trustee acquiring for and in the name of an heir or legatee, in respect of property acquired by intestate or testamentary succession or as a result of a redistribution of the assets of a deceased estate in the process of liquidation.

For the purposes of this paragraph—

- (i) “heir or legatee” does not include a person who is not—
 - A. a blood relation of either the deceased or his spouse; or
 - B. a legally adopted child of either the deceased or his or her spouse; or
 - C. the spouse of any relation or child referred to in subparagraph A or B;
- (ii) the heir *ab intestato* of a person to whom customary law applies shall be determined in accordance with customary law;
- (d) A surviving spouse in respect of property acquired in any manner from the estate of the deceased spouse.
- (e) A joint owner of property in respect of the acquisition of a defined portion of the property allotted to him or her upon partition of the property, but not in respect of any consideration payable by him or her in order to equalize the partition or for any other reason.
- (f) A joint owner of property who acquires the sole ownership in the whole or a portion of the property, in respect of so much of the value of the property in which sole ownership is acquired as represents his or her share in the joint ownership of that property.
- (g) A registration to correct an error in the registration of the acquisition of any property, if the duty payable in respect of that acquisition has been duly paid.
- (h) A divorced spouse in respect of property awarded to such spouse by the divorce order.
- (i) A transfer of property in a deceased estate to an administrator where such property has, by will or by an order of court, been placed under the administration of such administrator.
- (j) A registration of property required as a result of the termination of the appointment of an administrator of a trust under a will or other written instrument or of a trustee of an insolvent estate.
- (k) A vesting of the property in an insolvent estate in the trustee of such estate or a restoration of such property by the trustee to the insolvent.
- (l) A vesting of the property on the liquidation of a company in the liquidator of such company or a restoration of such property by the liquidator to the company.
- (m) An acquisition of property in respect of which transfer duty is payable in terms of section 275 of the Mines and Minerals Act [Chapter 21:05].
- (n) An acquisition of property—
 - (i) by a company from the wholly owned subsidiary of the company; or
 - (ii) by the wholly owned subsidiary of a company from the company; or
 - (iii) by the wholly owned subsidiary of a company from another wholly owned subsidiary of the company;

if the Registrar of Deeds is satisfied that the company and its wholly owned subsidiary or the company and its wholly owned subsidiaries, as the case may be, are registered in terms of the Companies Act [Chapter 24:03] or the Insurance Act [Chapter 24:07], as the case may be:

Provided that if, within ten years after the date of acquisition of the property by the wholly owned subsidiary of a company and whilst the property is registered in the name of the wholly owned subsidiary of the company, the wholly owned subsidiary of the company ceases to be wholly owned by the company, duty shall become due and payable on the fair value of such property as determined by the Registrar of Deeds in terms of section 23(4) or (5) of the principal Act, taking the date when the wholly owned subsidiary of the company ceased to be wholly owned by the company as being the date of acquisition of the property. If after that date the duty is still unpaid, the Registrar of Deeds shall make a note on the title

deeds to the property and in his or her register stating that transfer of the property is prohibited until the duty has been paid; and until the duty has been paid no transfer of the property shall be passed.

In this exemption—

“company” includes—

- (a) a company as defined in the Companies Act [Chapter 24:03]; and
- (b) an insurer registered in terms of the Insurance Act [Chapter 24:07];

“wholly owned subsidiary” has the meaning assigned to it in the Companies Act [Chapter 24:03].

- (o) An acquisition of property by a local authority from the State by way of a transaction not involving purchase and sale where—
 - (i) the Secretary of the Ministry responsible for transferring the property certifies to the Commissioner that the property is to be used for public purposes; or
 - (ii) the property has been reserved by the State for the inhabitants of the area of the local authority.
- (p) An acquisition of property by a local authority in terms of the Regional, Town and Country Planning Act [Chapter 29:12], where the property—
 - (i) is acquired for public purposes; or
 - (ii) consists of a road, the ownership of which vests in the local authority in terms of the said Act.
- (q) An acquisition of property—
 - (i) by a pension or provident fund from a company all the shares of which are owned by that fund; or
 - (ii) by a company all the shares of which are owned by a pension or provident fund from that fund; or
 - (iii) by a company all the shares of which are owned by a pension or provident fund from another company all the shares of which are owned by that same fund:

Provided that if in the case of property acquired by such a company, within ten years after the date of acquisition of such property by that company and whilst such property is registered in the name of that company, the shares of that company cease to be wholly owned by the pension or provident fund concerned, duty shall become due and payable on the fair value of such property as determined by the Registrar of Deeds in terms of section 23(4) and (5) of the principal Act, taking the date when all the shares of the company ceased to be wholly owned by the pension or provident fund as being the date of acquisition of the property. If, after that date, the duty is still unpaid, the Registrar of Deeds shall make a note on the title deeds to the property and in his or her register stating that transfer of the property is prohibited until the duty has been paid, and until the duty has been paid no transfer of the property shall be passed.

In this exemption—

“pension or provident fund” means a pension fund or provident fund which is registered or provisionally registered in terms of the Pension and Provident Funds Act [Chapter 24:09]; “company” has the meaning assigned to it in the Companies Act [Chapter 24:03].

- (r) An acquisition of property by a petroleum operator, approved by the Minister by notice in the *Gazette*, where the property is acquired for the purposes of petroleum operations.

In this exemption, “petroleum operations” and “petroleum operator” have the respective meanings given them by section 2(1) of the Income Tax Act [Chapter 23:06].

- (s) An acquisition of property in respect of which an election has been made in terms of subparagraph (2) of paragraph 7 of the Eighth Schedule to the Income Tax Act [Chapter 23:06].
- (t) An acquisition of property in the circumstances described in paragraph of subsection of section 15(1)(a) of the Capital Gains Tax Act [Chapter 23:01].

Chapter III

Licences tariff

26. Interpretation in Chapter III

Any expression to which a meaning has been or may be construed as having been assigned in any enactment referred to in section twenty-seven shall, when used in this Chapter, have the same meaning.

