



**ZAMBIA
REVENUE
AUTHORITY** | *My Tax
Your Tax
Our Destiny*

TAX INCENTIVES AND EXEMPTIONS IN ZAMBIA



2024



In our current tax policy, a number of tax incentives exist in various economic sectors, designed to incentivize or encourage a particular economic activity by reducing tax payments. These tax incentives among other benefits, help to attract investment into the country, increase employment opportunities, promote research and technology, and also contribute to improving less developed areas in the country. Tax incentives help to increase economic growth and government tax revenue.

To ensure that taxpayers, investors-both local and foreign, are well informed about the existing tax incentives, Zambia Revenue Authority (ZRA) has come up with the Tax Incentives Booklet.

Our aim as a national tax administrator is to ensure taxpayers are well informed of their rights and obligations as this helps to enhance revenue collection through voluntary compliance. We trust that the information contained in this booklet will benefit taxpayers and increase economic activity in the country.

This incentive regime is structurally embedded in the country's tax laws, making them non-discriminatory and accessible to both domestic and foreign investors depending on the sector and level of investment. It is assumed that this tax incentive regime will spur investments within the economy and in so doing contribute to the achievement of Zambia's Vision 2030 whose aspirations are to transform Zambia into a prosperous middle-income country.

This guide is a consolidation of the tax incentives under Customs and Domestic Taxes. The guide will be updated annually in line with Government's fiscal policies and will be available on the ZRA website. For further inquiries, taxpayers and investors are encouraged to contact the Assistant Commissioner - International and Policy, Customs Division and the Assistant Director -Tax and Business Policy, Domestic Taxes Division.

Dingani Banda
Commissioner General

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INVESTMENT INCENTIVES – REGULATIONS 98B – 98D OF THE CUSTOMS AND EXCISE GENERAL REGULATIONS.

Tax incentives for approved investors under the Investment, Trade and Business Development Act, 2022 are outlined under part X of the Customs and Excise General Regulations. These incentives are tabulated below:

NOTE: *For approved rebates, refunds or remission under Regulations 98B to 98D of the Customs and Excise General regulations S.I 54 of 2000, the goods or inputs concerned must not be sold or otherwise disposed of except with the prior consent of the Commissioner General and payment of Customs duty if any at the rate applicable at the date of sale or disposal.*

Incentive	Requirements	Validity
A business entity creating employment under Section 33 of the ZDA Investment, Trade, and Business Development Act No. 18 of 2022, (Regulation 98B) is eligible for rebates, refunds, or remissions of customs duty on specified machinery and equipment.	<ul style="list-style-type: none"> i. Submission of proof of approval by Minister of Finance ii. Valid ZDA Investment license. iii. schedule of goods approved by Minister of Finance iv. ZRA confirmation of Rebate v. completed customs and Excise Form CE25- Declaration of rebate <p>Note: Importation of comparable goods that are locally manufactured, produced or assembled does not qualify for a rebate, refund or remission of customs duty paid or payable under this provision</p>	<p>5 years from date of approval</p> <p>For a developer of a special economic Zone, the validity period may be extended for a further non-extendable 10 years upon ZDA recommendation and approval by the Minister of Finance</p> <p>-</p>
A business entity registered under the ZDA Act to assemble motor vehicles and trailers is	<ul style="list-style-type: none"> i. Submission of proof of approval by Minister of Finance ii. Valid ZDA Investment license. 	5 years from date of approval

<p>eligible for rebates, refunds, or remissions of customs duty on machinery, equipment, and component parts as per Regulation 98C (1)(a).</p>	<ul style="list-style-type: none"> iii. schedule of goods approved by Minister of Finance iv. ZRA confirmation of Rebate v. completed customs and Excise Form CE25- (Declaration of rebate) vi. Must be listed in the appropriate place in the 4th Schedule of the Customs and Excise General Regulations SI 54 of 2000 <p>Note: <i>component parts” exclude complete unassembled units of motor vehicles and trailers.</i></p>	
<p>A business entity registered under the ZDA to manufacture roofing sheets and roofing tiles is eligible for rebates, refunds, or remissions of customs duty on imported inputs as per Regulation 98C (1)(b).</p>	<ul style="list-style-type: none"> i. Submission of proof of approval by Minister of Finance ii. Valid ZDA Investment license. iii. schedule of goods approved by minister of Finance iv. ZRA confirmation of Rebate v. completed customs and Excise Form CE25- (Declaration of rebate) vi. Must be listed in the appropriate place in the 4th Schedule of Customs and Excise General Regulations SI 54 of 2000 	<p>5 years from date of approval</p>

<p>A business entity located in a Multi-Facility Economic Zone (MFEZ), an Industrial Park, or a rural area, and engaged in manufacturing, is eligible for rebates, refunds, or remissions of customs duty on machinery and equipment (excluding spares) as per Regulation 98D (1)(a).</p>	<ol style="list-style-type: none"> i. Submission of proof of approval by Minister of Finance ii. Valid ZDA Investment license. iii. schedule of goods approved by Minister of Finance iv. ZRA confirmation of Rebate v. completed customs and Excise Form CE25- (Declaration of rebate) vi. Must be listed in the appropriate place in the 4th Schedule of customs and Excise General Regulations SI 54 of 2000 	<p>5 years from date of approval</p>
<p>A business entity eligible under the Second Schedule to the ZDA Act is entitled to rebates, refunds, or remissions of customs duty on machinery and equipment (excluding spares) as per Regulation 98D (1)(b).</p>	<ol style="list-style-type: none"> i. Submission of proof of approval by Minister of Finance ii. Valid ZDA Investment license. iii. schedule of goods approved by Minister of Finance iv. ZRA confirmation of Rebate v. completed customs and Excise Form CE25- (declaration of rebate) vi. Must be listed in the appropriate place in 4th Schedule of the Customs and Excise SI 54 of 2000 	<p>5 years</p>

<p>A business entity approved under the ZDA to develop a Multi-Facility Economic Zone (MFEZ) or an Industrial Park is eligible for rebates, refunds, or remissions of customs duty on machinery, equipment, and other specified goods required for development, as per Regulation 98D (1)(c).</p>	<ol style="list-style-type: none"> i. Submission of proof of approval by Minister of Finance ii. Valid ZDA Investment license. iii. schedule of goods approved by minister of Finance iv. ZRA confirmation of Rebate v. completed customs and Excise Form CE25- (Declaration of rebate) vi. must be listed in the appropriate place in the fourth Schedule of the Customs and Excise General Regulations S.I 54 of 2000 	<p>5 years</p>
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INVESTMENT INCENTIVES UNDER PART X OF CUSTOMS & EXCISE GENERAL REGULATIONS S.I 54 OF 2000.

Tax Incentive	Requirements	Validity
<p>Rebate, refund or remission of the Customs duty paid or payable in respect of various types of plant, machinery and equipment when imported or taken out of bond by a concessionaire for a project under public-private partnership agreement.</p> <p>(For business entities with a valid public-private partnership agreement with the government of Zambia.)</p> <p><i>(Regulation 98E.)</i></p>	<ul style="list-style-type: none"> • Proof of approval by Minister of Finance • Supporting documents • Duly completed Customs and Excise Form 25 • ZRA confirmation of rebate. • The plant machinery and equipment should solely be for the purpose specified in the public private partnership agreement • The concessionaire granted a rebate, refund or remission under this regulation must be listed in the appropriate place in the 4th Schedule of S.I 54 of 2000. 	<p>The duration of the project or for such period as the Minister of Finance may determine.</p>
<p>Remission of duties on new resident's effects for a New resident taking up residence in Zambia for the first time and or a returning resident who has been residing outside the country for not less than four years.</p> <p><i>(Regulation 85)</i></p>	<ul style="list-style-type: none"> • Must have lived outside Zambia for not less than 4 years before date of arrival • Must have employment permit or residence permit for stay in Zambia for those coming to take up residence for first time. • Goods must be for personal use including one motor vehicle per household • goods must have been his/her property before departure for Zambia 	<p>Up to Six months from date of arrival into Zambia</p>
<p>Remission of duty on goods used in occupational therapy or training for organisations listed in the Second Schedule to the customs and excise</p>	<ul style="list-style-type: none"> • goods must be imported exclusively for purposes of occupational therapy for the treatment of patients suffering 	<p>At importation of approved goods.</p>

