
THE UNITED REPUBLIC OF TANZANIA

No. 12

31st October, 2021

SPECIAL BILL SUPPLEMENT

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THE WRITTEN LAWS (MISCELLANEOUS AMENDMENTS) (NO. 6)
ACT, 2021

ARRANGEMENT OF SECTIONS

Section Title

PART I
PRELIMINARY PROVISIONS

1. Short Title.
2. Amendment of certain written laws.

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

3. Construction.
4. Repeal of section 83B.

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

5. Construction.
6. Addition of section 7A.

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

7. Construction.
8. Amendment of section 6.
9. Amendment of section 11.

NOTICE

This Bill to be submitted to the National Assembly is published for general information to the public together with a statement of its objects and reasons.

Dodoma,
30th October, 2021

HUSSEIN A. KATTANGA
Secretary to the Cabinet

A Bill
for

An Act to amend certain written laws.

ENACTED by the Parliament of the United Republic of Tanzania.

PART I
PRELIMINARY PROVISIONS

Short Title **1.** This Act may be cited as the Written Laws (Miscellaneous Amendments) (No. 6) Act, 2021.

Amendment of certain written laws **2.** The written laws specified in various Parts of this Act are amended in the manner specified in their respective Parts.

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

Construction Cap. 332 **3.** This Part shall be read as one with the Income Tax Act, hereinafter referred to as the “principal Act”.

Repeal of section 83B **4.** The principal Act is amended by repealing section 83B.

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

Construction Cap. 438 **5.** This Part shall be read as one with the Tax Administration Act, hereinafter referred to as the “principal Act”.

Addition of section 7A

6. The principal Act is amended by adding immediately after section 7 the following:

“Application of tax laws in agreement with special arrangement”

7A.-(1) Where an agreement provides for special arrangement relating to tax laws and the said agreement has been approved by the Cabinet, the application of such tax laws shall not prejudice the implementation of such agreement to the extent of such arrangement.

(2) The provisions of subsection (1) shall apply to an agreement for implementation of strategic project of which the Government is a party.

(3) An agreement under this section shall provide for the type, scope and the beneficiary of such arrangement.

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

Construction Cap. 148

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

Amendment of section 6

8. The principal Act is amended in section 6,
(a) in subsection (2) by adding at the end of paragraph (a) the words “and LPG Cylinders”; and
(b) in subsection (7) by inserting the words “and LPG Cylinders” between the words “nets” and “having”.

Amendment of section 11

9. The principal Act is amended in section 11(10) by inserting the words “and HS code 8716.31.10, 8716.31.90, 8716.39.10, 8716.39.90, 8716.40.10, 8716.40.90” between the words “and 90” and “of annex”.

OBJECTS AND REASONS

This Bill proposes amendments to Three laws, namely; Income Tax Act, (Cap. 332), the Tax Administration Act, (Cap. 438) and the Value Added Tax Act, (Cap. 148).

The Bill is divided into Four Parts.

Part I deals with preliminary provisions which include the title of the Bill and the manner in which the laws proposed to be amended, are amended in their respective Parts.

Part II of the Bill proposes amendment to the Income Tax Act, Cap. 332 by repealing section 83B with the aim of removing the two percent withholding tax on agricultural, fishery and livestock products. The proposed amendment intends to protect farmers who have been affected by the income tax deducted from farmers' produce.

Part III of the Bill proposes to amend the Tax Administration Act, Cap. 438 by adding a new section 7A that requires tax laws to be applied without prejudicing agreements that have been approved by the Cabinet. The proposed amendments intend to provide smooth and expeditious implementation of agreements entered by the Government that provides for the execution of special arrangements, and to create favourable conditions for performance of Government projects.

Part IV of the Bill proposes to amend the Value Added Tax Act, Cap. 148 where section 6 is amended to provide for VAT exemption on imported raw materials used to manufacture natural gas cylinders. The aim of the amendment is to stimulate the domestic use of natural gas in compliance to the Paris Agreement Treaty on Climate Change (COP-21) which provides for reduction of global warming. Furthermore section 11 is amended to allow deferment tax on trailer manufacturing industries in order to promote investments.

MADHUMUNI NA SABABU

Muswada huu unapendekeza kufanya marekebisho katika Sheria Tatu zifuatazo; Sheria ya Kodi ya Mapato, (Sura ya 332); Sheria ya Usimamizi wa Kodi, (Sura ya 438) na Sheria ya Kodi ya Ongezeko la Thamani, (Sura ya 148).

Muswada huu umegawanyika katika Sehemu Nne.

Sehemu ya Kwanza ya Muswada inahusu masharti ya utangulizi na yanajumuisha jina la Muswada na namna ambavyo sheria zinazopendekezwa kufanyiwa marekebisho zimerekebishwa katika Sehemu husika ya Muswada.

Sehemu ya Pili ya Muswada inapendekeza kurekebisha Sheria ya Kodi ya Mapato, Sura ya 332 kwa kufuta kifungu cha 83B kwa lengo la kuondoa kodi ya zuio ya asilimia mbili kwenye mazao ya kilimo, uvuvi na ufugaji. Lengo la marekebisho haya ni kuwalinda wakulima ambao wameathirika kutokana na kodi husika kukatwa kwenye mazao yao badala ya kodi hiyo kulipwa na wafanyabiashara wa mazao kama ilivyokusudiwa.

Sehemu ya Tatu ya Muswada inapendekeza kurekebisha Sheria ya Usimamizi wa Kodi, Sura ya 438 kwa kuongeza kifungu kipya cha 7A kinachoelekeza kwamba matumizi ya Sheria za Kodi yasiathiri mikataba iliyoridhiwa na Baraza la Mawaziri ambayo ina masharti maalum. Lengo la marekebisho haya ni kuwezesha utekelezaji bora na wa ufanisi wa miradi mbalimbali ambayo Serikali imeingia na ambayo ina masharti maalum ya kikodi.

Sehemu ya Nne inapendekeza marekebisho kwenye Sheria ya Kodi ya Ongezeko la Thamani, Sura ya 148 ambapo kifungu cha 6 kinarekebishwa ili kutoa msamaha wa kodi ya ongezeko la thamani yaani VAT kwenye malighafi zinazotumika kutengenezea mitungi ya gesi asilia zinazoagizwa kutoka nje ya nchi. Lengo la marekebisho haya ni kuchochea matumizi ya gesi asilia majumbani ikiwa ni sehemu ya utekelezaji wa masharti ya Mkataba wa Kimataifa wa Paris (COP-21) wa kupambana na athari ya kimazingira duniani. Vile vile kifungu cha 11 kinafanyiwa marekebisho ili kuwezesha viwanda vinavyotengeneza matrela nchini kunufaika na ahirisho la kodi ya ongezeko la thamani (VAT) kwenye uuzaji wa bidhaa husika.

Dodoma,
29 Oktoba, 2021

ELIEZER M. FELESHI
Mwanasheria Mkuu wa Serikali