27. Imposition of fees for certain licences

There shall be charged, levied and collected for the benefit of the Consolidated Revenue Fund the fees set out in the Schedule in respect of the licences therein mentioned, subject to any enactment for the time being in force relating thereto:

Provided that, where any such fees are collected by a revenue officer who is not an employee of the State, there may be paid to the employer of that revenue officer in respect of the collection of the fee such administration fee as the Minister responsible for finance may determine, and for that purpose the revenue officer concerned—

- (a) may, before paying the fees collected by him to the Consolidated Revenue Fund, deduct therefrom the amount of the administration fee as determined by the Minister responsible for finance; and
- (b) shall pay to the Consolidated Revenue Fund the balance of the fees so collected.

Schedule to Chapter III (Section 27)

Licence Fees

<i>Licences issued under miscellaneous Acts</i>				
<i>Licence or permit</i>	<i>Yearly licence fee</i>		<i>Fee for licence not requiring renewal and other fees</i>	
	\$	c	\$	c
1. Pool promoter of a pool betting business promoted within Zimbabwe	100	00		
2. Representative of the promoter of a pool betting business promoted outside Zimbabwe	100	00		
3. Copper dealer	10	00		
4. Casino licence, other than a temporary casino licence	2000	00		
5. Temporary casino licence			500	00

Chapter IV Value added tax

28. Interpretation in Chapter IV

- (1) In this Chapter—
- “principal Act” means the Value Added Tax Act [*Chapter 23:12*];
[definition substituted by Act 12 of 2002]
- “value added tax” means the tax imposed in terms of Part III of the principal Act;
[definition substituted by Act 12 of 2002]
- (2) Any expression to which a meaning has been or may be construed as having been assigned in the principal Act shall, when used in this Chapter, have the same meaning.

29. Rates of value added tax

- (1) The rate of value added tax shall be as set out in the Schedule.

- (2) The rate of value added withholding tax shall be as set out in Part IV.

[section substituted by Act [2 of 2017](#)]

30. Amendment of rates imposed by Section 29

- (1) The Minister responsible for finance may, by statutory instrument, amend or replace the rate mentioned in section twenty-nine, and the rate as so amended or replaced shall, subject to subsection (2), accordingly be charged, levied and collected with effect from the date specified in such instrument, which shall not be earlier than the date the statutory instrument is published in the *Gazette*.

[subsection amended by Act [27 of 2001](#)]

- (2) If any provision contained in a statutory instrument made in terms of subsection (1) is not confirmed by a Bill which—

- (a) passes its second reading stage in Parliament on one of the twenty-eight days on which Parliament sits next after the coming into operation of the instrument; and
- (b) becomes law not later than six months after the date of such second reading;

that provision shall become void as from the date specified in the instrument as that on which the rate of tax shall be amended or replaced, and so much of the rate of tax as was amended or replaced, as the case may be, by that provision shall be deemed not to have been so amended or replaced.

31. Adjustments of tax

- (1) If Parliament does not enact any increase of tax imposed in terms of subsection (1) of section thirty or enacts a lower increase of any tax so imposed, any registered operator or importer, as the case may be, who has paid such tax shall on application be entitled to a refund—
- (a) in the case of an increase of tax not being enacted, of an amount equal to the difference between the tax paid by him and the existing tax; and
 - (b) in the case of a lower increase of tax being enacted, of an amount equal to the difference between the tax paid by him and the new increased tax.

- (2) If Parliament—

- (a) does not enact a reduction in a rate of tax made in terms of subsection (1) of section thirty; or
- (b) enacts a less reduction in the rate of tax referred to in paragraph (a) than that made in terms of subsection (1) of section thirty; or
- (c) does not enact a withdrawal of tax made in terms of subsection (1) of section thirty; or
- (d) enacts the tax referred to in paragraph (c) at a reduced rate;

no payment by way of tax under-collected or tax not collected shall be required from any person in respect of the tax paid at the reduced rate or, as the case may be, in respect of tax payable during the period when, in terms of subsection (1) of section thirty, the rate of tax was reduced or, as the case may be, the tax was withdrawn.

Schedule to Chapter IV (Section 29)

[Schedule substituted by Act [16 of 2004](#)]

Part I - General rate of value added tax

Subject to this Schedule, the rate of value added tax in respect of—

- (a) goods or services supplied by any registered operator in the course or furtherance of any trade carried on by the registered operator; and
- (b) the importation of any goods into Zimbabwe by any person; and
- (c) the supply of any imported services by any person; and
- (d) goods and services sold through an auctioneer (as defined in section 56(6)) by persons who are not registered operators

[paragraph repealed by Act 8 of 2005 and reinserted by section 18 of Act 16 of 2007]

shall be fifteen *per centum*.

[Part amended by Act 2 of 2005 and Act 8 of 2005]

Part II - Value added tax on betting and gaming

The rate of value added tax in respect of the transactions or receipts mentioned in the first column of the following table shall be that specified in the second column opposite thereto.

Any expression to which a meaning has been or may be construed as having been assigned in any enactment mentioned in the table shall, when used in this Part, have the same meaning.

<i>Transactions or receipts</i>	<i>Rate of tax</i>
1. Any bet made at any place other than a racecourse by any person with a bookmaker licensed in terms of the Betting and Totalizator Control Act [Chapter 10:02] on a horse race.	1. (a) fifteen <i>per centum</i> on the amount payable by the bookmaker to such person in respect of such bet excluding the amount representing the amount staked.
	(b) Fifteen <i>per centum</i> on the amount of the net winnings of such bookmaker in respect of each period of six months commencing on the 1st April and the 1st October each year.
2. Any bet made on a horse race at a race-course on a race day by any person with a bookmaker licensed in terms of the Betting and Totalizator Control Act [Chapter 10:02].	2. (a) Fifteen <i>per centum</i> on the amount payable by the bookmaker to such person in respect of such bet excluding the amount representing the amount staked.
	(b) Fifteen <i>per centum</i> on the amount of the net winnings of such bookmaker in respect of each period of six months commencing on the 1st April and the 1st October each year
3. Any bet made at any place, other than a racecourse on a race day, by any person with a bookmaker licensed in terms of the Betting and Totalizator Control Act [Chapter 10:02] on any sporting event other than a horse race.	3. (a) Fifteen <i>per centum</i> on the amount payable by the bookmaker to such person in respect of such bet excluding the amount representing the amount staked.
	(b) Fifteen <i>per centum</i> on the amount of the net winnings of such bookmaker in respect of each period of six months commencing on the 1st April and the 1st October each year.
4. Any bet or stake made by way of pool betting by any person with a licensed pool promoter or with a licensed representative, licensed in terms of the Pools Control Act [Chapter 10:19].	4. Fifteen <i>per centum</i> on the aggregate total bets or stakes in each pool competition.
5. Any bet made by way of fixed odds betting by any person with a bookmaker licensed in terms of the betting and totalizator control act [Chapter 10:02].	5. Fifteen <i>per centum</i> on the aggregate total bets made with such bookmaker in each fixed odds betting competition.
6. Any bet or stake made by any person through the medium of a totalizator licensed in terms of the Betting and Totalizator Control Act [Chapter 10:02].	6. Fifteen <i>per centum</i> on the gross takings of such totalizator.

