



2025 BUDGET HIGHLIGHTS

Overview of Tax Changes

Building Resilience for
Inclusive Growth and
Improved Livelihoods



2025 BUDGET HIGHLIGHTS - OVERVIEW OF TAX CHANGES

TABLE OF CONTENT

INTRODUCTION 3

1.0 INCOME TAX MEASURES 4

1.1 COMPENSATING MEASURES 4

1.2 HOUSEKEEPING MEASURES 5

2.0 VALUE ADDED TAX MEASURES 9

2.1 HOUSEKEEPING MEASURES 9

3.0 INSURANCE PREMIUM LEVY 11

4.0 CUSTOMS AND EXCISE MEASURES..... 12

4.1 COMPENSATING MEASURES..... 12

4.2 HOUSEKEEPING MEASURES..... 13

5.0 NON-TAX MEASURES 20

INTRODUCTION

I am pleased to present this summary of the amendments to tax legislation following the National Budget Address delivered by the Honourable Minister of Finance and National Planning, Dr. Situmbeko Musokotwane, MP, for the fiscal year 1st January, 2025 to 31st December, 2025.

This publication offers an overview of the key measures announced in the 2025 Budget Address, which are proposed to come into effect through various legislative instruments, including Bills, Statutory Instruments, and Commissioner General's Rules. For comprehensive details, we encourage our taxpayers and stakeholders to refer to the published legislation. Please note that while some of the measures highlighted will require Parliamentary approval, others will be implemented based on the Minister's pronouncement.

For more detailed information on the matters covered in this publication, as well as other useful tax-related resources, please visit the Zambia Revenue Authority (ZRA) website at www.zra.org.zm. You may also contact our Call Centre on 4111.

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a horizontal line and a small loop at the end.

Dingani Banda
COMMISSIONER GENERAL

1.0 INCOME TAX MEASURES

1.1 COMPENSATING MEASURES

1.1.1 Introduce an Advance Income Tax (AIT) at the rate of 15 percent on remittances and exports above US \$2,000 or equivalent for transactions made without a valid Tax Clearance Certificate.

Currently, it is not a mandatory requirement to obtain a Tax Clearance Certificate on exports and remittances outside Zambia. The proposed measure is intended to enhance tax compliance and contribute to curbing illicit financial flows.

This measure will also harmonise the practice on exports or outflow remittances with the current practice on imports, given that currently, importers without proof of tax compliance are subject to Advance Income Tax at the rate of 15 percent of the value for duty purposes.

The Tax Clearance Certificate is currently electronic and dynamic, which means the compliance status of a taxpayer is updated in real time and the measure will therefore not negatively affect compliant taxpayers.

1.1.2 Revise upwards to 20 percent from 15 percent the corporate income tax rate applicable to profits realised from export of non-traditional products and value addition to copper cathodes.

This measure aims to support Government's medium-term goal of harmonising the corporate income tax rate. The harmonisation is aimed at unifying the income tax regime over the medium-term.

1.1.3 Revise upwards by 20 percent the bands for presumptive tax on operators of public service vehicles for the carriage of persons as follows:

Vehicle Sitting Capacity	Current Tax Per Annum (ZMW)	Proposed Tax per Annum (ZMW)
64 seater and above	12,960	15,552
50 – 63 seater	10,800	12,960
36 – 49 seater	8,640	10,368
22 – 35 seater	6,480	7,776
18 – 21 seater	4,320	5,184
12 – 17 seater	2,160	2,592
Below 12 seater	1,080	1,296

This measure seeks to adjust presumptive taxes on operators of public service vehicles for the carriage of persons in order to adjust the values for inflation.

1.2 HOUSEKEEPING MEASURES

1.2.1 Permit the deduction of the Skills Development Levy as a tax-deductible expense in advance of its payment.

This measure will allow for the deduction of Skills Development Levy in ascertaining taxable profits even where the Levy payable has not yet been paid to align with the accrual principle that generally applies to taxable income.