<p>General regulations S.I 54 of 2000.</p> <p><i>(Regulation 87)</i></p>	<p>from any disease, deformity or physical incapacity or otherwise for the occupational training of the blind.</p> <ul style="list-style-type: none"> • Declaration by the chairman, Secretary or responsible officer of the organisation in Form CE 25 set out in the Eighth Schedule • The responsible officer of the organisation must make an undertaking that if the subject goods are used for any purpose other than the declared purpose, the duty will be paid. • The organisation must be listed in the second schedule of the Customs & Excise General Regulations S.I 54 of 2000 	
<p>Rebate, refund or remission of the whole or part of duty paid or payable on goods for scientific, relief or other programmes for an organisation engaged in scientific, relief, agricultural, technical assistance or development programme or scheme in Zambia, approved by the Minister and listed in the Third Schedule, of S.I 54 of 2000.</p> <p><i>(Regulation 88)</i></p>	<ul style="list-style-type: none"> • Lodgement of a duly completed declaration form CE 25 set out in the Eighth Schedule. • Goods must be used solely for the declared purpose • Organisation must provide agreement between the organisation and the Zambian Government. • The organization must be listed in the Third schedule to the Regulations. • ZRA written confirmation of Rebate. 	<p>At importation of approved goods.</p>

<p>Rebate, refund or remission of the whole or any part of the duty paid or payable in respect of goods imported by approved public benefit organizations for A public benefit organization approved in accordance with the Customs and Excise (Public Benefit Organization) (Rebate, Refund or Remission) Regulations, 2009,</p>	<ul style="list-style-type: none"> • Approval of rebate refund or remission by the Minister of Finance. • A schedule of goods approved by the ministry of Finance • The goods must not be on the list of excluded products (set out in the schedule to the Public benefit organizations Regulations,2009) • goods imported or taken out of bond should be for use in connection with providing a service for the benefit of the public. • Submission of a declaration in Form CE 25 set out in the Eighth Schedule. 	<p>At importation of approved goods.</p>
<p>Rebate, Refund or Remission of duty in respect of goods-for scientific relief or other developmental programmes imported by implementing agency (third party) for a third party, that has a contract with an implementing Agency to undertake a development programme. The implementing party is funded by an organisation listed in the Third Schedule of the Regulations S.I 54 of 2000.</p> <p><i>(Regulation 88B)</i></p>	<ul style="list-style-type: none"> • Must provide contractual documents with the organisation referred to under Regulation 88A and approval from the Ministry of Finance • The imported goods must be limited to the goods specified in the bill of quantities for the qualifying programme. • The organisations listed in the third schedule must notify Commissioner General in writing in the event that they intend to contract a third party for the qualifying programme. • Provide written ZRA confirmation of rebate. • Must meet all other conditions for eligibility set out under regulation 88B of Customs and Excise S.I 54 of 2000. 	<p>Validity of the contract with organisation Listed in the 3rd schedule of S.I 54 of 2000.</p>
<p>Refund of customs duty on fuel, lubricants and other</p>	<ul style="list-style-type: none"> • The supplies should be for a public transport aircraft 	<p>At importation of approved goods.</p>

<p>technical supplies used in public transport aircraft for Operators of Public transport Aircraft.</p> <p><i>Regulation 93</i></p>	<p>licensed by the Zambia Civil Aviation Authority</p> <ul style="list-style-type: none"> • The claims should be in respect of fuel, lubricants and other consumable technical supplies that are consumed during the business operation of the public transport aircraft. • incentive does not apply to aircraft owned or operated by a private club for the purpose of training or pleasure • TPIN must be configured for exemption <p>Note: Public transport aircraft has the meaning in Regulation 2 of the Air Navigation Regulations.</p>	
<p>Refund or remission of duty on aircraft stores and equipment for Operators of aircraft engaged in International Air navigation</p>	<ul style="list-style-type: none"> • stores, aircraft equipment, ground equipment and spare parts imported must be for maintenance of aircraft engaged in international air navigation. • temporary imports of aircraft tools, spare parts and equipment for use in search rescue investigation repair or salvage of lost or damaged aircraft must be exported within one month of the conclusion of the search, rescue, investigation repair or salvage • Submit to credibility & controls a completed declaration in Form CE 25 set out in the Eighth Schedule of S.I 54 of 2000. • The goods must not be sold or otherwise 	<p>At importation of approved goods.</p>

	<p>disposed of or used for any other purpose.</p> <ul style="list-style-type: none"> • TPIN must be configured for exemption 	
<p>Remission of duty on airline and airline operator's documents for Airline Operators</p> <p><i>(Regulation 95)</i></p>	<ul style="list-style-type: none"> • Remission of duty is on Airway bills, consignment notes, passenger tickets and boarding passes, miscellaneous charges orders, damage and irregularity reports, baggage and cargo labels, timetables, and weight and balance documents, for use by airlines and airline operators. • The documents must be relevant to airline operations. • TPIN must be configured for exemption. 	<p>At importation of approved goods.</p>
<p>Rebates, refund or remission of duty on plant, machinery, equipment and other goods used in mining operations, oil and gas petroleum exploration, and renewable energy for purposes of geothermal activity other than spare parts thereof for Mining, Petroleum exploration and renewable energy (Geothermal activities license.)</p> <p><i>(Regulation 96)</i></p>	<ul style="list-style-type: none"> • Provide details of the mining right, petroleum exploration licence issued under the Petroleum (Exploration and Production) Act, 2008 for purposes of oil and gas petroleum exploration and a licence issued under the Energy Regulation Act, 2019 in relation to renewable energy for purposes of a geothermal activity; • Details of activities carried out in relation to the prerequisite licenses. • Details of the nature, quantity, tariff description and tariff classification, customs value of the subject goods. • Complete a declaration in Form CE 25 set out in the Eighth Schedule of S.I 54 of 2000. • Rebate confirmation by ZRA. 	<p>Validity of Mining, Petroleum exploration and renewable energy (Geothermal activities) license.</p>

<p>Refund of duties paid on inputs that go into the production of exports for Producers of goods that are exported, excluding mining and mineral products.</p> <p>(Regulation 99)</p>	<ul style="list-style-type: none"> • The manufacturer must apply for approval to Commissioner-General by the submission of an application for registration in Form CE 26 set out in the Eighth Schedule of S.I 54 of 2000. • An approved producer can claim for duty drawback by submission of a completed Form CE 26B and completed information worksheet in form CE 26A. • Proof of exportation must be provided. • Application for duty drawback shall be made within six months of the date of exportation or supply sale of the output on which the claim is based. • Goods granted drawback of duty cannot be reimported except with the consent of the Commissioner General and payment of full duty. 	<p>Up to Six months from date of export.</p>
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Note:

The goods concerned under the provisions below must not be sold or otherwise disposed of except with the prior consent of the Commissioner General and payment of Customs duty if any at the rate applicable at the date of such sale or disposal.

