



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

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## **PRESUMPTIVE TAX - ON PASSENGER TRANSPORT**

### a) What is Presumptive Tax?

These are estimates of tax payable that are used in dealing with incomes or activities that are hard to tax, e.g. the informal sector.

Presumptive taxation offers the possibility of reducing tax evasion at low cost and broadening the revenue base.

### b) Requirements

1. Register for TPIN and tax type
2. No return submission
3. No need for elaborate business records and;
4. Pay taxes on time

### c) Are all operators of buses, minibuses or taxis liable to pay presumptive tax?

Presumptive tax was introduced with the exemption of limited companies.

Therefore, only individuals and partnerships are liable to paying Presumptive Tax.

### d) What are the Presumptive Tax rates?

The Presumptive Tax rates are as follows:

Type of Vehicle (sitting capacity)	Amount of tax per vehicle (per year) 2021 RATES	Amount of tax per vehicle (per year) 2022 RATES
64 seater and above	K10,800	K12,960
50 - 63	K9,000	K10,800
36 - 49	K7,200	K8,640
22 - 35	K5,400	K6,480
18 - 21	K3,600	K4,320
12 - 17	K1,800	K2,160
Below 12-seater (including taxis)	K900	K1,080

To further make the amounts more affordable, the following seven categories of quarterly payments have been provided for:

Category	Amount per quarter
Below 12 seater (including taxis)	K 270.00
12 - 17 seater	K 540.00
18 - 21 seater	K 1080.00
22 - 35 seater	K 1,620.00
36 - 49 seater	K 2,160.00
50 - 63 seater	K 2,700.00
64 seater	K 3,240.00

### e) What are the modalities for paying this tax?

The transporter should register their vehicle at ZRA or lodge an application online, indicating the frequency of payment (quarterly or per year); the registration number and the type of vehicle. A payment will be made when an assessment from ZRA is completed.

The transporter can go to any of the ZRA offices and make payment. Alternatively, e-payments can also be made.

Please note the following:

- ✓ Transporters are encouraged to comply with the law by registering for presumptive tax at the nearest ZRA office or using our e-services.
- ✓ Transporters are advised to pay the applicable presumptive tax regularly to avoid accumulating tax arrears.
- ✓ Transporters need to obtain a Tax Clearance Certificate from ZRA as a pre-requisite for obtaining a license from Road Transport and Safety Agency (RTSA)
- ✓ Failure to make consistent payment of the tax within the charge year as prescribed will result in arrears and possible penalties and interest on the amount outstanding.

### f) What are the applicable penalties for non-compliance?

For late or non-payment of presumptive tax, 5% of the amount that remains unpaid plus interest - charged at the Bank of Zambia Discount Rate plus 2% shall apply.