1.2.2 Broaden the list of transactions where a Taxpayer Identification Number is required.

The following institutions and the attendant types of transactions are proposed for inclusion to the list:

	Institution	Type of Transaction
1	Water utility companies	Account opening and holding
2	Mobile money operators	Account opening and holding
3	Mobile network operators and internet service providers	Account opening and holding
4	Airline operators and agents	Ticketing where buyer is of majority age and a Zambian resident
5	National Health Insurance Management Authority	Account opening and holding
6	National Pension Scheme Authority	Account opening and holding
7	Professional bodies	Membership registration, subscription and renewal
8	Local Authorities	Registration of title deed

Currently, the Income Tax Act provides for identified institutions to require a TPIN from any person applying for or engaged in prescribed services/transactions. The measure intends to enhance compliance by broadening the list of institutions that require a TPIN.

1.2.3 Remove the reference to the Fourth Schedule from the Income Tax Act.

The Pensions and Insurance Authority is currently responsible for approving pension funds. As a result, the Fourth Schedule of the Income Tax Act, which previously granted the Commissioner-General authority to approve funds, was repealed. However, certain provisions referencing the Fourth Schedule were not updated when it was repealed.

This measure therefore aims to amend the Income Tax Act to ensure alignment with existing provisions.

1.2.4 Make a General Tax Clearance Certificate (TCC) a mandatory requirement for the following transactions:

- (i) when transferring property;**
- (ii) when obtaining any licence issued by a Government ministry, department or agency; and**
- (iii) when obtaining finance from any institution registered under the Banking and Financial Services Act.**

The measure is intended to:

- a) In the case of property transfers, ensure that a compliance check is conducted before any property transfer is approved. The general TCC will be expected from both the buyer and the seller. A person can currently obtain a specific Property Transfer Tax clearance certificate without having a general TCC.
- b) With regard to obtaining a license, extend the requirement for a general TCC to all Government services that issue licenses in order to enhance compliance.
- c) With regard to obtaining finance, require borrowers to have a general TCC to fulfil the minimum compliance requirements before they can obtain finance from institutions regulated by the Banking and Financial Services Act. This will foster compliance by having a TCC as part of the mandatory checks before a recommendation or clearance is given to the bank.

1.2.5 Introduce a provision that enables taxpayers to obtain withholding tax exemption certificates on royalties.

There is currently no provision allowing taxpayers to obtain withholding tax exemption certificates on royalties. This measure will enable taxpayers to access withholding tax exemption certificates for royalties.

1.2.6 Provide a due date for appointed withholding agents under the Income Tax Act.

The measure requires that appointed agents remit withheld taxes to the Authority no later than 2 days before the due date prescribed for the respective items of income or category of tax.

This measure aims to establish a specific due date by which appointed agents must remit the withheld taxes to ZRA.

1.2.7 Introduce a penalty for a withholding agent for not remitting the withheld taxes before the due date.

Currently, no penalty is imposed on withholding tax agents for failing to remit withheld taxes by the due date. This measure seeks to address late payments by ensuring timely revenue collection, promoting fairness, enforcing compliance with tax laws, and covering administrative costs among taxpayers.

1.2.8 Provide clarity that the 5-year period of incentives for a Special Purpose Vehicle (SPV) carrying out a Public Private Partnership (PPP) Project should begin when profits are first declared followed by the four consecutive years after.

The Income Tax Act currently provides a five-year relief for Special Purpose Vehicles (SPVs) engaged in Public Private Partnership Projects. However, the provision does not clarify whether the relief can be extended when the SPV declares losses after its first profit declaration. This measure aims to clarify that the five-year period of reduced rates includes the year in which the SPV first declares a profit, followed by the next four consecutive years.

1.2.9 Provide for a waiver of penalties charged on the under-estimation of provisional tax.

The Income Tax Act allows for the waiver of penalties for various offenses, but not for under-estimation penalties. However, in some exceptional cases, underestimation may not be for tax benefit purposes. This measure seeks to grant the Commissioner General the authority to waive the under-estimation penalty if satisfied with the reasons.

