

**Are there tolerances on the system for minimal variances between the declared amount in the return and the invoice values on the system?**

Reasonable tolerances will be provided for on the system. Taxpayers are, however, advised to be as accurate as possible in their declarations.

**What is the life span of the invoices the EFDs will be issuing?**

The life span of the invoices issued from the EFD is beyond the 3 months allowed to claim input tax. Invoices can also be reprinted from the device.

**Is it possible to reflect the mode of payment (Cash, Cheque or Card) using the EFDs?**

Yes. The EFD provides for the indication of the mode of payment using the 'pay mode' button and thereafter selection of payment type.

**Is it possible to make corrections/adjustments to a transaction on the EFD while a sale is in the process?**

One can cancel a transaction using the *cancel button* before an invoice is printed.

**Is it possible to make corrections/adjustments to a transaction on the EFD after a sale has been completed?**

Once a sale has been completed, you may issue a credit or debit note to cancel or adjust a transaction.

**Can one reflect or make a credit sale on the EFDs?**

Yes. You may make a credit sale using the *payment mode button* type of sale and select credit sale.

**Is it possible to reflect the buyers' details on the EFD tax invoice?**

Yes. You may enter details such as the name, TPIN and address of the buyer in the *Buyer Management Mode*.

**What rebates will be available for taxpayers who will wish to buy EFDs from other sources?**

There are no rebates available for taxpayers who will buy EFDs from other sources. However, the purchase of an EFD is an allowable business expense under Income Tax.

**How can one access EFD User Manuals?**

User manuals can be accessed from the ZRA website at [www.zra.org.zm](http://www.zra.org.zm)

For further questions contact:  
[efdhelp@zra.org.zm](mailto:efdhelp@zra.org.zm)

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# EFD

## Frequently Asked Questions



The Zambia Revenue Authority (ZRA) has implemented the Tax Invoice Management System (TIMS) through the Electronic Fiscal Devices (EFD) which makes it mandatory for taxpayers registered for Value Added Tax (VAT), Tourism Levy and Insurance Premium Levy to procure, install and use an EFD to capture all business transactions. The legal provision for this requirement is Section 42A of the Value Added Tax Act CAP 331 of the Laws of Zambia.

### What is an Electronic Fiscal Device?

An Electronic Fiscal Device ("Fiscal cash register") is a device that has fiscal memory, capacity to generate or produce tax invoices and other reports, capable of virtual transfer of data and allows online audit and monitoring of transactions. The EFDs have replaced the use of manual Cash Registers for capturing sales transactions in Zambia.

### Are there any exemptions from the use of EFDs?

There are no exemptions from the use of EFDs for all taxpayers registered for VAT, Tourism Levy and Insurance Premium Levy. The Authority may, however, employ transaction monitoring methods, other than EFDs for taxpayers with advanced accounting systems.

### What solution is available for taxpayers who issue few invoices per month?

Taxpayers in this category are also required to invoice using the device.

### What happens when there is no power and no network connection?

It is a requirement that the EFD is turned on and in use at all times. Taxpayers are advised to have standby power supply and to ensure the device is fully charged at all times. In an event that there is no connectivity, the EFD provides for the issuance of

invoices offline which can be uploaded to the Tax Invoice Management System once connectivity is restored.

### After initialization, how much time will be given to allow taxpayers enter stock and get used to the device?

Taxpayers are expected to start using the device immediately it is initialized. Registered taxpayers are at liberty to contact the ZRA EFD Team for any challenges they may face with the device. Contact details are provided at the back of this leaflet.

### Does one need to wait until they have loaded stock to make sales?

No - A taxpayer can make sales where stock has not yet been loaded, using the temporary button.

### What is the solution for Taxpayers who have many different items in stock and in large quantities?

Taxpayers can use the EFD Assistant application (available on the ZRA website) to enter stock details, buyer details and foreign currency settings which can be imported on the device through IP host or U disk (flash).

### What is the solution for taxpayers who sell the same goods to different customers at different prices e.g. individuals and government?

All the different price ranges should be entered onto the EFD so that the correct option is selected as and when it applies.

### How possible is it to make adjustments on the EFD stock mode in the event that they have returns, damaged or expired stocks?

It is possible to adjust quantities of stock on the EFD using the 'Stock In and Stock Out' options in the Stock Management mode.

**Is there synchronization on stock i.e. in cases where a taxpayer has two or more devices in one store, can they add stock on one device and the stock will automatically show on the other devices? And, once a sale is made using one, will the other devices reflect that?**

Where a taxpayer has more than one device, the devices operate independent of each other. Stock can be added and removed manually from one device to another.

### When entering prices of goods on the EFD, do you enter the amount inclusive or exclusive of VAT ?

Enter the amount exclusive of VAT.

### What is the solution for customers who request for written invoices?

All invoices must be issued from the device. Manual invoices from taxpayers who qualify to use the EFD will not be accepted.

### How can one access the EFD Assistant?

The EFD Assistant is a computer application that is tailored for entering stock details, buyer details and foreign currency settings for importation onto the device. It can be accessed from the ZRA website ([www.zra.org.zm](http://www.zra.org.zm)) or through the EFD Team.

### What records will taxpayers give their auditors since only one copy of the invoice is printed?

Invoices can be reprinted from the device. Taxpayers can also use periodic reports from the device.

### Will there be penalties for not using an EFD?

Once a taxpayer is registered and receives an EFD, it is a legal requirement to use the device at all times. Non-use of an EFD attracts penalties of up to three hundred thousand penalty units (K90, 000) each time non-use is confirmed.