

of one year.

b) The Commissioner General may by notice in writing cancel a tax clearance certificate and the cancellation shall have effect from the date of service of the notice on the holder of the certificate.

c) The holder of the tax clearance certificate shall, within thirty (30) days after the date of service and of the notice of cancellation of the certificate, return the certificate to the Commissioner General.

7. Are there any exemptions from the requirement of a Tax Clearance Certificate?

Yes.

a) Where goods or services of a value not exceeding K200.00 per transaction are supplied by a person or partnership, no tax clearance certificate shall be required.

b) Where agricultural products of a value not exceeding K10, 000.00 per transaction are supplied by a person or partnership, no tax clearance certificate shall be required. (Agricultural products include cereal, livestock, fruits, vegetables, fish, etc.)

8. Should a person just making a personal importation apply for a TCC even when they are not in business?

Yes. This is for purposes of obtaining relief on Advance Income Tax.

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TAX CLEARANCE CERTIFICATE

1. What is a Tax Clearance Certificate?

This is a certificate issued by the Commissioner General, valid for such period as may be specified. The person or partnership to whom or to which it is issued should have fulfilled all obligations imposed upon him or her, it by the act and by any other act for which the Commissioner General is responsible.

2. Who should apply for a tax clearance certificate?

- Any person or partnership trading as a supplier of goods or services. Any person applying for change of ownership of a motor vehicle.
- Any person seeking to register a motor vehicle
- Any person applying for Advance Income Tax (AIT) waiver on importation of goods.
- Any person changing ownership for shares, land & building and mining rights.

3. How does one apply for a tax clearance certificate?

This can be done either electronically or manually. It is recommended to apply for a tax clearance online but where the taxpayer has challenges, they can apply manually at the nearest Domestic Taxes Office front office. The taxpayer must take note that if they are not registered yet with ZRA, the taxpayer will need to register for a TPIN only if not in any business but if in business, will be required to register for appropriate tax types.

Note:

For tax accounts that have no liabilities on them, a TCC is issued once applied for automatically. If for some reason the tax account has liabilities, a TCC will not be issued although the taxpayer can then engage with the appropriate ZRA officer at the local ZRA office for any appropriate agreements to settle outstanding liabilities.

For TCCs issued on change of ownership, the process is slightly different as the taxpayer will require completing other prescribed forms and attaching required documents.

4. Are institutions or business houses required to demand for a valid TCC?

Yes, institutions are required to demand for a TCC before change of ownership is granted while other organisations or business houses demand for TCC where invoice values meet the required threshold to demand for a TCC as indicated in no 6. See below for certain provisions in the Income Tax Act concerning issuance of a TCC.

5. Cases where the requirement for a TCC is mandatory:

Where any person, institution or authority is empowered,

- a) By any written law or otherwise, to register the transfer of any property, that person, institution or authority shall not register the transfer unless the person or partnership transferring the property produces a valid tax clearance certificate.
- b) To issue a trading license under the Trades License Act or any other written law shall not issue the trading license to any applicant unless the applicant produces a valid tax clearance certificate.
- c) To register the ownership of motor vehicle under any written law shall not register the motor vehicle unless the applicant produces a valid tax clearance certificate.
- d) To issue a permit or mining license under the Mines and Minerals Act, they shall not issue the permit or license to any applicant unless the applicant produces a valid tax clearance certificate.

6. Validity of Tax Clearance Certificate:

- a) A Tax Clearance Certificate is valid for a period