1. TAX INCENTIVES BY SECTOR

MANUFACTURING SECTOR		
Tax Incentive	Requirements	Conditions
<p>Suspension of customs Duty on Manufacturing inputs not available in Zambia for Business enterprises that manufacture goods in Zambia.</p> <p><i>(Customs & Excise S.I 110 of 2020)</i></p>	<ul style="list-style-type: none"> • Duly Completed Rebate Application Form CE 25 by approved manufacturer. • Valid ZDA investment license • Approval letter from Ministry of Finance. • Approved schedule of goods • Provide copy of goods to be cleared, that must be in the name of the investment license holder. 	<ul style="list-style-type: none"> • The business entity is in the manufacturing industry • The business entity imports manufacturing inputs not available in the republic for the manufacture of products in the Republic; and • The duty rate on the manufacturing input that the person intends to import is higher than the lowest duty rate applicable under any special preferential tariff treatment agreement on comparable imported finished products.
<p>Suspension of customs duty to Zero (0%) on Assembly of Motor Cycles and Tricycles of heading 87.11 for Business entities that assemble motor cycles and tricycles of heading 8711 valid up to 31st December, 2026.</p> <p><i>(The Customs & Excise S. I No.70 of 2023.)</i></p>	<ul style="list-style-type: none"> • Provide detailed breakdown of specific costs associated with the assembly of a motorcycle or tricycle. <p>(advertising, distribution, storage, administrative and any other costs not directly associated with the assembly of the motor cycle or tricycle, including tax are not included.)</p>	<ul style="list-style-type: none"> • Local content value addition not less than 5 % of ex-factory price



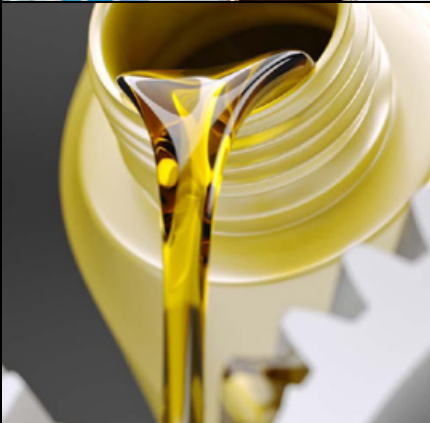
Note:

Remission of customs duty shall be granted on condition that the goods concerned shall not be sold or otherwise disposed of to any person not entitled to import them free of duty except with the approval of the Commissioner General and on payment of duty at the rate leviable at the date of the sale or disposal.



MANUFACTURING SECTOR		
Tax Incentive	Requirements	Conditions
<p>Suspension of customs Duty on Manufacturing inputs not available in Zambia for Business enterprises that manufacture goods in Zambia.</p> <p><i>(Customs & Excise S.I 110 of 2020)</i></p>	<ul style="list-style-type: none"> • Duly Completed Rebate Application Form CE 25 by approved manufacturer. • Valid ZDA investment license • Approval letter from Ministry of Finance. • Approved schedule of goods • Provide copy of goods to be cleared, that must be in the name of the investment license holder. 	<ul style="list-style-type: none"> • The business entity is in the manufacturing industry • The business entity imports manufacturing inputs not available in the republic for the manufacture of products in the Republic; and • The duty rate on the manufacturing input that the person intends to import is higher than the lowest duty rate applicable under any special preferential tariff treatment agreement on comparable imported finished products.
<p>Suspension of customs duty to Zero (0%) on Assembly of Motor Cycles and Tricycles of heading 87.11 for Business entities that assemble motor cycles and tricycles of heading 8711 valid up to 31st December, 2026.</p> <p><i>(The Customs & Excise S. I No.70 of 2023.)</i></p>	<ul style="list-style-type: none"> • Provide detailed breakdown of specific costs associated with the assembly of a motorcycle or tricycle. <p>(advertising, distribution, storage, administrative and any other costs not directly associated with the assembly of the motor cycle or tricycle, including tax are not included.)</p>	<ul style="list-style-type: none"> • Local content value addition not less than 5 % of ex-factory price


CONSTRUCTION SECTOR

Suspension of Customs Duty on Construction Materials Under the Public Private Partnership Agreement – (S.I 15 of 2023 (The Customs and Excise (Suspension) (Construction Materials) (Public – Private Partnership) Regulations, 2003.)

	Description and HS Code	Tax Incentive
	Base oils suitable only for further processing (HS 2710.19.70)	Duty rate of 0% for Period specified in the public private partnership agreement
	Bituminous mixtures based on natural asphalt, on natural bitumen, on petroleum bitumen, on mineral tar or on mineral Tar pitch (for Example bituminous mastics, cut backs.) (HS code 2715.00.00)	Duty rate of 0% for Period specified in the public private partnership agreement
	Paints and vanishes (including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers dispersed or dissolved in an aqueous medium, other. (HS Code 3209.90.90)	Duty rate of 0% for Period specified in the public private partnership agreement
	Lubricating preparations- other (HS Code 3403.99.00)	Duty rate of 0% for Period specified in the public private partnership agreement

	Other articles of plastics and articles of other materials of headings 3901 to 3914- other (HS Code 3926.90.99)	Duty rate of 0% for Period specified in the public private partnership agreement
	Non-woven whether or not impregnated, coated covered or laminated – weighing more than 150mg/m2 (HS Code 5603.94.00)	Duty rate of 0% for Period specified in the public private partnership agreement
	Glass Small ware (including beads, imitation pearls / stones) (HS Code 7018.10.00)	Duty rate of 0% for Period specified in the public private partnership agreement
	Glass fibers (including glass wool and articles thereof (for example Yarn roving's, woven fabrics) other. (HS Code 7019.19.00)	Duty rate of 0% for Period specified in the public private partnership agreement
	Glass fibers including glass wool) and articles thereof (for example yarn, roving's, woven fabrics) other glass fibers nes (HS Code 7019.90.00)	Duty rate of 0% for Period specified in the public private partnership agreement
	Flat rolled products of iron or non- alloy steel of width of 600mm or more, hot rolled not clad plated or coated – other (HS Code 7208.90.00)	Duty rate of 0% for Period specified in the public private partnership agreement
	Other articles of iron or steel- other (HS Code 7326.90.99)	Duty rate of 0% for Period specified in the public private partnership agreement
	Pumps for liquids, other (HS Code 8413.81.00)	Duty rate of 0% for Period specified in the public private partnership agreement
	Other machinery for earth, stone, ores. (HS Code 8474.80.00)	Duty rate of 0% for Period specified in the public private partnership agreement

	Co- axial cable and other co-axial electric conductors (HS Code 8544.20.00)	Duty rate of 0% for Period specified in the public private partnership agreement
	Other electric luminaries and lighting fittings (HS Code 9405.49.00)	Duty rate of 0% for Period specified in the public private partnership agreement

TOURISM SECTOR		
The Customs and Excise Tourism Enterprises Suspension Regulations, 2022, SI No. 102 of 2022- Schedule 1		
	Description and HS Code	Tax Incentive
	Motor vehicles for the transport of ten or more persons including the driver (HS Code 8702)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Vehicles for transport of goods G.V.M not exceeding 5 tonnes (HS Code 8704.21.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Vehicles for transport of goods G.V.M exceeding 5 tonnes but not exceeding 20 tonnes (HS Code 8704.22.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Vehicles for transport of goods G.V.M exceeding 20 tons, (HS Code 8704.23.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Hybrid Vehicles for transport of goods G.V.W not exceeding 5 tons (HS Code 8704.41.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Hybrid Vehicles for transport of goods G.V.W exceeding 5 tonnes but not exceeding 20 tonnes (HS Code 8704.42.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Hybrid Vehicles for transport of goods G.V.W exceeding 20 tonnes (HS Code 8704.43.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025

	Hybrid Vehicles for transport of goods G.V.W not exceeding 5 tonnes (HS Code 8704.51.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Hybrid Vehicles for transport of goods G.V.M exceeding 5 tonnes. (HS Code 8704.52.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Electric Vehicles for transport of goods G.V.M not exceeding 5 tonnes. (HS Code 8704.60.10)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Other vehicles with G.V.M not exceeding 5 tonnes (HS Code 8704.90.10)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Other vehicles (HS Code 8704.90.90)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025





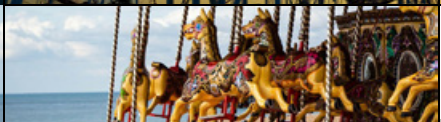




Conditions for eligibility










The suspension of customs duty on the goods stipulated in the first and second schedules is on condition that:

- i. The tourism enterprise is licensed under the tourism and Hospitality Act 2015.
- ii. The goods under Tariff Heading 8704 in the first schedule shall be designed for safari and game viewing purposes only, prior to importation
- iii. The goods in the first and second schedule shall not be sold or otherwise disposed of to any person not entitled to import the goods free of duty except with the approval of the Commissioner General and on payment of duty at the rate leviable at the date of the sale or disposal.