1.2.10 Introduce the following definitions in the Property Transfer Tax Act to clarify the definition of intellectual property:

“**Copyright** has the meaning assigned to the word in the Copyright and Performance Rights Act, Cap 406”;

“**Industrial Design** has the meaning assigned to the words in the Registered Designs Act, Cap 402”;

“**Patent** has the meaning assigned to the word in the Patents Act, Cap 400”; and

“**Trade Mark** has the meaning assigned to the words in the Trade Marks Act.”

This measure seeks to define the various elements that constitute intellectual property by referencing the appropriate Zambian legislation.

1.2.11 Expand the property transfer tax coverage to include regulated lenders outside the Banking and Financial Services Act to base foreclosure property valuations on actual sale price rather than the open market price.

The current legislation restricts the determination of realised value based on received sale proceeds to financial service providers covered by the Banking and Financial Services Act. This measure is meant to harmonise treatment of regulated persons that provide funding or other means of financing, which is secured by land and buildings.

2.0 VALUE ADDED TAX MEASURES

2.1 HOUSEKEEPING MEASURES

- 2.1.1 Restrict input tax deduction to transactions where the corresponding invoice is issued from an electronic invoicing system (Smart Invoice) provided that input tax deductions supported by approved invoices issued by taxpayers exempted from the use of Smart Invoice shall be accepted.**

This measure will only allow input tax deductions or credits to transactions issued from the Smart Invoice system, with certain exceptions. Therefore, any invoice issued outside the smart invoice system except those prescribed by the Act will not qualify for input tax claims.

- 2.1.2 Empower the Commissioner General, on prescribed conditions, to exempt a supplier or category of suppliers from using the Smart Invoice System.**

Currently, the Commissioner General has no powers to exempt taxable suppliers from the use of Smart Invoice. However, some sectors or systems may not be suitable for integration.

This measure aims to empower the Commissioner-General to exempt a taxable supplier from using the Smart Invoice.

- 2.1.3 Replace the words “Assistant Commissioner” with “Assistant Director” under Section 38A of the VAT Act.**

Following the implementation of tax administration reforms, positions that were previously designated as Assistant Commissioner in the Value Added Tax Act were changed to Assistant Director. This measure seeks to align the job titles in the Act with the titles in the current operating model.

- 2.1.4 Empower the Commissioner General to remit penalties where the current legislation has not provided such authority.**

Currently, the Commissioner-General waives penalties for VAT related offences during ordinary administration and during Tax Amnesty. This measure is meant to specifically grant the Commissioner-General authority to waive such penalties.

- 2.1.5 Delete the definition of life policy under Order two (2) of the Exemption Order.**

The definition of *life policy* is currently found only in Order 2 of the Exemption order, and lacks corresponding references in the itemized exemption categories as insurance products are now taxed under the Insurance Premium Levy Act.

2.1.6 Delete the word “thousand” under Regulation 3(1)(b) of the VAT General Regulations relating to goods not constituting supply.

This measure seeks to delete the word “thousand” in order to reflect the amount for the value of the goods that do not constitute a supply, as this part was not amended following the rebasing of the Kwacha.

2.1.7 Replace the word “million” with the word “thousand” under Regulation 15 of the Value Added Tax General Regulations relating to bi-annual submission of a return.

This measure aims to delete the word “million” and replace it with “thousand” in order to reflect the correct rebased position, as this part was not amended following the rebasing of the Kwacha.

2.1.8 Delete Regulation 19 (2) of the Value Added Tax General Regulations relating to the penalty applicable for not using cash registers by registered taxpayers.

The use of cash registers for VAT sales recording has become obsolete given the recent shift towards fiscalisation and the mandatory implementation of Smart Invoice.

This measure aims to remove the provision that allows for the use of cash registers and will align the legislation with the current requirement for electronic or Commissioner-General-approved recording methods.