7. Gaming revenue received by the holder of a casino licence in terms of the Casino Act [Chapter 10:03] other than a temporary casino licence.	7. Fifteen <i>per centum</i> of the gaming revenue received in each quarter during the currency of the licence.
8. Banker's revenue received by a banker in terms of the Casino Act [Chapter 10:03], other than a banker referred to in item 10.	8. Fifteen <i>per centum</i> of the banker's revenue received.
9. Gaming revenue received by the holder of a temporary casino licence in terms of the Casino Act [Chapter 10:03].	9. Fifteen <i>per centum</i> of the gaming revenue received during the validity of the licence.
10. Banker's revenue received by a banker in terms of the Casino Act [Chapter 10:03] under an agreement with the holder of a temporary casino licence in terms of that act.	10. Fifteen <i>per centum</i> of the banker's revenue received in terms of the agreement with the holder of the temporary casino licence.”.

Part III - Special rate of value added tax on supply of cellular telecommunications service

[Part inserted by section 20 of Act 2 of 2009]

The rate of value added tax in respect of the supply of cellular telecommunications services in the course of furtherance of the supply of such services by a registered operator shall be fifteen per cent per annum.

[Part amended by section 27 of Act 3 of 2009]

Part IV - Value added withholding tax

The amount of value added withholding tax to be withheld by a value added withholding tax agent in terms of section 50A of the principal Act shall be two-thirds of the output tax to be paid to a specified operator.

[Part inserted by Act 2 of 2017]

Chapter V Betting and gaming tax

[Chapter V repealed by Act 16 of 2004]

32. ***

33. ***

Chapter VI Estate duty

34. Interpretation in Chapter VI

- (1) In this Chapter—
 - (a) “principal Act” means the Estate Duty Act [Chapter 23:03];
 - (b) every expression has the same meaning it would have when used in the principal Act.

- (2) The expression “this Act” when used in the principal Act shall be construed as including a reference to this Chapter.

35. Rate of estate duty

For the purposes of section 3 of the principal Act the rate of estate duty shall be as set out in the Schedule.

Schedule to Chapter VI (Section 35)

Rate of estate duty

1. In the case of the estate of a person who died before the 1st August, 1981, the rate of estate duty chargeable upon each dollar of the dutiable amount shall be arrived at by multiplying fifteen thousandths (0,015) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:

Provided that—

- (i) the maximum rate upon each dollar of the dutiable amount shall be twelve and one-half cents;
- (ii) there shall be deducted from the amount of duty determined at the rate so calculated a rebate—
 - (a) in the case of the estate of a person who died before the 1st October, 1972, of one thousand three hundred and fifty dollars;
 - (b) in the case of the estate of a person who died on or after the 1st October, 1972, but before the 1st August, 1981, of five thousand four hundred dollars;

and from the remaining amount there shall be deducted a sum equal to twenty *per centum* of such remaining amount.

2. In the case of the estate of a person who died on or after the 1st August, 1981, but before the 1st August, 1982, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:

Provided that—

- (i) the maximum rate of duty shall be twenty cents;
- (ii) there shall be deducted from the amount of the duty so determined a rebate of one thousand eight hundred dollars, which rebate shall be reduced by one hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds thirty thousand dollars.

3. In the case of the estate of a person who died on or after the 1st August, 1982 but before the 1st April, 1989, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:

Provided that—

- (i) the maximum rate of duty shall be twenty cents;
- (ii) there shall be deducted from the amount of duty so determined—
 - (a) in the case of the estate of a person who died leaving no spouse, a rebate of one thousand eight hundred dollars, which rebate shall be reduced by one hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds thirty thousand dollars;

- (b) in the case of the estate of a person who died leaving a spouse, a rebate of seven thousand two hundred dollars, which rebate shall be reduced by four hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds sixty thousand dollars.
- 4. In the case of the estate of a person who died on or after the 1st april, 1989, but before the 1st april, 1993, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:
Provided that—
 - (i) the maximum rate of duty shall be twenty cents;
 - (ii) there shall be deducted from the amount of duty so determined—
 - (a) in the case of the estate of a person who died leaving no spouse, a rebate of five thousand dollars, which rebate shall be reduced by one hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds fifty thousand dollars;
 - (b) in the case of the estate of a person who died leaving a spouse, a rebate of twenty thousand dollars, which rebate shall be reduced by four hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds one hundred thousand dollars.
- 5. In the case of the estate of a person who died on or after the 1st april, 1993, but before the 1st april, 1994, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two-hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:
Provided that—
 - (i) the maximum rate of duty shall be twenty cents;
 - (ii) there shall be deducted from the amount of duty so determined—
 - (a) in the case of the estate of a person who died leaving no spouse, a rebate of five thousand dollars, which rebate shall be reduced by one hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds one hundred and twenty-five thousand dollars;
 - (b) in the case of the estate of a person who died leaving a spouse, a rebate of twenty thousand dollars, which rebate shall be reduced by four hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds two hundred and fifty thousand dollars.
- 6. In the case of the estate of a person who died on or after the 1st april, 1994, but before the 1st january, 2000, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two-hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:
Provided that—
 - (i) the maximum rate of duty shall be twenty cents;
 - (ii) there shall be deducted from the amount of duty so determined—
 - (a) in case of the estate of a person who died leaving no spouse, a rebate of twenty-five thousand dollars, which rebate shall be reduced by one hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds one hundred and twenty five thousand dollars.

- (b) in case of the estate of a person who died leaving a spouse, a rebate of fifty thousand dollars, which rebate shall be reduced by four hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds two hundred and fifty thousand dollars.