TOURISM SECTOR

The Customs and Excise Tourism Enterprises Suspension Regulations, 2022, SI No. 102 of 2022- Schedule 2

	Description and HS Code	Tax Incentive
	Other metal furniture (HS Code 9403.20.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Luminaries and lighting fittings including searchlights and spotlights and parts thereof, not elsewhere specified or included; illuminated signs, illuminated name plates and the like, having a permanently fixed light source, and parts thereof not elsewhere specified or included (HS Code 9405)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Travelling circuses and travelling Menageries (HS Code 9508.10.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Roller coasters (HS code 9508.21.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Carousels, swings and roundabouts (HS Code 9508.22.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Bed linen, table linen and kitchen linen (HS Code 6302)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Pneumatic mattresses (HS Code 6306.40.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Tableware, kitchenware, other household articles and toilet articles of porcelain or china (HS Code 6911)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Ceramic tableware, kitchen ware, other household articles and toilet articles of porcelain of china (HS Code 6912)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025

	Knives and cutting blades for Kitchen appliances for machines used by the food industry. (HS Code 8208.30.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Hand operated mechanical appliances weighing 10kg or less used in the preparation, conditioning or serving food or drink (HS Code 8210.00.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Knives with cutting blades serrated or not (including pruning knives) other than knives of heading 8208 and blades therefore (HS Code 8211)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Air conditioning machines of a kind designed to be fixed to window, wall ceiling or floor self-contained or split system (HS Code 8415.10.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Machinery for making hot drinks for cooking or heating food (HS Code 8419.81.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Dish washing machines other (HS Code 8422.19.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Escalators and moving walk ways (HS Code 8428.40.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Fully automatic Washing machines (HS Code 8450.11.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Other washing machines with built in centrifugal Drier (HS Code 8450.12.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Washing Machines, each of a dry linen capacity exceeding 10kg (HS Code 8450.20.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025

	Storage heating Radiators (HS Code 8516.21.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Hand drying Apparatus (HS Code 8516.33.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Electric smoothing irons (HS Code 8516.40.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Micro wave ovens (HS Code 8516.50.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Other ovens; cookers, cooking plates, boiling rings, grillers, and roasters (HS Code 8516.60.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Coffee or Tea makers (HS Code 8516.71.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Toasters (HS Code 8516.72.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Electrothermic appliances -Other (HS Code 8516.79.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Electric heating Resistors (HS Code 8516.80.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Apparatus operated by coins bank notes, bank cards tokens or by other means of Payment (HS Code 8519.20.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Turntables (Record decks) (HS Code 8519.30.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Other reception apparatus for Television, whether or not incorporating radio broadcast receiver or sound or video recording of reproducing apparatus. (HS Code 8528.69.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025

	Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus: Not designed to incorporate a video display or screen (HS Code 8528.71.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus: Other, colour (HS Code 8528.72.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus: Other, black and white or other monochrome (HS Code 8528.73.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Seats whether or not convertible into beds and parts thereof (HS Code 9401)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Furniture of plastics (HS Code 9403.70.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Chandeliers designed for use solely with light emitting diode (LED) light sources (HS Code 9405.11.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Chandeliers and other electric ceiling/wall lighting fittings, Other (HS Code 9405.19.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Electric table, desk, bedside or floor standing luminaires designed for use solely with light emitting diode (LED) (HS Code 9405.21.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025

MEDIA, MUSIC AND FILM INDUSTRY

Suspension of Customs duty to free on selected Music and film equipment listed in the schedule to Customs and Excise S.I 67 of 2023.

	Description and HS Code	Tax Incentive
	Single loud speakers, mounted in their enclosures (HS Code 8518.21.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	Multiple loud speakers, mounted in the same enclosure (HS Code 8518.22.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	Other, loud speakers not mounted in enclosures. (HS Code 8518.29.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	Head phones and ear phones, whether or not combined with a microphone, and sets consisting of a microphone and one or more loud speakers (HS Code 8518.30.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	Audio frequency electric amplifiers (HS Code 8518.40.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	(Sound recording or sound reproducing apparatus) Using magnetic optical or semiconductor media (HS Code 8519.81.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Transmission Apparatus (for Radio broadcasting or Television.) (HS Code 8525.50.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	Transmission apparatus incorporating reception apparatus (HS Code 8525.60.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	Television cameras (HS Code 8525.81.10)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	Other, high speed digital cameras and video camera recorders. (HS Code 8525.81.90)	Customs Duty Rate of 0% valid up to 31 st December 2026




	Television cameras (HS Code 8525.82.10)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Other, radiation hardened/radiation tolerant digital cameras and video camera recorders (HS Code 8525.82.90)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Television cameras (HS Code 8525.83.10)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Other, night vision digital cameras and video camera recorders (HS Code 8525.83.90)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Television cameras (HS Code 8525.89.10)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Other, digital cameras and digital camera recorders (HS Code 8525.89.90)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Other apparatus combined with sound recording or reproducing apparatus (HS Code 8527.13.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Other, radio broadcast receivers capable of operating without an external source of power. (HS Code 8527.19.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Combined with sound recording or reproducing apparatus (HS Code 8527.21.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Other, radio receivers of kind used in motor vehicles. (HS Code 8527.29.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Combined with sound recording or reproducing apparatus (HS Code 8527.91.00)	Customs Duty Rate of 0% valid up to 31 st December 2026

	Not combined with sound recording or reproducing apparatus but combined with a clock (HS Code 8527.92.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Other, Reception apparatus for radio broad casting. (HS Code 8527.99.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Aerials and aerial reflectors of all kinds parts suitable for use therewith (HS Code 8529.10.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Other; parts of apparatus of headings 8524 to 8528 (HS Code 8529.90.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Mounted objective lenses, for cameras, projectors or photographic enlarger or reducer (HS Code 9002.11.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Cameras, other, for Roll Film width 35mm (HS Code 9006.53.00)	Customs Duty Rate of 0% valid up to 31 st December 2026
	Discharge lamp (electronic flash light apparatus) (HS Code 9006.61.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026
	Monopods. Bipods, tripods and similar articles (HS Code 9620.00.00)	Customs Duty Rate of 0% Waiver valid up to 31 st December 2026

Conditions for Eligibility

1. The importer must be a body registered under the National Arts Council of Zambia Act Cap170 and a person licensed under the Independent Broad casting Authority Act 17 of 2002.
2. The goods on which the customs duty has been suspended in accordance with Customs and Excise S.I 67 of 2023 shall not be sold or otherwise disposed of to any person not entitled to import the goods free of duty except with the approval of the Commissioner General and on payment of duty at the rate leviable at the date of the sale or disposal.




AGRICULTURE SECTOR		
	Description of Goods	Incentive / Exemption
	Pure-bred breeding animals: Live cattle (HS Code Ex0102)	Customs Duty 0%
	Fowls of the species Gallus domesticus weighing not more than 185g : For breeding (HS Code 0105.11.10)	Customs Duty 0%
	Fowls of the species Gallus domesticus weighing more than 185g : For breeding (HS Code 0105.94.10)	Customs Duty 0%
	Biological control agents used in agriculture (HS Code 0106.49.10)	Customs Duty 0%
	Bovine semen (HS Code 0511.10.00)	Customs Duty 0%
	Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant (HS Code 0601.10.00)	Customs Duty 0%
	Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, in growth or in flower, chicory plants and roots (HS Code 0601.20.00)	Customs Duty 0%
	Roses, grafted or not (HS Code 0602.40.00)	Customs Duty 0%




	blood meal (HS Code 2301.10.10)	Customs Duty 0%
	Flours, meals and pellets, of meat or meat offal; greaves (HS Code 2301.10.90)	Customs Duty 0%
	Fish meal (HS Code 2301.20.10)	Customs Duty 0%
	Flours, meals and pellets, of fish or of crustaceans, molluscs or other aquatic invertebrates: (HS Code 2301.20.90)	Customs Duty 0%
	Fertilizers (HS Code Chapter 31)	Customs Duty 0%
	DDT (ISO) (clofenotane (INN)), in packings of a net weight content not exceeding 300g: For use in agriculture or horticulture (HS Code 3808.52.10)	Customs Duty 0%
	DDT (ISO) (clofenotane (INN)), in packings of a net weight content exceeding 300g: For use in agriculture or horticulture (HS Code 3808.59.10)	Customs Duty 0%
	Insecticides: For use in agriculture or horticulture (HS Code 3808.91.10)	Customs Duty 0%




