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Budget 2016

PwC Insight and Analysis

9 June 2016

The PwC logo is located at the bottom left of the slide. It consists of the lowercase letters 'pwc' in a bold, black, sans-serif font. A small red horizontal line is positioned above the 'p'.

The headline on Budget Day:



Presenters & Agenda



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Economic overview

Revenue - 2015/16; 2016/17



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Business Environment / Paying Taxes

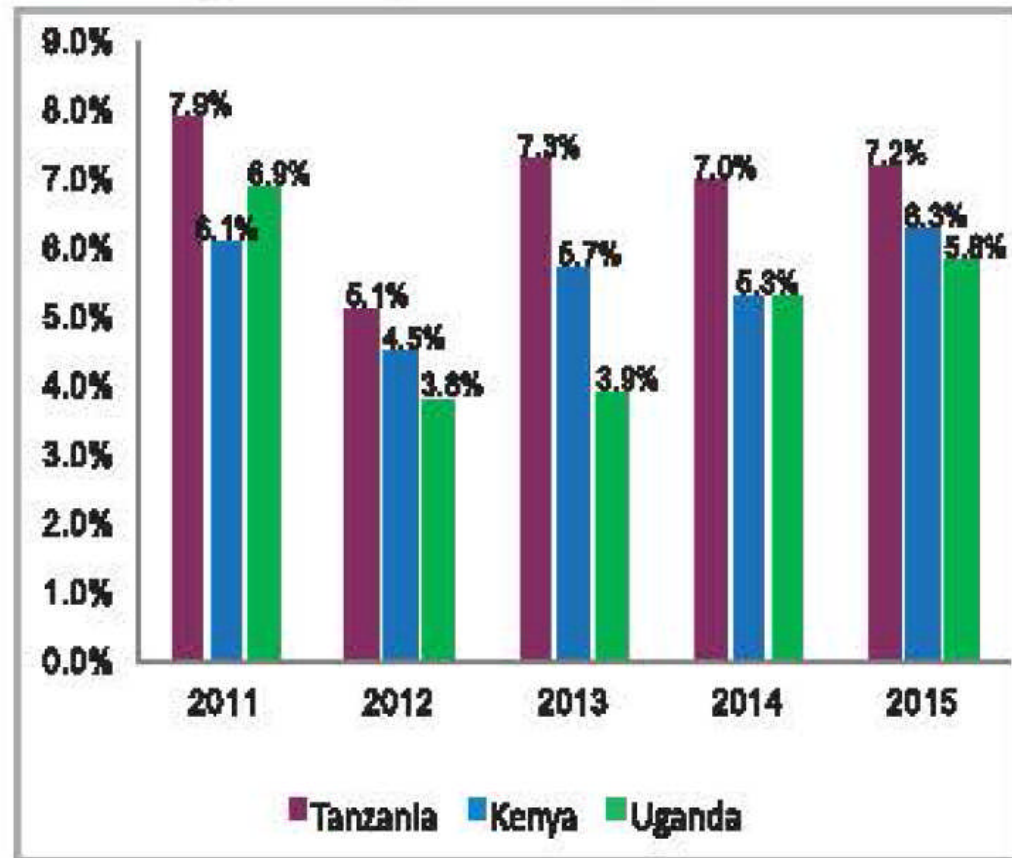
Tax Changes

Economic Review

Highlights of key recent economic developments

- GDP growth - around 6% to 7% for more than a decade
- Inflation - single digit, and declining since January 2016
- Shilling - stable since mid 2015
- Revenue collection - significant recent improvement
- Decline in fiscal deficit but Government arrears have increased
- Decline in aid inflows, offset by increased FDI and borrowing
- Oil price – current account benefit, but threat to LNG project hopes