2.1.9 Clarify when the seventy-two (72) hours starts to count for registered taxpayers relating to the upload of transactions which were manually uploaded under Regulation 5(3) of the VAT (Electronic Invoicing System) Regulations.

This measure seeks to clarify that that all transactions that are recorded manually should be uploaded to the Smart Invoice within 72 hours after the system is restored, as the down-time may exceed 72 hours.

2.1.10 Provide a uniform validity period relating to the recorded manual invoices to provisions under Regulations 6 and 5 of the VAT (Electronic Invoicing System) Regulations.

This measure seeks to tie the validity period of recorded manual invoices to provisions under Regulation 5, which provides for the use of manual invoicing where the use of the electronic invoicing system is disrupted.

2.1.11 Provide under Regulation 10, a clause for any other reason relating to notification to the Commissioner-General by a taxpayer that ceases to use the approved invoicing system shall be done when a taxpayer discontinues the use for any reason.

Currently, a taxable supplier must submit a written request to the Commissioner General within 30 days of ceasing business to deactivate the approved invoicing system. This measure aims to provide for any other legitimate reason, besides cessation of business, that might lead a taxpayer to discontinue the use of an approved invoicing system.

2.1.12 Clarify under Regulation 11 of the VAT (Electronic Invoicing System) Regulations that an approved invoicing system registered on Smart Invoice for use by a specific taxable supplier should not be transferred to a third party.

The current provision prohibits the transfer of an approved invoicing system to a third party, while the amendment expands the scope to encompass preventative measures against unauthorised access. The measure therefore seeks to strengthen taxpayer obligations by clarifying the responsibility to safeguard systems from unauthorized third-party access and use.

3.0 INSURANCE PREMIUM LEVY

3.1 Replace the words “electronic fiscal device” with the words “Electronic Invoicing System” in the Insurance Premium Levy Act wherever the words appear.

This measure aims to replace references to electronic fiscal device with electronic invoicing system, following the transition to the comprehensive electronic invoicing system (Smart Invoice).

4.0 CUSTOMS AND EXCISE MEASURES

4.1 COMPENSATING MEASURES

4.1.1 Introduce 5 percent Selected Goods Surtax on imported printed paper products and packaging materials of HS Code 4819.20.00.

This measure seeks to support local manufacturers of paper products and packaging materials such as folding carton, boxes and cases of non-corrugated paper or paper boards.

4.1.2 Introduce 20 percent Selected Goods Surtax on imported garden hose pipes of the following dimensions:

Hs code	Description	Current SGS Rate (%)	Proposed SGS Rate (%)
3917.21.20	--- Garden hose of an internal diameter not exceeding 30.00mm	0	20
3917.21.90	--- Other	0	20
3917.22.20	--- Rigid, of an internal diameter not exceeding 203.00mm	0	20
3917.22.90	--- Other	0	20
3917.23.20	--- Rigid, of an internal diameter not exceeding 30.00mm	5	20
3917.23.90	--- Other	0	20

This measure seeks to support local manufacturers of garden hose pipes and encourage further investments in the sub-sector.

4.1.3 Increase Excise Duty on non-alcoholic beverages to K1 per litre from the current 60 Ngwee.

Currently, non-alcoholic beverages attract Excise Duty at K0.60/litre. The measure is intended to increase to K1/litre for non-alcoholic beverages to adjust for inflation.

4.1.4 Introduce automatic annual adjustment indexation of the respective specific Excise Duty on tobacco and tobacco products, fuel and used motor vehicles based on the average inflation rate for the preceding year, which shall be capped at 20 percent.

This measure is intended to preserve the value of the respective specific excise duty on tobacco and tobacco products, fuel and used motor vehicles.

4.1.5 Introduce Excise Duty at the rate of 10 percent on the betting amount.

The measure is intended to expand the tax base and raise revenue to finance the provision of public services. The introduction of Excise Duty will also act as a deterrent for possible addiction to betting.