	Fungicides: For use in agriculture or horticulture (HS Code 3808.92.10)	Customs Duty 0%
	Disinfectants: For use in agriculture or horticulture (HS Code 3808.94.10)	Customs Duty 0%
	Refrigerating or freezing equipment for cold rooms (HS Code 8418.69.10)	Customs Duty 0%
	Dryers: for agricultural products (HS Code 8419.34.00)	Customs Duty 0%
	Agricultural or horticultural sprayers: Portable sprayers (HS Code 8424.41.00)	Customs Duty 0%
	Agricultural or horticultural sprayers: Other types of sprayers (HS Code 8424.49.00)	Customs Duty 0%
	Irrigation system (HS Code 8424.82.00)	Customs Duty 0%

	Agricultural, horticultural or forestry machinery for soil preparation or cultivation (HS Code 8432)	Customs Duty 0%
	haymaking machinery (HS Code 8433.30.00)	Customs Duty 0%
	Straw or fodder balers, including pick-up balers (HS Code 8433.40.00)	Customs Duty 0%
	Combine harvester-threshers (HS Code 8433.51.00)	Customs Duty 0%
	threshing machinery (HS Code 8433.52.00)	Customs Duty 0%
	Root or tuber harvesting machines (HS Code 8433.53.00)	Customs Duty 0%
	Machines for cleaning, sorting or grading eggs, fruit or other agricultural produce (HS Code 8433.60.00)	Customs Duty 0%
	Milking machines (HS Code Ex8434.10.00)	Customs Duty 0%

	Dairy machinery Butter making machine cheese making machine (HS Code 8434.20.00)	Customs Duty 0%
	Agricultural, horticultural, forestry, poultry-keeping or bee-keeping machinery, including germination plant fitted with mechanical or thermal equipment; poultry incubators and brooders. (HS Code Ex8436)	Customs Duty 0%
	Machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables; machinery used in the milling industry or for the working of cereals or dried leguminous vegetables, other than farm-type machinery. (HS Code Ex8437)	Customs Duty 0%
	Tractors for use in agriculture or horticulture (HS Code Ex8701)	Customs Duty 0%
MINING SECTOR		
	Description of Goods	Incentive / Exemption
	copper ore sulphide (HS Code 2603.00.11)	Customs Duty 0%
	copper ore mixed sulphide and oxide (HS Code 2603.00.12)	Customs Duty 0%
	copper ore oxide (HS Code 2603.00.13)	Customs Duty 0%

	copper concentrate sulphide (HS Code 2603.00.21)	Customs Duty 0%
	copper concentrate mixed (sulphide/oxide) (HS Code 2603.00.22)	Customs Duty 0%
	copper concentrate oxide (HS Code 2603.00.23)	Customs Duty 0%
	cobalt ore (HS Code 2605.00.10)	Customs Duty 0%
MEDICAL AND PHARMACEUTICAL SECTOR		
	<p>- Ultrasound machinery An ultrasound machine makes images so that organs inside the body can be examined. The machine sends out high- frequency sound waves, which reflect off body structures.</p> <p>A computer receives the waves and uses them to create a picture. The test is done in the ultrasound or radiology department.</p> <p>(HS Code Ex 9018)</p>	Customs Duty 0%
	Breathing appliances and gasmasks, excluding protective masks having neither mechanical parts nor replaceable filters. (HS Code 9020.00.00)	Customs Duty 0%






	<p>Orthopaedic appliances, including crutches:</p> <p>A wooden or metal vertical prop that helps support a disabled person while he or she is walking. Arm crutches typically are metal and have a single shaft with a projecting handgrip and a cuff that closes around the arm. Crutches usually have a non-skid rubber tip on the bottom.</p> <p>(HS Code Ex 9021)</p>	<p>Customs Duty 0%</p>
	<p>Surgical belts and trusses; splints and other fracture appliances.</p> <p>(HS Code 9021.10.00)</p>	<p>Customs Duty 0%</p>
	<p>Artificial parts of the body:</p> <p>A prosthesis is an artificial device/substitute or that replaces a missing body part such as tooth, leg, arm, knee, facial bone, another joint, hip etc which may be lost through trauma, disease or congenital conditions. Dentures, (also known as flase teeth), are prosthetic devices constructed to replace missing teeth; they are supported by the surrounding soft and hard tissues of the oral cavity. Conventional dentures are removable (removable partial denture or complete denture.</p> <p>(HS Code Ex 9021)</p>	<p>Customs Duty 0%</p>

	<p>Hearing aids and other appliances which are worn or carried, or implanted in the body, to compensate for a defect or disability. (HS Code 9021.40.00)</p>	<p>Customs Duty 0%</p>
	<p>Apparatus based on the use of X-rays or of alpha, beta, gamma or other ionising radiations, whether or not for medical, surgical, dental or veterinary uses, including radiography or radiotherapy apparatus, X-ray tubes and other X-ray generators, high tension generators, control panels and desks, screens, examination or treatment tables, chairs and the like. (HS Code 9022.12.00)</p>	<p>Customs Duty 0%</p>
	<p>Syringes A medical device that is used to inject fluid into, or withdraw fluid from, the body. A medical syringe consists of a needle attached to a hollow cylinder that is fitted with a sliding plunger. (HS Code 9018.31.00)</p>	<p>Customs Duty 0%</p>




INFORMATION AND COMMUNICATIONS TECHNOLOGY SECTOR

Suspension of the customs duty on selected Information and Communications Technology and Telecommunications equipment to the extent shown in the schedule in Customs and Excise S.I 99 of 2022.

	Description and HS Code	Tax Incentive
	Connectors for optical fibres, optical fibre bundles or cables (HS Code 8536.70.00)	Customs Duty Rate of 5% valid up to 31 st December 2025
	Optical fibre cables (HS Code 8544.70.00)	Customs Duty Rate of 0% valid up to 31 st December 2025
	Other devices appliances and instruments Optical fibre splinters vehicles (HS Code *EX9013.80.00)	Customs Duty Rate of 5% valid up to 31 st December 2025
	Other Optical instruments and appliances: SDH and Optical testers. (HS Code *EX9031.49.00)	Customs Duty Rate of 0% valid up to 31 st December 2025
	Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data, not elsewhere specified or included. (HS Code Ex8471)	Customs Duty 0%
	Telephone sets, including smartphones and other telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network), other than transmission or reception apparatus. Ex (HS Code Ex8517)	Customs Duty 0%
	Optical fibres, optical fibre bundles and cables. Except those of HS Code 8455 (HS Code 9001.10.00)	Customs Duty 0%

TRANSPORT SECTOR		
	Description of Goods	Incentive / Exemption
	Railway or tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds except containers (including containers for the transport of fluids) specially designed and equipped for carriage by one or more modes of transport (HS Code Chapter 86)	Customs Duty 0%
	Tractors for use in the transport sector (HS Code Ex8701)	Customs Duty 0%
	Ambulances (HS Code Ex8703)	Customs Duty 0%
	Aircraft (for example, helicopters, aeroplanes), except unmanned aircraft (HS Code 8802)	Customs Duty 0%
	Ships, boats and floating structures (HS Code Chapter 89) fishing vessels - HS Code 8902.00.00 sail boats - HS Code 8903.21.00	Customs Duty 0%



WASTE MANAGEMENT SECTOR		
<i>Suspension of customs duty to free on goods set out in the schedule in the Customs and Excise S.I 103 of 2022</i>		
	Description and HS Code	Tax Incentive
	Other packing or wrapping machinery (including heat shrink wrapping machinery) *EX8422.40.00	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Trucks designed to compact and carry waste: skip loader Vehicles *Ex 8704	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025
	Other special purpose vehicles: road sweeper lorries and refuse compactor vehicles *Ex 8705.90.00	Customs Duty Rate of 0% Waiver valid up to 31 st December 2025

*Ex means only the goods described in the S.I are eligible under the Hs code mentioned. Any other goods falling under the same HS code are excluded.