Tanzania – the fastest growing economy in EAC

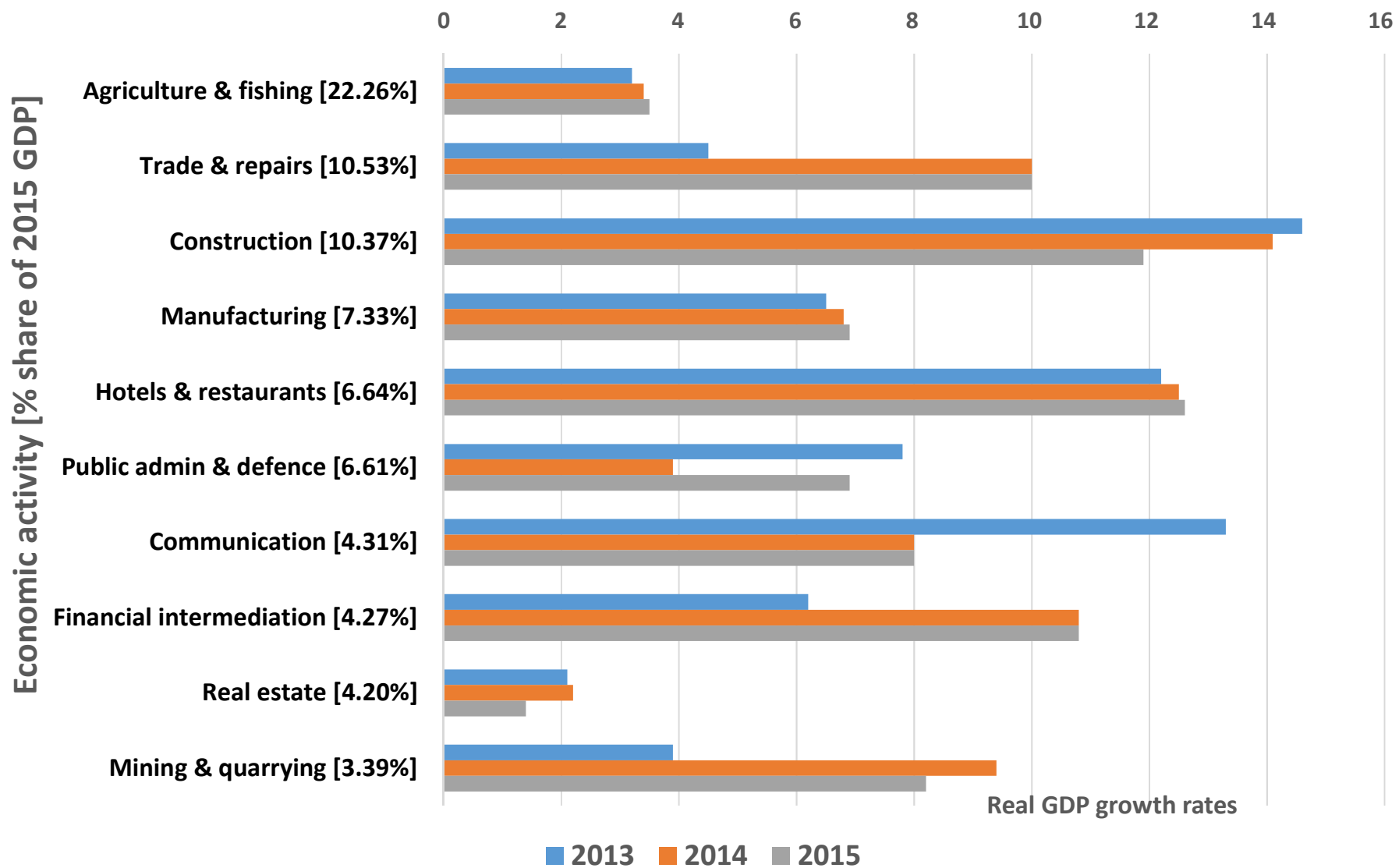


Source: World Bank – Tanzania Economic Update – 8th edition

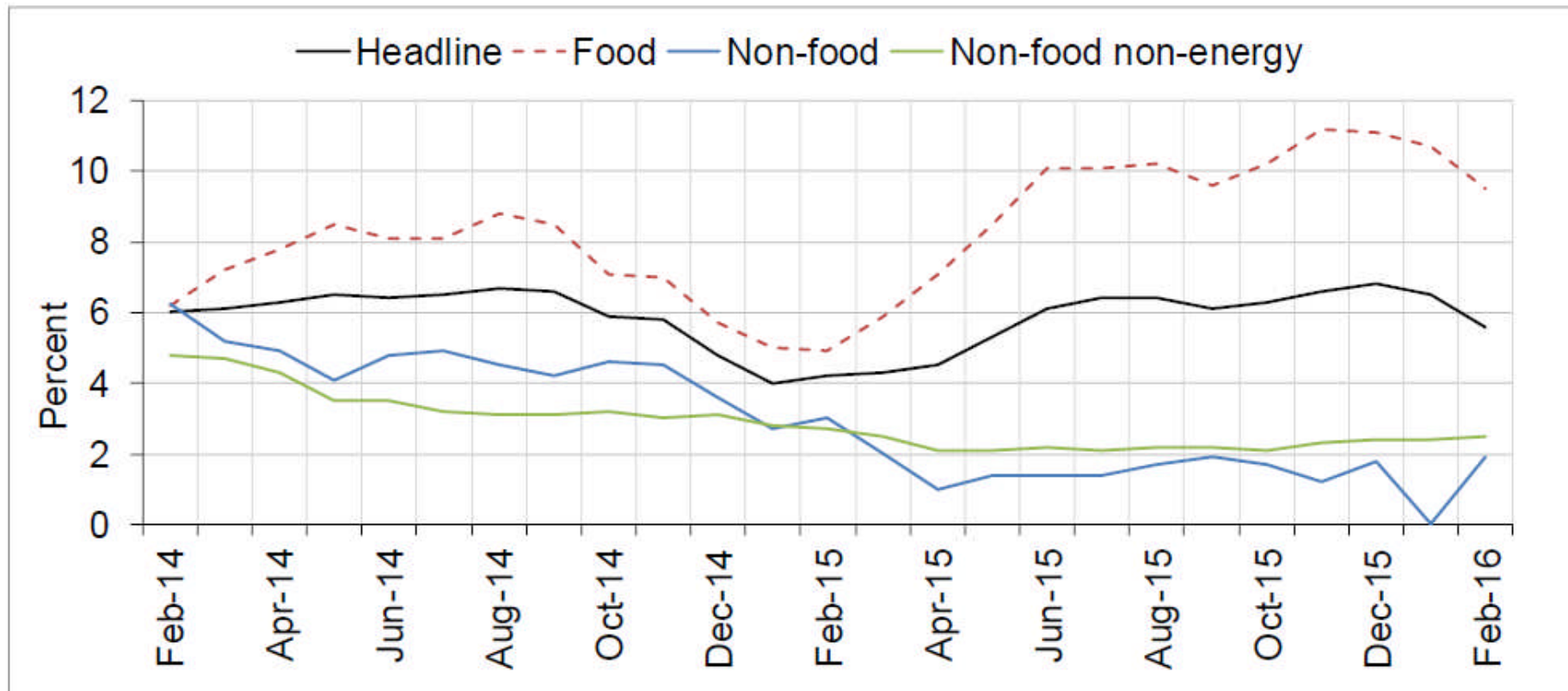
| IMF projections | | |
|--------------------|------|------|
| Projected % Change | | |
| | 2016 | 2017 |
| Real GDP | 6.9 | 6.8 |
| Consumer Prices | 6.1 | 5.1 |