6A. In the case of the estate of a person who died on or after the 1st january, 2000 but before the 1st january, 2003, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two-hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:

Provided that—

- (i) the maximum rate of duty shall be twenty cents;
- (ii) there shall be deducted from the amount of duty so determined—
 - (a) in case of the estate of a person who died leaving no spouse, a rebate of fifty thousand dollars, which rebate shall be reduced by one hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds two hundred and fifty thousand dollars.
 - (b) in case of the estate of a person who died leaving a spouse, a rebate of eighty thousand dollars, which rebate shall be reduced by four hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds four hundred thousand dollars.

[paragraph inserted by Act 21 of 1999 and amended by Act 15 of 2002]

6B. In the case of the estate of a person who died on or after the 1st january, 2003, but before the 1st january, 2004, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two-hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:

Provided that—

- (i) the maximum rate of duty shall be twenty cents;
- (ii) there shall be deducted from the amount of duty so determined—
 - (a) in case of the estate of a person who died leaving a spouse or any minor child or both a spouse and any minor child, a rebate of five million dollars, which rebate shall be reduced by four hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds ten million dollars;
 - (b) in case of the estate of a person who died leaving no spouse or minor children, a rebate of fifty thousand dollars, which rebate shall be reduced by one hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds two hundred and fifty thousand dollars.

[paragraph inserted by Act 15 of 2002 and amended by Act 10 of 2003]

6C. In the case of the estate of a person who died on or after the 1st january, 2003 but before the 1st january, 2005, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two-hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:

Provided that—

- (i) the maximum rate of duty shall be twenty cents;

- (ii) there shall be deducted from the amount of duty so determined—
 - (a) in the case of the estate of a person who died leaving a spouse or any minor child or both a spouse and any minor child, a rebate of twenty million dollars, which rebate shall be reduced by four hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds forty million dollars;
 - (b) in the case of the estate of a person who died leaving no spouse or minor children, a rebate of fifty thousand dollars, which rebate shall be reduced by one hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds two hundred and fifty thousand dollars

[paragraph inserted by Act [10 of 2003](#) and amended by Act [29 of 2004](#)]

- 6D. In the case of the estate of a person died on or after the 1st january, 2005, or whose estate, regardless of when he or she died, is not finally and completely liquidated to the satisfaction of the master on the 1st january, 2005, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two-hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:

Provided that—

- (i) the maximum rate of duty shall be twenty cents;
- (ii) there shall be deducted from the amount of duty so determined a rebate of eighty million dollars, which rebate shall be reduced by four hundred dollars for every complete one thousand dollars by which the dutiable amount exceeds four hundred million dollars.

[paragraph inserted by Act [29 of 2004](#)]

- 6E. In the case of the estate of a person whose estate, regardless of when he or she died, is not finally and completely liquidated to the satisfaction of the master on the 2nd december, 2005, the rate of estate duty chargeable on each dollar of the dutiable amount shall be arrived at by multiplying two-hundredths (0,02) of a cent by a number equal to the number of complete one hundred dollars contained in the dutiable amount, any part of one hundred dollars being regarded as a complete one hundred dollars:

Provided that—

- (i) the maximum rate of duty shall be five cents;
- (ii) only such portion of the value of the property included in the estate as exceeds fifty thousand United States dollars shall be deemed to be the dutiable amount.

[subsection inserted by Act [8 of 2005](#) and amended by Act [16 of 2007](#) and by section 30 of Act [3 of 2009](#)]

7. Where estate duty becomes payable upon the value of any movable or immovable property or on a value determined by reference to the value of any movable or immovable property and duty has, upon the death of any person (hereinafter referred to as the first-dying person), who died within five years prior to the death of the deceased, become payable upon the value of that movable or immovable property or upon a value determined by reference to the value of that movable or immovable property (or any movable or immovable property for which the master is satisfied that that movable or immovable property has been substituted), the duty attributable to the value of that movable or immovable property or, as the case may be, the value determined by reference to the value of that movable or immovable property, but not exceeding (in either case) an amount equal to the value on which duty has become payable on the death of the first-dying person, shall be reduced by a percentage according to the following scale—
- (a) if the deceased dies within one year of the death of the first-dying person, one hundred *per centum*;
 - (b) if the deceased dies more than one year but not more than two years after the death of the first-dying person, eighty *per centum*;

- (c) if the deceased dies more than two years but not more than three years after the death of the first-dying person, sixty *per centum*;
- (d) if the deceased dies more than three years but not more than four years after the death of the first-dying person, forty *per centum*;
- (e) if the deceased dies more than four years but not more than five years after the death of the first-dying person, twenty *per centum*;

subject to a maximum reduction equal to so much of the duty previously payable upon the death of the first-dying person as is attributable to the value of that movable or immovable property or, as the case may be, to an amount equal to the value determined by reference to the value of that movable or immovable property and as is proved to the satisfaction of the Master to have been borne by the deceased or by the estate of the first-dying person.

8. In the case of any amount which—

- (a) is due and recoverable under an insurance policy referred to in paragraph (f) of the proviso to paragraph (a) of subsection (3) of section 4 of the principal Act; and
- (b) is deemed to be property of the deceased;

estate duty shall be charged at the same rate per dollar as is chargeable on the remainder of the deceased's estate excluding such amount.

Chapter VII

Mining royalties, duty and fees

[Chapter substituted by Act 10 of 2009]

36. Interpretation in Chapter VII

- (1) In this Chapter—
 - (a) “principal Act” means the Mines and Minerals Act *[Chapter 21:05]*;
 - (b) every expression has the same meaning it would have when used in the principal Act;
 - (c) “financial institution” means—
 - (i) any banking institution registered or required to be registered in terms of the Banking Act *[Chapter 24:20]*; or
 - (ii) the Reserve Bank of Zimbabwe and any of its agents or subsidiaries, such as Fidelity Printers and Refiners (Private) Limited;
 - (d) “small-scale gold miner” means a miner who, whether working on his or her own or with the assistance of one or more employees, is classifiable as a “micro-enterprise” in the mining and quarrying sector of the economy by reference to the Fourth and Fifth Schedules to the Small and Medium Enterprises Act *[Chapter 24:12]*.
[paragraph (d) inserted by Act 1 of 2014]
 - (e) “local diamond manufacturer” means a person who, in Zimbabwe—
 - (i) cuts, polishes, crushes or otherwise processes rough diamonds for gain or reward; and
 - (ii) is licensed as an authorised dealer in terms of the Precious Stones Trade Act *[Chapter 21:06]*; and
 - (iii) has successfully applied to the General Manager of the Minerals Marketing Corporation of Zimbabwe appointed in terms of section 24 of the Minerals Marketing Corporation of Zimbabwe Act *[Chapter 21:04]* to buy rough diamonds in terms of

the Minerals Marketing Corporation of Zimbabwe (Diamond Sales to Local Diamond Manufacturers) Regulations, 2010, or any other law that may be substituted for the same.

