

month. Alcohol and tobacco purchases must be recorded on the prescribed form.

4. Processing of the VAT claim

- Successfully lodged VAT claims shall be processed and a refund paid.
- Every refund payment shall be made by ZRA payable to the Individual or upon request to the High Commission, Embassy, Mission or Organization that shall receive payment by bank transfer and reimburse the eligible official or officials.
- All VAT refund claims shall be paid in Zambian Kwacha and credited to the account of the official(s).



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**VAT Refunds for
Diplomats and
Eligible Persons
accredited to
Zambia**

1. Introduction

Zambia has a Value Added Tax (VAT) Refund Scheme for diplomats and eligible persons accredited to Zambia.

This means that eligible diplomats accredited to Zambia pay VAT due at the time of purchase and only claim it back (as a refund) from Zambia Revenue Authority (ZRA) after submission of a return form obtainable from ZRA offices or through the ZRA website.

2. Requirements for VAT relief

The mechanism of the VAT refund system is as follows:

- a. Value Added Tax relief only applies to eligible goods and services (diplomats are advised to check their certificates of entitlement with their respective High Commissions, Embassies or Missions regarding the nature of persons, goods or services entitled and covered by the relief). A VAT refund shall not be approved for ineligible goods or services or to ineligible persons.
- b. Claims shall be made on a special return obtainable from ZRA offices or the website. Each High Commission, Embassy or Mission shall submit to ZRA one completed return Form consolidating claims of all eligible diplomats with the following attachments:
 - (i) Original tax invoices on which the claim is based. Where there is need to retain the original tax invoices, photocopies must be submitted together with the originals. The original tax invoices will be returned after verification of the lodged claim. (Till slips and any other non-tax invoices are not accepted).
 - (ii) A schedule or tally roll of the tax invoices on which a refund is sought.

c. An acceptable tax invoice shall display the following details:

- (i) The words "tax invoice" in a prominent place.
- (ii) The name, address and Taxpayer Identification Number (TPIN) of the supplier.
- (iii) The name of diplomat, TPIN and address.
- (iv) The serial number of the invoice and date of issue.
- (v) The quantity or volume of the goods or services supplied.
- (vi) A description of the goods or services supplied.
- (vii) The selling price, excluding VAT and any discount.
- (viii) The total amount of the VAT charged and the rate used.
- (ix) The selling price including VAT.
- (x) The total charge on the invoice inclusive of VAT, any discount and the rate of VAT.
- (xi) Proof of payment such as a "PAID" stamp impression on the tax-invoice or till slip.

NOTE: Any alcohol and tobacco purchases must be recorded on a separate form obtainable from ZRA.



The total purchase price and VAT paid must also be indicated on the prescribed form. Invoices must also be attached.

3. Limitations

The following limitations shall apply:

- All tax invoices shall be valid for a refund in any of the three months following the month in which the purchase takes place;
- Only invoices with a minimum value of K200.00 per single invoice, shall qualify for a VAT refund. This implies that any invoice value less than K200.00 does not qualify;
- No other document other than the prescribed forms shall be acceptable for the processing of a refund;
- Quantities of alcohol and tobacco purchases allowed per month shall be regulated by the monthly diplomatic allowance as stipulated in Statutory Instrument No. 234 of 1977 under the Customs and Excise Act. Any unexhausted allowance shall not be claimed in a subsequent