4.2 HOUSEKEEPING MEASURES

4.2.1 Increase the penalty fee from 1,667 fee units (ZMW664.40) to 10,000 fee units (ZMW4,000) for anyone who fails to lodge a declaration for goods prior to the importation.

The utilisation rate of the pre-clearance facility remains low despite it being a mandatory legal requirement. This measure is intended to increase the uptake of the pre-clearance facility which will enhance the processing efficiency and also reduce traffic congestion at borders.

4.2.2 Provide for the pre-clearance of goods at any time prior to the arrival of goods in Zambia (Section 32 B 1 (d) of the Principal Act).

Currently the provisions of the principal Act provide that pre-clearance may be made at least five days prior to the arrival of goods in Zambia. The amendment is intended to permit preclearance to be made any time prior to the arrival of goods in Zambia.

4.2.3 Provide for the Commissioner General to make rules relating to the conditions applicable to a person authorised to transact business on behalf of another pursuant to Section 184 of the Principal Act.

The measure is intended to provide for the Commissioner to make rules under Section 184 of the principal Act to ensure the smooth management of persons authorised to transact business on behalf of another.

4.2.4 Amend Section 162 of the principal Act to provide for an appeal to be made on seized goods, additional methods of serving a seizure notice and the period for which a determination on the seizure can be made by the Commissioner General.

Currently, there is no provision for an appeal to be made on seized goods and the time frame within which the Commissioner General may make a determination on an appeal. In addition, a seizure notice may only be served by physical delivery, post, or publication in the Government Gazette.

This measure is intended to introduce a provision for an appeal on seized goods, the period within which a determination on the seizure can be made by the Commissioner General and introduce other contemporary methods of serving a seizure notice such as email.

4.2.5 Provide circumstances under which a motor vehicle temporarily imported and declared on an Integrated Border Declaration Form (IBDF) or a Customs Import Permit (CIP) Form may be finally cleared for home consumption.

There is currently no legal provision to convert an Integrated Border Declaration Form (IBDF) or Customs Import Permit (CIP) to final clearance. The current legal framework only allows clearance of vehicles imported under IBDF and CIP to be surrendered or paid for if such vehicles are involved in an accident.

This measure, therefore, will provide a legal basis for which a motor vehicle temporarily imported and declared on an IBDF or a CIP Form may be final cleared for home consumption.

4.2.6 Empower the Commissioner General to suspend user accounts for Customs clearing agents and their principals, with outstanding obligations under Section 171A of the Principal Act.

This measure seeks to enhance compliance amongst Customs clearing agents and their principals by empowering the Commissioner General to suspend user accounts (TPIN) in instances where they have outstanding obligations under Section 171A.

4.2.7 Align the number of days for payment after an assessment from five (5) to three (3) days in Section 108 (10) with Section 32B subsection (2) of the Principal Act.

The measure aims to align the Customs and Excise Act with the recent amendment that reduced the time allowed from assessment to payment from 5 days to 3 days under Section 32(B)(2) through Act number 25 of 2023. The measure is also intended to facilitate trade and expedite the flow of traffic at borders.

4.2.8 Align the number of days for payment of duty to within three (3) days after the issuance of a notice assessment in Section 139(D)(6) with Section 32B (2) of the Principal Act.

The measure aims to align the Customs and Excise Act with the recent amendment that reduced the time allowed from assessment to payment from 5 days to 3 days under Section

32(B)(2) through Act number 25 of 2023. The measure is also intended to facilitate trade and expedite the flow of traffic at borders.

4.2.9 Align the number of days for payment of duty to within three (3) days after the issuance of a notice assessment in Regulation 14(2) of the principal Regulations with Section 32B (2) of the Principal Act.

The measure aims to align the Customs and Excise Act with the recent amendment that reduced the time allowed from assessment to payment from 5 days to 3 days under Section 32(B)(2) through Act number 25 of 2023. The measure is also intended to facilitate trade and expedite the flow of traffic at borders.