[paragraph (e) inserted by Act 11 of 2014]

- (2) The expression “this Act” when used in the principal Act shall be construed as including a reference to this Chapter.

37. Rates of mining royalties, duty and fees

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

37A. Collection of mining royalties

- (1) With effect from the 1st January, 2010, and every subsequent year of assessment, the following persons shall, as agents for and on behalf of 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], or 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.
- (2) 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 proceeds from which the royalties were deducted are received.
- (3) 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.

[Chapter VII (sections 36-37A) substituted by Act 10 of 2009. Section 37A numbered in error as Chapter VIII has section 37A – Law Reviser]

Schedule to Chapter VII (Section 37)

Rates of mining royalties, duty and fees

<i>Provision of principal Act</i>	<i>Percentage of gross fair market value of mineral produced</i>		
1. Section 245 (Royalties)			
Diamonds (other than diamonds sold to any local diamond manufacturer, for which no royalties shall be payable) <i>[item substituted by Act 11 of 2014]</i>	15		
Other precious stones	10		
Gold produced by small-scale miners <i>[item substituted by Act 1 of 2014]</i>	3		
Gold produced by other miners who have not realised any increment in their output in the current year of assessment compared to the output as at the end of the preceding year of assessment <i>[item substituted by Act 2 of 2015]</i>	5		
Gold produced by other miners who have realised any increment in their output in the current year of assessment compared to the output as at the end of the preceding year of assessment (for the purpose of this item, royalty shall be paid at the rate of 5% and the reduction in the rate	53 (on the incremental or additional output only)		

due to the increment found to have been archived at the end of the current year of assessment shall be offset against the royalty payable for the following year of assessment) 3 (on the incremental or additional output only) <i>[item substituted by Act 2 of 2015]</i>			
Platinum <i>[item amended by Act 9 of 2011]</i>	10		
Other precious metals	4		
Base metals	2		
Industrial metals	2		
Coalbed methane	2		
Coal <i>[paragraph 1 substituted by Act 5 of 2010]</i>	1		
2. Section 275 (Transfer Duty	US\$1 for each \$100 or part thereof of the consideration.		
3. Section 276 (Fee for the registration of hypothecation of mining locations):			
(1) Hypothecations passed before Secretary—			
<i>Amount secured</i>			
<i>Exceeding</i>	<i>but not exceeding</i>		
\$	\$		
0	20	0	20

20	40	0	30
40	60	0	50
60	100	0	75
100	200	1	00
200	300	1	50
300	400	2	00
400	600	2	50
600	800	3	00
800	1000	4	00
1000	1200	5	00
1200	1400	6	00
1400	1600	7	00
1600	1800	8	00
1800	2000	9	00
and for every additional US\$200 or part thereof		0	50
(2) For the registration of every deed of hypothecation		2	00
4. Section 278 (<i>Fee for the registration of options on mining locations</i>)			
A primary fee of		2	00
and			

(a) where consideration is given, for every \$100 or part thereof of the consideration	1	00
(b) where no consideration is given	2	00
5. Section 280 (<i>Fee for the registration of tribute agreements</i>)	2	00

[Chapter VII (sections 36-37A) substituted by Act [10 of 2009](#). Section 37A numbered in error as Chapter VIII has [section 37A](#) – Law Reviser]

Chapter VIII Capital gains tax

37AA Interpretation in Chapter VIII

[Please note: numbering as in original.]

- (1) In this Chapter and the Capital Gains Tax Act *[Chapter 23:01]*—

“capital gains received by or accrued to or in favour of a person in a foreign currency” means capital gains so received or accrued in United States dollars or, if such gains are denominated in a foreign currency other than the United States dollar, the equivalent amount in United States dollars, 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 gains are received or accrued;

“Exchange Control (General) Order” means the Exchange Control (General) Order, 1996, published iii [Statutory Instrument 110 of 1996](#), or any other enactment that may be substituted for the same;

“foreign currency” means the euro, British pound, United States dollar, South African rand, Botswana pula and any other foreign currency denominated under the Exchange Control (General) Order.

- (2) Any word or expression to which a meaning has been assigned in the Capital Gains Tax Act *[Chapter 23:01]* shall bear the same meaning when used in this Chapter.

[section substituted by section 31 of Act [3 of 2009](#)]

38. Rates of capital gains tax

The capital gains tax chargeable in terms of section 6 of the Capital Gains Tax Act *[Chapter 23:01]*, shall be calculated at the rate of twenty United States cents for each United States dollar of the capital gain determined in accordance with the Capital Gains Tax Act *[Chapter 23:01]*:

Provided that, in respect of the sale or disposal of a specified asset that was acquired before the 1st February, 2009, by the person selling or disposing of that asset—

- (i) the person selling or disposing of that asset shall be deemed to have made a capital gain equivalent to the gross capital amount realised from the sale or disposal of that asset; and
- (ii) the capital gains tax chargeable in respect of the sale or disposal of such asset shall be at the rate of five United States cents for each United States dollar of the capital gain referred to in proviso (i).

[section substituted by Act [5 of 2009](#)]

39. Rates of capital gains tax withholding tax

The rates of capital gains withholding tax chargeable in terms of Part IIIA of the Capital Gains Tax Act [Chapter 23:01] shall be as follows—

- (a) In the case of a sale of immovable property, fifteen *per centum* of the price at which the property was sold:

Provided that, in respect of the sale of a immovable property that was acquired before the 1st February, 2009, by the person selling or disposing of that property—

- (i) the person selling or disposing of that property shall be deemed to have made a capital gain equivalent to the gross capital amount realised from the sale or disposal of that property; and
- (ii) the capital gains tax chargeable in respect of the sale or disposal of such property shall be at the rate of five United States cents for each United States dollar of the capital gain referred to in proviso (i).
- (b) In the case of a sale of a marketable security that is a listed security, one *per centum* of the price at which the security was sold.
- (c) in the case of a sale of a marketable security other than a security referred to in paragraph (b), five *per centum* of the price at which the security was sold.