Conditions for eligibility

1. The subject goods must be imported by a licensed solid waste service provider as defined in the Solid Waste Regulation and Management Act of 2018.
2. The goods on which the customs duty has been suspended in accordance with Customs and Excise S.I 103 of 2022 shall not be sold or otherwise disposed of to any person not entitled to import the goods free of duty except with the approval of the Commissioner General and on payment of duty at the rate leviable at the date of the sale or disposal

*EX means only the goods described in the S.I are eligible under the Hs code mentioned.

Any other goods falling under the same HS code are excluded

ENERGY SECTOR

Suspension of customs duty to free on selected energy saving appliances, Machinery and equipment as listed in the schedules to the Customs and Excise Electronic Machinery and Equipment Suspension Regulations S.I 102 of 2021 and S.I 17 of 2022

	Description and HS Code	Tax Incentive
	Instantaneous or storage water heaters. *EX8419	
	Solar water heater (HS Code 8419.12.00)	Customs Duty Rate of 0% valid indefinitely
	Diesel or semi diesel generators of an output not exceeding 75KVA (HS Code 8502.11.00)	Customs Duty Rate of 0% valid indefinitely
	Diesel or semi diesel generators of an output exceeding 75KVA but not exceeding 375 KVA (HS Code 8502.12.00)	Customs Duty Rate of 0% valid indefinitely
	Diesel or semi diesel generators of an output not exceeding 375 KVA (HS Code 8502.13.00)	Customs Duty Rate of 0% valid indefinitely
	Generating sets with spark ignition internal combustion piston engines (HS Code 8502.20.00)	Customs Duty Rate of 0% valid indefinitely
	Static converters (Solar inverters) (HS Code *EX 8504.40.00)	Customs Duty Rate of 0% valid indefinitely
	Lead acid, of a kind used for starting piston Engines (HS Code *EX8507.10.00)	Customs Duty Rate of 0% valid indefinitely
	Other lead acid Accumulators (HS Code *EX8507.20.00)	Customs Duty Rate of 0% valid indefinitely
	Nickel cadmium (HS Code *EX8507.30.00)	Customs Duty Rate of 0% valid indefinitely
	Other accumulators (HS Code EX8507.80.00)	Customs Duty Rate of 0% valid indefinitely
	For a voltage not exceeding 1000V (Solar Chargers) (HS Code EX 8537.10.00)	Customs Duty Rate of 0% valid indefinitely

	Florescent lamps, hot cathode (HS Code 8539.31.00)	Customs Duty Rate of 0% valid indefinitely
	Light emitting diode (LED) modules (HS Code 8539.51.00)	Customs Duty Rate of 0% valid indefinitely
	Light emitting Diode (LED) lamps (HS Code 8539.52.00)	Customs Duty Rate of 0% valid indefinitely
	Light –emitting diodes (LED) (HS Code 8541.41.00)	Customs Duty Rate of 0% valid indefinitely
	Photovoltaic cell not assembled in modules or made up into panels (HS Code 8541.42.00)	Customs Duty Rate of 0% valid indefinitely
	Photovoltaic cells assembled in modules or made up into panels (HS Code 8541.43.00)	Customs Duty Rate of 0% valid indefinitely
	Other photosensitive semiconductor devices (HS Code 8541.49.00)	Customs Duty Rate of 0% valid indefinitely
	Photovoltaic, designed for use solely with light emitting diode (LED) light source (Solar street lights) (HS Code *EX9405.41.00)	Customs Duty Rate of 0% valid indefinitely

*EX means only the goods described in the S.I are eligible under the Hs code mentioned. Any other goods falling under the same HS code are excluded.

Conditions for eligibility

1. The goods must those listed in the S.Is 102 of 2021, S.I 17 of 2022.
2. The goods must be energy saving



NOTE*

ADDITIONAL PROCEDURE CODES REQUIRED TO ACCESS SUSPENSIONS OF DUTY

*In order for **eligible** importers to benefit from the suspensions of customs duty on the goods covered in the statutory Instruments (S.I) cited in this guide, it is required that their Tax Payer Identification Numbers (TPINs) are configured under special codes on the Customs System, called Additional Procedure Codes (APCs). These codes must be entered in the appropriate field on the customs declaration for qualifying goods as per schedules contained in the S.I's. Therefore, the Declarant/Clearing Agent should be aware of such a code for the eligible taxpayer to benefit from the tax incentives at importation.*

Kindly note that only eligible products and importers will be configured to benefit from the suspension or reduction of customs duties. For details, please contact the customs management at the nearest Zambia Revenue Authority offices.

Zambia Development Agency (ZDA) Incentives

In summary the ZDA incentives have provided for complete relief from tax on dividends and business profits over the years. They have also provided for accelerated wear and tear allowance of up to 100%. But suffice to say that there have been several variations over the years. It is therefore important that the background to the way ZDA incentives have been administered is highlighted. Under ZDA incentives, they are given according to sectors, location and size of the business. The table below explains the various incentives that have been administered starting from the period prior to 2013 to date.

PERIOD	TYPE	INCENTIVES AVAILABLE
Prior to 1 st January 2013	Priority Sector	<p><u>Business profits will be taxed as follows:</u></p> <ul style="list-style-type: none"> (i) at zero per centum for a period of five years starting from the first-year profits are returned; (ii) at fifty per centum from the sixth to the eighth year after profits are returned; (iii) at seventy-five per centum of the applicable tax rate from the ninth to the tenth year and at hundred per centum of the applicable tax rate after the tenth year after profits are returned; (iv) Tax to be deducted from any dividend shall for a period of five years from the date of the first declaration be at the rate of zero per centum per annum;
	Multi-facility Economic Zone and Industrial Park	<ul style="list-style-type: none"> (v) Tax to be deducted from a payment of any management fee, consultancy fee, interest or payment to a non-resident contractor by a person developing a multifacility economic zone or an industrial park under the Zambia Development Agency Act, 2006, and any person operating in a multi-facility economic zone or an industrial park shall for a period of five years from the first date that the payment is due, be at zero per centum per annum.
	Small and Micro Enterprises	<ul style="list-style-type: none"> (vi) Income received by a person designated as micro or small enterprise under the Zambia Development Agency Act, 2006 is exempt from tax: <p style="text-align: center;">Provided that –</p> <ul style="list-style-type: none"> (i) for an enterprise in an urban area the income shall be exempt from tax for the first three years; and (ii) for an enterprise in a rural area the income shall be exempt from tax for the first five years.

Between 1 st January 2013 To 10 th October 2013 (Income Tax Amendment Act number 10 of 2012)	Priority and Sector, Multi-facility Economic Zone Industrial Park	<p>Business profits will be taxed as follows:</p> <ul style="list-style-type: none"> (i) at zero per centum for a period of five years starting from the year of commencement of operations of the approved investment; (ii) fifty per centum of the applicable tax rate from the sixth to the eighth year starting from the year of commencement of operations of the approved investment; (iii) at seventy-five per centum of the applicable tax rate from the ninth to the tenth year of commencement of operations of the approved investment; and (iv) at hundred per centum of the applicable tax rate after the tenth year starting from the year of commencement of operations of the approved investment; (v) Tax to be deducted from any dividend shall, for a period of five years from the date of commencement of operations of the approved investment, be at the rate of zero per centum per annum. (vi) Tax to be deducted from a payment of any management fee, consultancy fee, interest or payment to a non-resident contractor by a person developing a multi-facility economic zone or an industrial park and any person operating in a multifacility economic zone or an industrial park shall be at the rate of zero per centum for a period of five years from the date of commencement of operations of the approved investment.
	Small and Micro Enterprises	<p>(vii) Income received by a person designated as micro or small enterprise under the Zambia Development Agency Act, 2006 is exempt from tax:</p> <p>Provided that –</p> <ul style="list-style-type: none"> (i) for an enterprise in an urban area the income shall be exempt from tax for the first three years; and (ii) for an enterprise in a rural area the income shall be exempt from tax for the first five years.