4.2.10 Align the number of days for payment of duty to within three (3) days after the issuance of a notice assessment in Regulation 19 of the principal Regulations with Section 32B (2) of the Principal Act.

The measure aims to align the Customs and Excise Act with the recent amendment that reduced the time allowed from assessment to payment from 5 days to 3 days under Section 32(B)(2) through Act number 25 of 2023. The measure is also intended to facilitate trade and expedite the flow of traffic at borders.

4.2.11 Align the number of days for payment of duty to within three (3) days after the issuance of a notice assessment in Regulation 52 of the principal Regulations with Section 32B (2) of the Principal Act.

The measure aims to align the Customs and Excise Act with the recent amendment that reduced the time allowed from assessment to payment from 5 days to 3 days under Section 32(B)(2) through Act number 25 of 2023. The measure is also intended to facilitate trade and expedite the flow of traffic at borders.

4.2.12 Increase fee units for duplications and cancellations of Bills of Entry from 5000 (ZMW2000) to 10,000 (ZMW4,000) in the First Schedule to the Principal Regulations.

This measure seeks to discourage duplication and cancellation of bills of entry on the ASYCUDAWorld system and reduce fraud cases.

4.2.13 Reduce the number of days from fifteen to ten within which warehoused goods can be entered for consumption, re-warehousing or export after the expiry of the one year under Section 62 of the Principal Act.

The current allowance for warehoused goods to be entered for consumption, re-warehousing, or export after one year is 15 days. The proposed measure seeks to reduce this period to 10 days in order to limit risk to revenue and ensure that goods are promptly accounted for.

4.2.14 Align the definition of the Tribunal under Section 2 of the Principal Act to that appearing in the Tax Appeals Tribunal Act 2015.

Currently, the Customs and Excise Act defines ‘Tribunal’ as the “Revenue Appeals Tribunal established under the Revenue Appeals Tribunal Act”. However, the aforesaid Act was repealed and replaced with the Tax Appeals Tribunal Act 2015. The measure therefore intends to align the definition to the relevant Act.

4.2.15 Align the name of Revenue Appeals Tribunal to Tax Appeals Tribunal in Section 86 of the Principal Act.

The measure is intended to align the name of the tribunal as amended in the Tax Appeals Tribunal Act of 2015.

4.2.16 Recast the term ‘Revenue Appeals Tribunal’ to ‘Tax Appeals Tribunal’ under Section 99 of the Customs and Excise Act.

The measure seeks to align the Tax Appeals Tribunal to what it was renamed effective 2015. This will also ensure consistency with the short titles of the Tax Appeals Tribunal Act and the Tax Appeals Tribunal Rules. This will also ensure consistency in the Customs and Excise Act.

4.2.17 Align the period within which a person can appeal to the Tax Appeals Tribunal on valuation assessments under Section 86 (4) of the principal Act to that provided for in clause 5 of the Tax Appeals Tribunal Rules.

This measure aims to amend the Customs and Excise Act to align with the Tax Appeals Tribunal Rules, which allow 30 days to appeal matters determined by the Commissioner General.

4.2.18 Extend the working hours at Victoria Falls to twenty-four hours (24hrs).

The measure is intended to extend the working hours at Victoria Falls to facilitate trade and tourism.

4.2.19 Designate Zombe as Customs House and Mpika a port of entry for goods imported by pipeline. Further, designate Mpika as warehousing port.

Currently, Zombe is designated as a port of entry for non-commercial goods while Mpika is neither a port of entry nor a Customs House.

The measure is intended to provide a legal basis for Zombe to be a Customs House to facilitate the clearance of commercial goods. The measure also provides for Mpika to be a port of entry as well as a warehousing port through which fuel imported via pipeline will be warehoused and subsequently cleared by Customs.

4.2.20 Introduce Simplified Trade Regime with a value threshold of exported goods aligned to that of imported goods (US \$2,000) for which an entry can be dispensed with as the Commissioner General may prescribe.