[paragraph inserted by Act [3 of 2010](#)]

[section substituted by Act [5 of 2009](#)]

39A. Payment of capital gains tax in foreign currency in certain circumstances

- (1) Notwithstanding section 41 of the Reserve Bank of Zimbabwe Act [Chapter 22:15] and the Exchange Control Act [Chapter 22:05], where capital gains are received by or accrued to or in favour of a person in whole or in part in a foreign currency, the capital gains tax thereon shall be paid in the same or another foreign currency on so much of those gains as are received or accrued in a foreign currency.
- (2) Where only part of the capital gains are received by or accrued to or in favour of a person in a foreign currency, the amounts of any tax due on both parts of such capital gains in terms of sections [38](#) and [39](#) shall be calculated separately and paid in the appropriate currency relative to each part.
- (3) Where any part of the capital gains received by or accrued to or in favour of a person are so received or accrued in the form of a coupon or any instrument or token that, in the opinion of the Commissioner, is exchangeable, whether directly or indirectly, for a foreign currency, that person shall pay the requisite amount of capital gains tax to the Commissioner in a foreign currency calculated on a valuation of that coupon, instrument or token which, in the opinion of the Commissioner, represents a fair valuation of that coupon, instrument or token in the foreign currency in question.
- (4) For the purposes of subsection (3) the Commissioner may, in the case of any coupon, instrument or token denominated in units of weight, volume or other measure of a specified commodity, specify from time to time by notice in the *Gazette* that a unit by weight, volume or other measure of that commodity shall be deemed to be worth a specified amount of a foreign currency.
- (5) The Commissioner may require that any person referred to in subsection (1) who tenders payment of capital gains tax in a foreign currency other than the United States dollar, to tender instead the equivalent amount of that tax in United States dollars, being an amount obtained by applying the international cross rate of exchange of the first-mentioned currency for the United States dollar prevailing on the day the capital gains tax concerned becomes due.

- (8) Subject to subsection (9), for the avoidance of doubt it is declared that all the provisions of the Capital Gains Tax Act [Chapter 23:01] shall apply, with such changes as may be necessary, to the payment in foreign currency of capital gains tax in the same way as they apply to the payment of such tax in Zimbabwean currency.

[Please note: numbering as in original.]

- (9) For the purposes of determining the capital gain received by or accrued to or in favour of any person in a foreign currency, no amounts shall be deducted therefrom that are allowed to be deducted in terms of section 11 of the Capital Gains Tax Act [Chapter 23:01] other than—

- (a) the amounts referred to in [section 11\(2\)\(a\), \(b\), \(d\), \(e\), \(f\) and \(g\)](#);

Provided that no amounts in terms of this paragraph or any other amount that is allowed to be deducted in terms of section 11 of the Capital Gains Tax Act [Chapter 23:01] shall be deducted from a capital gain in respect of the sale or disposal of a specified asset referred to in the proviso to [section 38](#), or the sale of immovable property subject to capital gains withholding tax referred to in the proviso to [section 39\(a\)](#) and

[proviso inserted by Act [5 of 2009](#)]

- (b) in respect of each year or part of a year of assessment from—

- (i) the date of acquisition of the specified asset to the date of sale, an amount of two and half *per centum* of the purchase price of the specified asset; and
- (ii) where any additions, alterations or improvements to the specified asset were made, an amount of two and half *per centum* of the cost of the additions, alterations or improvements to the date of sale of the specified asset:

Provided that where the expenditure referred to in paragraph (b)(i) or (ii) was incurred in Zimbabwean currency, the expenditure shall be converted to United States dollars in accordance with a formula prescribed by the Minister by notice in a statutory instrument.

[section inserted by section 32 of Act [3 of 2009](#) – subsections (8) and (9) should have been numbered (6) and (7). – Law Reviser]

Chapter IX

Customs and excise

[Chapter inserted by Act [8 of 2005](#)]

Rate of special excise duty on sales in second-hand motor vehicles

40. Interpretation in Chapter IX

Any word or expression to which a meaning has been assigned in Part XIIA of the Customs and Excise Act [Chapter 23:02] shall bear the same meaning when used in this Chapter.

41. Rate of special excise duty

The rate of special excise duty shall be five *per centum* of the value of second-hand motor vehicle liable for the duty in terms of Part XIIA of the Customs and Excise Act [Chapter 23:02].

Chapter X

Rentals and development levies for state land allocated for agricultural purposes

[Chapter substituted by Act 8 of 2015]

42. Interpretation in Chapter X

In this Chapter—

“A1 farm” means a farm held under a permit allocated under the Model A1 scheme (villagised, self-contained and three-tier land-use plans with minimum plots of three hectares) described in the Land Reform and Resettlement Programme and Implementation Plan (Phase 2), published in April, 2001 (as re-issued and amended from time to time);

“A2 farm” means a farm under a ninety-nine year lease allocated under the Model A2 scheme (the Commercial Farm Settlement Scheme, not exceeding the maximum farm sizes prescribed under Statutory Instrument 419 of 1999 or any other law substituted for the same) described in the Land Reform and Resettlement Programme and Implementation Plan (Phase 2), published in April, 2001 (as re-issued and amended from time to time);

“Gazetted land” means agricultural land acquired pursuant to the land reform programme under section 72(2) of the Constitution of Zimbabwe, 2013;

“holder”, in relation to—

- (a) an offer letter, means the holder of an offer letter who has indicated that he or she has accepted the offer of an A2 farm described in the letter but who is not yet a party to a land settlement lease;
- (b) a permit, means any person who is a signatory of the permit or any person who, in terms of the Permit Regulations, is entitled to succeed to such signatory as the holder of such a permit;

“land settlement lease” means a ninety-nine year lease of a Model A2 farm;

“lessee” means the lessee under a land settlement lease;

“Minister of Lands” means the Minister of Lands and Rural Resettlement or any other Minister to whom the President may, from time to time, assign the administration of land settlement leases and permits and the issuance of offer letters;

“Natural Region” means a Natural Region specified in section 3 of the Rural Land (Farm Sizes) Regulations, 1999, published in Statutory Instrument 419 of 1999, or any other law that may be substituted for those regulations;

“offer letter” means a letter issued by or on behalf of the Minister responsible for the Gazetted Land (Consequential Provisions) Act *[Chapter 20:28]* (No. 8 of 2006) that offers to allocate an A2 farm to the person to whom the letter is addressed;

“permit” means a permit to hold any portion of Gazetted land as an A1 farm;

“Permit Regulations” means the Agricultural Land Settlement (Permit Terms and Conditions) Regulations, 2014 (Statutory Instrument 53 of 2014) or any other law that may be substituted for the same;

“quarter” means a period of three months ending on the 31st March, 30th June, 30th September and 31st December in each year;

“rental” means a rental payable in terms of this Chapter.