Between 11 th October 2013 to 31 st December 2014 (Income Tax Amendment Act number 18 of 2013)	Rural business, business enterprise operating in a multi-facility economic zone or an industrial park	<p>(i) Tax chargeable on the income of a rural business enterprise or business enterprise in a priority sector operating in a multi-facility economic zone or an industrial park shall be charged at zero percent for a period of five years starting from the year of commencement of operations of the approved investment;</p> <p>(ii) tax to be deducted from any dividend declared by a rural business enterprise or business enterprise in a priority sector operating in a multi-facility economic zone or industrial park shall be at the rate of zero percent per annum for a period of five years starting from the year of commencement of operations of the approved investment.</p>

Effective January 2015 (Income Tax Amendment Act number 7 of 2014)	1 st Business Enterprise carrying on manufacturing activities in a rural area, multi-facility economic zone or industrial park	(i) on the income of a business enterprise approved by the Zambia Development Agency and carrying on manufacturing activities in a rural area, a multifacility economic zone or an industrial park, tax shall be charged at zero percent for a period of five years starting from the year of commencement of operations of the approved investment; (ii) tax to be deducted from any dividend declared by a business enterprise approved by the Zambia Development Agency and carrying on manufacturing activities in a rural area, a multifacility economic zone or industrial park shall be at the rate of zero per centum per annum for a period of five years starting from the year of commencement of operations of the approved investment
Effective January 2017 (Amendment Act No. 45 of 2016)	Business Enterprise carrying on electricity generation or manufacturing activities in a rural area, multi-facility economic zone or Industrial Park	(i) on the income of a business enterprise approved by the Zambia Development Agency and carrying on electricity generation or manufacturing activities in a rural area, a multifacility economic zone or an industrial park, tax shall be charged at zero percent for a period of five years starting from the year of commencement of operations of the approved investment; (ii) tax to be deducted from any dividend declared by a business enterprise approved by the Zambia Development Agency and carrying on electricity generation or manufacturing activities in a rural area, a multifacility economic zone or industrial park shall be at the rate of zero per centum per annum for a period of five years starting from the year of commencement of operations of the approved investment.

Effective January 2018(<i>Amendment Act No. 16 of 2017</i>)		Despite the other provisions of this Act, a person operating a business in a priority sector declared under the Zambia Development Agency Act, 2006 may claim on a straight-line basis, wear and tear at an accelerated rate, not exceeding 100 percent in respect of any new implement, plant or machinery acquired and used by the business for the purposes of that business.
Effective January 2022 (<i>Amendment Act No. 43 of 2021</i>)	Business Enterprise approved by the Zambia Development Agency and carrying on manufacturing activities in a multi-facility economic zone or an industrial park.	Income earned from exports of a business enterprise (For ZDA licences obtained after 1 st January 2022) approved by ZAD and carrying on manufacturing activities in a multi-facility economic zone or industrial park will be taxed as follows: 0% on income earned in the first 10 years from commencement of works Rate reduced by 50% of the applicable rate from year 11 up to year 13 Rate reduced by 25% of the applicable rate in the 14 th and 15 th years
	Business Enterprise approved by the Zambia Development Agency and carrying on manufacturing activities in a multi-facility economic zone or an industrial park.	Dividends paid by a company operating in a multifacility economic zone or industrial park under the Zambia Development Agency Act, 2006, on profits made on exports (for licences obtained after 1 st January 2022) subject to 0% Withholding Tax for the First 10 years from commencement of works.

Effective January 2023 (Amendment Act No. 26 of 2022)	The maximum rate of tax charged on the income earned by an agro processing business approved by the Zambia Development Agency and carrying on manufacturing and processing of corn starch in a multi facility economic zone or an industrial park, shall be—	The maximum rate of tax charged on the income earned by an agro processing business approved by the Zambia Development Agency and carrying on manufacturing and processing of corn starch in a multi facility economic zone or an industrial park, shall be— (i) zero percent for the 2023 to 2032 charge years; (ii) fifty percent of the standard income tax rate for the 2033 to 2035 charge years; and twenty five percent of the standard income tax rate for the 2036 to 2037 charge years; (iii) twenty five percent of the standard income tax rate for the 2036 to 2037 charge years (iv) the rate of zero percent per annum for dividends paid by agro processing business approved by the Zambia Development Agency and carrying on manufacturing of corn starch in a multi facility economic zone or an industrial park for the 2023 to 2032 charge years
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Income Tax Reliefs

Tax reliefs provided in the Income Tax Act include the provision to carry over losses for up to five subsequent years from the charge year in which the loss is incurred.

In the case of taxpayers carrying on mining operations and electricity generation, the carry over loss period is extended to ten years.

Additionally, the Income Tax Act allows for taxpayers in some business sectors to claim in full all capital expenditure incurred by the business. This includes expenditure on buildings, equipment, plant and machinery. These are called capital allowances. The standard capital allowances are 5% on industrial buildings, 2% on commercial buildings, 25% on plant and machinery and commercial vehicles and 20% on non-commercial vehicles.

The standard Corporate income tax rate is 30%. However other tax reliefs are granted by way of having a reduced tax rate on particular sources of income in certain sectors and this is depicted in the table below.

Category	Rate (%)
Manufacturing of products using copper cathodes	15
Agro-processing	10
Farming	10
Non-traditional exports – Agro-processing and Farming	10
Non-traditional exports – Others	15
Chemical manufacture of fertilizer	15
Organic manufacture of fertilizer	15
Rural enterprises	Tax chargeable reduced by 1/5 for 5 years
Value addition to gemstones through lapidary and jewellery facilities is twenty five percent	25
Income received by a person providing accommodation and food services (for the charge years 2021 and 2022)	15
Income received by a person carrying on the business of manufacturing ceramic products (for the charge years 2022 and 2023)	0
Special purpose vehicle undertaking a public private partnership project under the Public Private Partnership Act, 2009 for the first five years that a public private partnership project makes profit	15

Capital Allowances/Wear & Tear allowances/ Improvement Allowances

Details	Rate (%)
Initial allowance for industrial building	10
Wear and Tear allowance for industrial buildings (low cost housing)	10
Improvement allowance on commercial and industrial Buildings in priority sector or in respect of a priority product in a multi-facility economic zone or industrial park declared under the Zambia Development Agency Act, 2006 which in that year uses for the business an industrial or commercial building which the person has constructed, or altered.	100
Wear and tear allowance for other industrial buildings	5

Investment allowance (1 st year of manufacturing)	10
Wear and tear allowance for Commercial buildings	2







Wear and tear allowance for: Implements Machinery and plant Office equipment Office furniture Commercial vehicles	25
Wear and tear for non-commercial vehicles	20
Plant and machinery directly used in electricity generation, mineral processing, manufacturing, tourism or leased out under an operating lease	50
Farm improvement allowance	100
New implement, plant or machinery acquired and used by the business for the purposes of that business in a priority sector declared under the Zambia Development Agency Act, 2006.	100
New implement, plant or machinery acquired and used by the special purpose vehicle for the purpose of that public private partnership project.	100
Farm works allowance (e.g. stumping and clearing, works for the prevention of soil erosion, boreholes, wells, aerial and geophysical surveys, and water conservation)	100
Development allowance	10
Farming or Agro processing implements	100
Plant and Machinery (farming)	100

Withholding Tax Relief

Category	Rate (%)
Dividends paid by a company carrying on mining operations	0
Dividends paid to an individual by a company listed on the Lusaka Securities Exchange (LUSE)	0
Dividends paid by a company engaged in the assembly of motor vehicles, motorcycles and bicycles	0 (First 5 years)
Dividends declared from farming income	0 (First 5 years)
Dividends paid by a company operating in a multi-facility economic zone or industrial park under the ZDA Act, 2006, on profits made on exports (for licenses obtained after 1st January 2022)	0 (First 10 years from commencement of works)
Dividends paid by a business enterprise operating in a priority sector declared under the ZDA Act, 2006 (For ZDA license holders obtained prior to 1st January 2013)	0 for the first 5 years from the year profits are declared
Dividends paid by a business enterprise operating in a priority sector, multi facility economic zone and industrial park declared under the ZDA Act, 2006 (For ZDA license holders obtained between 1st January 2013 and 10th October 2013)	0 for the first 5 years from commencement of operations
Dividends paid by a rural business, business enterprise operating in an MFEZ or Industrial Park declared under the ZDA Act, 2006 (For ZDA license holders obtained between 11th October 2013 to 31st December 2014)	0 for the first 5 years from commencement of operations of the approved investment
Dividends paid by a business enterprise carrying on manufacturing activities in a rural area, MFEZ or Industrial Park (For ZDA license holders obtained between 1st January 2015 and 31st December 2016)	0 for the first 5 years from commencement of operations of the approved investment
Dividends paid by a business enterprise carrying on manufacturing or electricity generation located in a rural area, MFEZ or Industrial Park (For ZDA license holders obtained between 1st January 2017 and 31st December 2017)	0 for the first 5 years from commencement of operations of the approved investment
Interest on GRZ bonds and Treasury Bills – Non-Residents	15