Currently, there is no Simplified Trade Regime for exports and a value threshold for exported goods for which an entry can be dispensed with, while there is a Simplified Trade Regime for imported goods with a threshold of USD2,000 equivalent or less for which an entry can be dispensed with.

The measure will provide legal basis for the automation of the exports under Simplified Trade Regime and subsequently enable statistics for cross border traders with a threshold of USD2,000 equivalent or less to be collected. In addition, the measure will support the Exports Proceeds Tracking Mechanism.

4.2.21 Provide for the payment of thirty (30) fee units (ZMW12) for entry of goods for export under a simplified trade regime.

The current thirty fee units (ZMW12) for each entry are paid on the entry of imported goods for consumption under the Simplified Trade Regime. The measure is intended to ensure that payment is also made for the entry of goods for export under a simplified trade regime. This will also support the Exports Proceeds Tracking mechanism.

4.2.22 Provide a period of fifteen days for which goods entered for in-bond carriage by rail to a customs area or another customs office inland, shall be entered for consumption or warehousing.

The measure aims to extend the timeframe for moving goods in bond by rail to a customs area or another customs office to an inland station for clearance or warehousing. The

measure considers longer transit times that rail cargo typically requires on account of various challenges that are currently associated with railway transportation in Zambia.

4.2.23 Provide for a general penalty for offenses committed by licensed manufacturer of excisable goods under Section 155 of the Customs and Excise Act.

Section 155 (2) provides for a general penalty but refers to the customs value which is determined in accordance with the Fifth Schedule while the value for excise purposes is determined in accordance with the Sixth Schedule. This measure will also align the penalty for excisable services as provided in subsection (3) with that of excisable goods.

4.2.24 Subdivide the following subheadings in accordance with the recommendations from the Customs Co-operation Council:

- (a) 2903.89.00 (Other halogenated derivatives of cycanic, cyclenic or cycloterpentic Hydrocarbons).
- (b) 2909.30.10 (Other Aromatic ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives not in bulk) and 2903.30.20 (Other Aromatic ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives not in bulk);
- (c) 2915.90.00 (Other Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives)
- (d) 2930.90.10 (Other organo-sulphur compounds – In bulk) and 23930.90.20 (Other organo-sulphur compounds – Not in bulk) in accordance with the recommendations made by the Customs Co-operation Council.

The measure seeks to implement recommendations of the Customs Co-operation Council, to which Zambia is a member. The Council urged member administrations to take appropriate action by inserting additional national subdivisions in their statistical nomenclatures to facilitate the collection and comparison of data on the international movement of the above listed substances that are controlled under the Rotterdam convention.

4.2.25 Separate Harmonized System (HS) Codes for Soya Bean Cake and Soya Husks.

Currently, Soya Bean Cake and Soya Husks both incur a 5% customs duty and a 5% surtax and are classified under the same HS Code 2304.00.00, despite being distinct products.

As the two products have different values and uses, the measure seeks to ensure that any policy changes affecting one in relation to international trade does not also impact the other due to their shared HS Code classification.

4.2.26 Include electrical energy (of not more than 100KW) as one of the goods that can be produced for personal and domestic use without a licence and without payment of duty.

This measure aims to provide a legal basis for exempting domestic manufacturers of electrical energy, which will promote the uptake of off-grid power solutions by households. Currently there is no provision exempting anyone producing electrical energy in any quantity and for any purpose.

5.0 NON-TAX MEASURES

5.1 Amend the Mobile Money Transaction Levy Act, 2023, to appoint ZRA to administer the Act.

The Mobile Money Transaction Levy Act, 2023 introduced a Levy on person-to-person transfers of electronic money as prescribed. The Act prescribes that the Bank of Zambia shall administer the Act. This measure seeks to leverage the existing systems and various mechanisms that the Authority already has in place to effectively collect Government revenue.

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