43. Rentals payable in respect of A1 and A2 farms

(1) Every—

- (a) lessee; and
- (b) holder of a permit in respect of an A1 farm; and
- (c) holder of an offer letter in respect of an A2 farm;

located in the Natural Region shown in the first column of the Schedule shall pay to the State on a quarterly basis the rental indicated opposite thereto in the second column.

(2) Subsection (1)(c) does not apply to the holder of an offer-letter who has not obtained vacant possession of the A2 farm to which the offer letter relates:

Provided that such holder shall be deemed to have obtained vacant possession of the farm concerned if the previous owner or occupier of the farm has vacated it or no longer occupies it, whether or not the holder of the offer-letter actually occupies the farm himself or herself.

(3) For the purpose of calculating the amount of rental due in, any quarter, the appropriate amount indicated in the second column of the Schedule shall be divided by four and multiplied by the hectareage of the A2 farm as indicated in the land settlement lease or offer letter:

Provided that in applying this subsection, any fraction of a hectare that is less than half a hectare shall be disregarded, and any fraction of a hectare that is more than half a hectare shall count as one hectare.

(4) In the case of a lessee, the rental specified in the Schedule and applicable to an A2 farm located in the Natural Region in which the lessee's farm is located shall be substituted for the rental specified in the lessee's land settlement lease, or, where the rental consists of two components, one relating to the rental for the farm and another to the purchase of any improvements thereon, the rental specified in the Schedule shall be substituted for the first-mentioned component of the rental specified in the land settlement lease.

(5) If the holder of an offer-letter—

- (a) obtains the offer letter after the date of commencement of the Finance Act, 2015; or
- (b) is not, on or at any time after the date of commencement of the Finance Act, 2015, liable to pay rentals because he or she has not obtained vacant possession of the A2 farm to which the offer letter relates;

the full rental shall be payable in respect of the quarter during which he or she obtains such letter or obtains vacant possession of the A2 farm, as the case may be.

(6) The Minister responsible for the *Gazetted Land (Consequential Provisions) Act [Chapter 20:28]* (No. 8 of 2006) shall cancel the offer letter of any holder thereof who fails to pay rentals for three consecutive quarters:

Provided that if the holder of the offer letter tenders payment of the full amount of rentals due within thirty days after receiving written notice of cancellation of his or her offer letter, the offer letter shall be deemed not to have been cancelled.

(7) The provisions of a land settlement lease concerning the cancellation of the lease or of the Permit Regulations concerning the cancellation of the permit shall apply in the case of the failure by a lessee to pay any rentals.

(8) The amount of all rentals paid by the holder of an offer letter who becomes a lessee shall be deducted from any amount required to be paid by him or her in terms of the land settlement lease as arrear rentals from the time the holder occupied the A2 farm to which the lease relates.

44. Development levy payable in respect of A1 and A2 farms

- (1) The development levy that, but for this section, would have been imposed, payable and collected in terms of section 96 of the Rural District Councils Act [Chapter 29:131] shall, as concerns the persons specified in subsection (2)(a), (b) and (c), be imposed, payable and collected in terms of this Chapter.
- (2) Every—
 - (a) lessee; and
 - (b) holder of a permit in respect of an A1 farm; and
 - (c) holder of an offer letter in respect of an A2 farm;located in the Natural Region shown in the first column of the Schedule shall pay to the State on a quarterly basis the development levy indicated opposite thereto in the second column.
- (3) Section 43 applies (with such changes as may be necessary) to the payment of the development levy in terms of this section as it applies to rentals.
- (4) The proceeds of the development levy shall be used to meet expenditure on the following projects within the Rural District Council area from which the levy was collected—
 - (a) gully reclamation and other works related to soil conservation and the prevention of soil erosion; and
 - (b) the provision, operation and maintenance of—
 - (i) hospitals, clinics and dispensaries; and
 - (ii) schools and other educational institutions and facilities and amenities connected therewith;
 - (c) the provision and maintenance of dipping tanks; and
 - (d) the provision, development and maintenance of roads.

45. Collection of rentals and development levy

- (1) The Minister of Lands shall, through the officers of the Ministry of Lands specially designated by the Secretary of the Ministry for the purpose, be responsible for the collection of the rentals and development levy on behalf of the State.
- (2) For the avoidance of doubt—
 - (a) the rentals and development levies collected in terms of this Chapter shall form part of the Consolidated Revenue Fund;
 - (b) persons liable to pay the development levy in terms of this Chapter shall not be liable to pay any development levy imposed in terms of section 96 of the Rural District Councils Act [Chapter 29:13].

46. Public assistance to A1 and A2 farmers conditional on full payment of rentals and development levies

No—

- (a) lessee; or
- (b) holder of a permit in respect of an A1 farm; or

(c) holder of an offer letter in respect of an A2 farm;

who is in arrears in paying any rental or development levy or portion thereof shall receive any financial assistance that is payable directly or indirectly from public funds for any purpose connected with his or her farming operations.

[Chapter X (sections 42–46 substituted by Act 8 of 2015. Sections 45 and 46 should have been numbered 44A and 44B to avoid duplication with sections 45 and 46 under Chapter X)]

Schedule to Chapter X (Sections 43 and 44)

[Schedule substituted by Act 8 of 2015]

Rentals and development levies payable

<i>Natural Regions</i>	<i>Rentals and Development Levy</i>
1, 2, 2a, 2b, 3, 4 and 5	<p>Model A1 Farmers; \$10 per annum (rental)</p> <p>Model A2 Farmers: \$3 per hectare per annum (rental)</p> <p>Model A1 Farmers; \$5 per annum (development levy)</p> <p>Model A2 Farmers: \$2 per hectare per annum (development levy)</p>

Chapter XI Statutory fees and charges

[Chapter inserted by section 11 of Act 3 of 2009]

45. Interpretation in Chapter X

[Please note: numbering as in original.]