Interest for individuals (interest earned on all interest-earning accounts held by individuals with institutions registered under the Banking and Financial Services Act, 2017)	0
Management or consultancy fees and interest paid to a non-resident contractor by a business enterprise operating in a priority sector declared under the ZDA Act, 2006 (For ZDA license holders obtained prior to 1st January 2013)	0 for the first 5 years from the first date that the payment was due.
Management or consultancy fees and interest paid to a non-resident contractor by a business enterprise operating in a priority sector, multi facility economic zone and industrial park declared under the ZDA Act, 2006 (For ZDA license holders obtained between 1st January 2013 and 10th October 2013)	0 for the first 5 years from commencement of operations of the approved investment
Dividends paid by agro processing business approved by the Zambia Development Agency and carrying on manufacturing of corn starch in a multi facility economic zone or an industrial park for the 2023 to 2032 charge years.;	0 for 10 years from 2023 to 2032.

GENERAL INCENTIVES

	Beneficiary	Incentive	Condition and Period For Incentive
	Taxable supplier	VAT Deferment Scheme The scheme allows taxpayer to import eligible goods without paying VAT. This scheme provides cashflow relief to eligible registered and compliant taxpayers.	i. Must be registered for VAT and all relevant tax types; ii. Uses the goods solely for making taxable supplies and not for re-sale; iii. Must be tax compliant; iv. Must forego the equivalent tax deduction or credit under section eighteen of the Act; <ul style="list-style-type: none"> Period of Incentive – Indefinite
	Taxable supplier	Zero rate of VAT on export of taxable products.	Taxable supplier must satisfy all the requirements prescribed under Rule 18. <ul style="list-style-type: none"> Period of Incentive – Indefinite
	All taxpayers	Voluntary registration for compliant businesses whose turnover is below K800,000 per annum.	Shall be required to satisfy the conditions provided for under Rule 17(4) of the VAT (General) Rules <ul style="list-style-type: none"> Period of Incentive – Valid for 12 months subject to renewal
	Taxable supplier	Equal treatment of services for VAT irrespective of domicile of supplier (Reverse VAT).	<ul style="list-style-type: none"> Period of Incentive – Indefinite



Members of the Association of Building and Civil Engineering Contractors and taxpayers in the electricity generation subsector.

Cash accounting Scheme.







The 'Cash Accounting Scheme' which is a cash basis of accounting for tax is a scheme available to VAT registered suppliers who are members of the


- **Period of Incentive**
– Indefinite

Association of Building and Civil Engineering Contractors (ABCEC) or to taxpayers in the electricity generation subsector.


In order to access the scheme, members of ABCEC and those engaged in the electricity generation subsector must be tax compliant and should apply in writing to the Commissioner-General for approval

Under this scheme, VAT registered suppliers account for output tax on supplies for which they have been paid and claim input tax only on purchases they have paid for.

	All taxable suppliers	VAT relief on input tax paid for purchases made by registered suppliers	Taxable supplies <ul style="list-style-type: none"> • Period of Incentive – Indefinite
	Approved Public Benefit Organisation	Zero-rate building supplies supplied to approved public benefit organisation.	Limited to only cement, roofing sheets, bricks and blocks. <ul style="list-style-type: none"> • Period of Incentive – Indefinite
	All taxpayers	Zero-rate goods and services supplied to, or imported under, a technical aid	Limited to supplies made for the project. <ul style="list-style-type: none"> • Period of Incentive – Indefinite
		programme or project executed by a written agreement between the Government of the Republic of Zambia and the donor.	
	Special Purpose Vehicle	Zero-rate goods and services supplied to, or imported by a special purpose vehicle during the construction period.	<ul style="list-style-type: none"> • Period of Incentive – Construction Period
	Medical doctor, optician, dentist, hospital or clinic registered under the Health Professions Act	Zero-rate the supply to, or importation by, a or to a patient, of equipment designed solely for medical or prosthetic use.	Must be a Medical doctor, optician, dentist, hospital or clinic registered under the Health Professions Act and the supply <ul style="list-style-type: none"> • Period of Incentive – Indefinite
	Intending Trader	Guaranteed input tax claim for two years prior to commencement of production.	<ul style="list-style-type: none"> • Period of Incentive – 2 years

	<p>Developer of MFEZ or Industrial Park</p>	<p>To provide cashflow relief to a developer so that the development can be undertaken as quickly as possible.</p> <p>Goods or services supplied to or imported by a developer for the purposes of developing infrastructure in a multi-facility economic zone or industrial park are Zero rated.</p>	<ul style="list-style-type: none"> • Period of Incentive – Indefinite
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AGRICULTURAL SECTOR

	Beneficiary	Incentive	Condition and Period for Incentive
	Taxable Supplier	Guaranteed input tax claim for four years prior to commencement of production for vatiable agricultural businesses.	<ul style="list-style-type: none"> • Period of Incentive – 4 years
		Zero rating of taxable agricultural products and supplies when exported	<ul style="list-style-type: none"> • Period of Incentive – Indefinite






	Zero rating of the principal on leasing finance for agricultural equipment and accessories listed in Group 8 of the Values Added Tax (Zero-Rating) Order.	<ul style="list-style-type: none"> Period of Incentive – Indefinite
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MANUFACTURING SECTOR


Beneficiary	Incentive	Condition and Period For Incentive
	Refund of Zambian VAT on export of Zambian products by non-resident businesses under the Commercial Exporters Scheme.	<ul style="list-style-type: none"> Period of Incentive – Indefinite
	Guaranteed input tax claim for Ten years on pre-production expenditure for electricity generation	<ul style="list-style-type: none"> Period of Incentive – 10 years
	Zero-rate raw materials (polyester textured yarn, textile	<ul style="list-style-type: none"> Period of Incentive – Indefinite
	dyestuff and long-lasting insecticide treated curtains) when purchased by manufacturers of mosquito nets.	

MINING SECTOR

Beneficiary	Incentive	Condition and Period For Incentive
	Guaranteed input tax claim for Ten years on pre-production expenditure for mining exploration, petroleum or gas exploration.	<ul style="list-style-type: none"> Period of Incentive – 10 years
	Guaranteed input tax claim for four years on pre-production expenditure for mining.	<ul style="list-style-type: none"> Period of Incentive – 4 years
	Zero-rating of capital equipment and machinery supplied to a holder of mining company holding a large-scale mining license.	<ul style="list-style-type: none"> Period of Incentive – Indefinite

TOURISM SECTOR

Beneficiary	Incentive	Condition and Period for Incentive
		<p>Guaranteed input tax claim for four years on pre-production expenditure for tourism, where the trader is engaged in the development of a tourism facility or tourism infrastructure, and is registered and licensed by the Zambia Tourism Agency;</p> <ul style="list-style-type: none"> • Period of Incentive – 4 years
		<p>Refund of VAT for non-resident tourists and visitors on selected goods.</p> <ul style="list-style-type: none"> • Period of Incentive – Indefinite
		<p>Zero-rate of exportation of goods by a tourist, subject to such evidence and conditions as the Commissioner-General may require.</p> <ul style="list-style-type: none"> • Period of Incentive – Indefinite

ENERGY SECTOR			
Beneficiary		Incentive	Condition and Period for Incentive
	Intending Trader	Guaranteed input tax claims for four years prior to commencement of production/business activities.	<ul style="list-style-type: none"> <i>Period of Incentive – 2 years</i>

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