In this Chapter—

“charging enactment” means an enactment by or under which a statutory fee or charge is levied;

“Exchange Control (General) Order” means the Exchange Control (General) Order, 1996, published in [Statutory Instrument 110 of 1996](#), or any other enactment that may be substituted for the same;

“foreign currency” means the euro, British pound, United States dollar, South African rand, Botswana pula and any other foreign currency denominated under the Exchange Control (General) Order;

“Minister” means the Minister responsible for finance;

“port of entry” means a port of entry designated as such in terms of section 14 of the Customs and Excise Act *[Chapter 23:02]*;

[definition inserted by Act 11 of 2014]

“statutory fee or charge” means a fee or charge levied by or under a charging enactment for any service provided by the Government or a department of the Government, whether such fee or charge is notified by means of a statutory instrument or otherwise.

46. Revision of statutory fees and charges initiated by minister

[Please note: numbering as in original.]

- (1) Notwithstanding section 41 of the Reserve Bank of Zimbabwe Act *[Chapter 22:15]*, or anything contained in the Exchange Control Act *[Chapter 22:05]* and any charging enactment, but subject to this section, statutory fees or charges may be levied in whole or in part in foreign currency, or may give the option to the payer to pay such fees or charges in Zimbabwean currency or foreign currency.
- (2) Notwithstanding anything contained in any charging enactment, the Minister may—
 - (a) not more frequently than once in every calendar month, by notice in writing to every Head of Ministry responsible for any charging enactment, require that, by a specified date, being not less than seven days from the date of the Minister's notice, each Head of Ministry—
 - (i) reviews every statutory charge or fee for the levy of which he or she is responsible; and
 - (ii) submits the result of such review to the Minister in writing, containing the relevant Ministry's recommendations for any amendment of the statutory fees or charges for which it is responsible;and
 - (b) after considering the reviews submitted in terms of paragraph (a)(ii), determine which statutory fees or charges are to be amended and the nature or extent of such amendment:
Provided that if—
 - (i) a responsible Ministry fails to submit a review of its statutory fees and charges within the period specified under subsection (2)(a), the Minister may proceed to determine which of its statutory fees or charges are to be amended and the nature or extent of such amendment;
 - (ii) the amendment of any statutory fee or charge proposed by the Minister departs from the recommendations of the responsible Ministry contained in its review, the Minister shall inform the responsible Head of Ministry accordingly, giving his or her reasons for the departure and affording the Head of Ministry an opportunity to make written representations on the matter within forty-eight hours;and
 - (c) after considering any representations made in terms of proviso (ii) to paragraph (b), issue a statutory instrument in terms of this Part containing a Schedule in two columns and specifying—
 - (i) in the first column, every charging enactment by or under which a statutory fee or charge is to be amended, and the provision by or under which such statutory fee or charge is levied;
 - (ii) in the second column opposite thereto, the corresponding amendment of the statutory fee or charge in question.
- (3) In conducting a review in terms of subsection (2)(a) or making a determination in terms of subsection (2)(b), the responsible Ministry or the Minister, as the case may be, shall balance the need of the responsible Ministry to recover its costs in providing the service in question and the affordability of the proposed statutory fee or charge to the general public.

47. Revision of statutory fees and charges initiated by heads of ministries

The Head of a Ministry responsible for any charging enactment may at any time request the Minister to initiate a review of the relevant statutory fee or charge, and [section 46](#) shall, with such changes as may be necessary, apply to a review thus initiated.

[Chapter XI (section 45–47) inserted by section 11 of Act [3 of 2009](#)]

48. Electronic Single Window Facility

- (1) Notwithstanding anything to the contrary in any enactment, if any arm or organ of the State or any statutory body or statutory agency is empowered to charge and collect any statutory fee or charge or any penalty payable in connection with such fee or charge it shall, where such fee, charge or penalty is payable or collectible at any port of entry, be deemed to have appointed the Zimbabwe Revenue Authority as its sole agent for the purpose of collecting any statutory fee, charge or penalty in question with effect from the date of publication of the regulations referred to in subsection (2).
- (2) The Minister may make regulations for the operation by the Zimbabwe Revenue Authority of an Electronic Single Window Facility or other electronic facility by whatsoever name designated for the processing and distribution of payments of the fees, charges or penalties referred to in subsection (1).
- (3) With effect from the date of publication of the regulations referred to in subsection (2), no fees, charges or penalties referred to in subsection (1) shall be levied, charged, processed, collected or accounted for otherwise than in the manner prescribed by the regulations, except for good cause shown to the Commissioner-General of the Zimbabwe Revenue Authority.
- (4) The responsible authority of the arm or organ of the State or statutory body or agency referred to in sub-section (1) shall comply with any written directions issued by or on behalf of the Commissioner-General of the Zimbabwe Revenue Authority to secure compliance with the regulations referred to in subsection (2) or ensure the smooth operation of the Electronic Single Window Facility generally.

[section inserted by Act [11 of 2014](#) and numbered 48 instead of 47A in error]

Chapter XII Special excise duty on airtime and Health Fund Levy

[Chapter XII substituted by Act [2 of 2017](#)]

48. Interpretation in Chapter XII

[Please note: numbering as in original.]

Any word or expression to which a meaning has been assigned in Part XIIB of the Customs and Excise Act [\[Chapter 23:02\]](#) shall bear the same meaning when used in this Chapter.

49. Rate of special excise duty on airtime

The rate of special excise duty on airtime shall be ten *per centum* of the sale value of the airtime, five *per centum* of which shall be designated as a Health Fund levy and be credited to a fund established under section 18 of the Public Finance Management Act [\[Chapter 22:19\]](#) (11/2009) for the purchase of drugs and equipment for Government hospitals, provincial hospitals and district or general hospitals as defined in the Health Service Act [\[Chapter 15:16\]](#) (No. 28 of 2004).