[Source: World Economic Outlook \(April 2016\)](#)

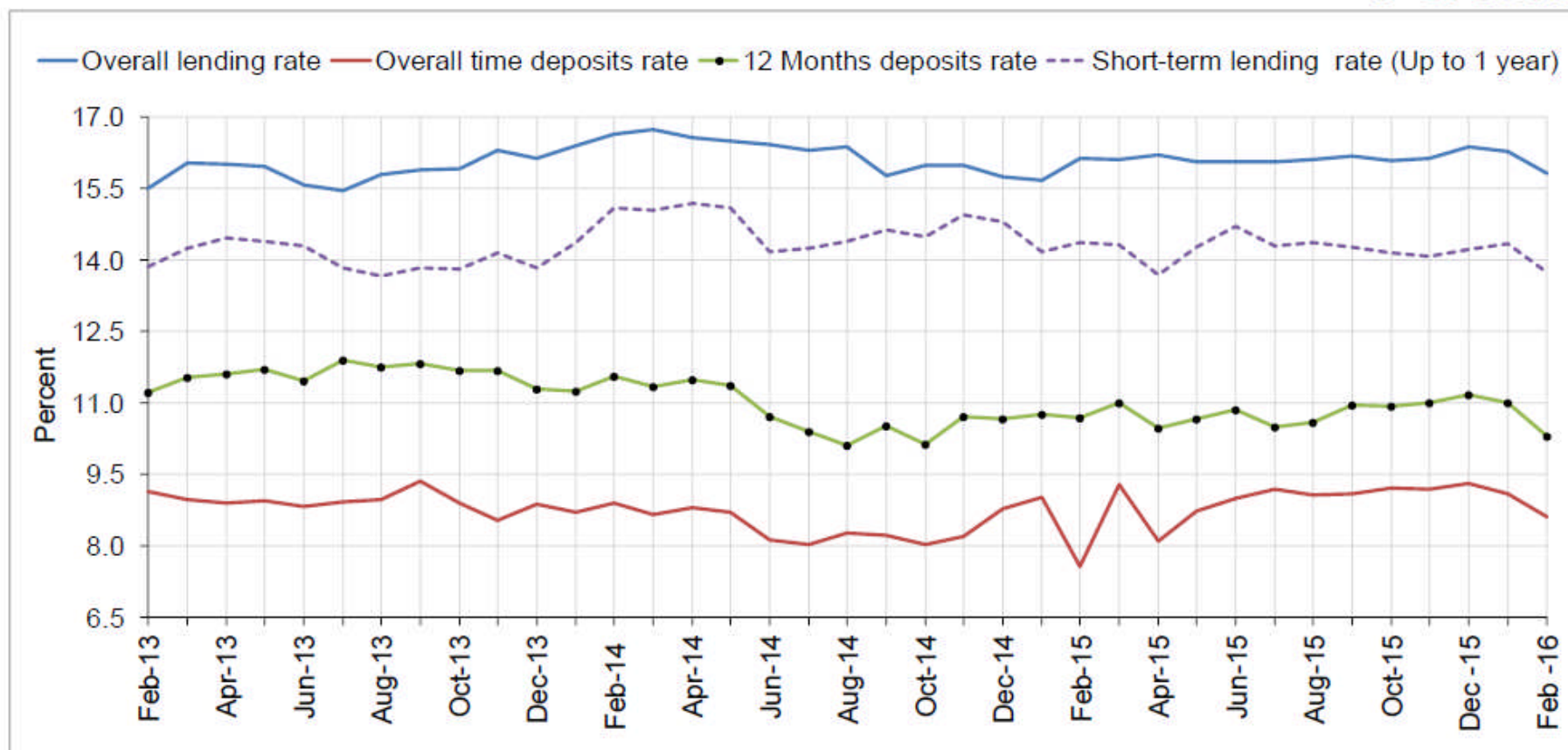
Economic activity: % of 2015 GDP/ Real GDP growth rate 2013 - 2015



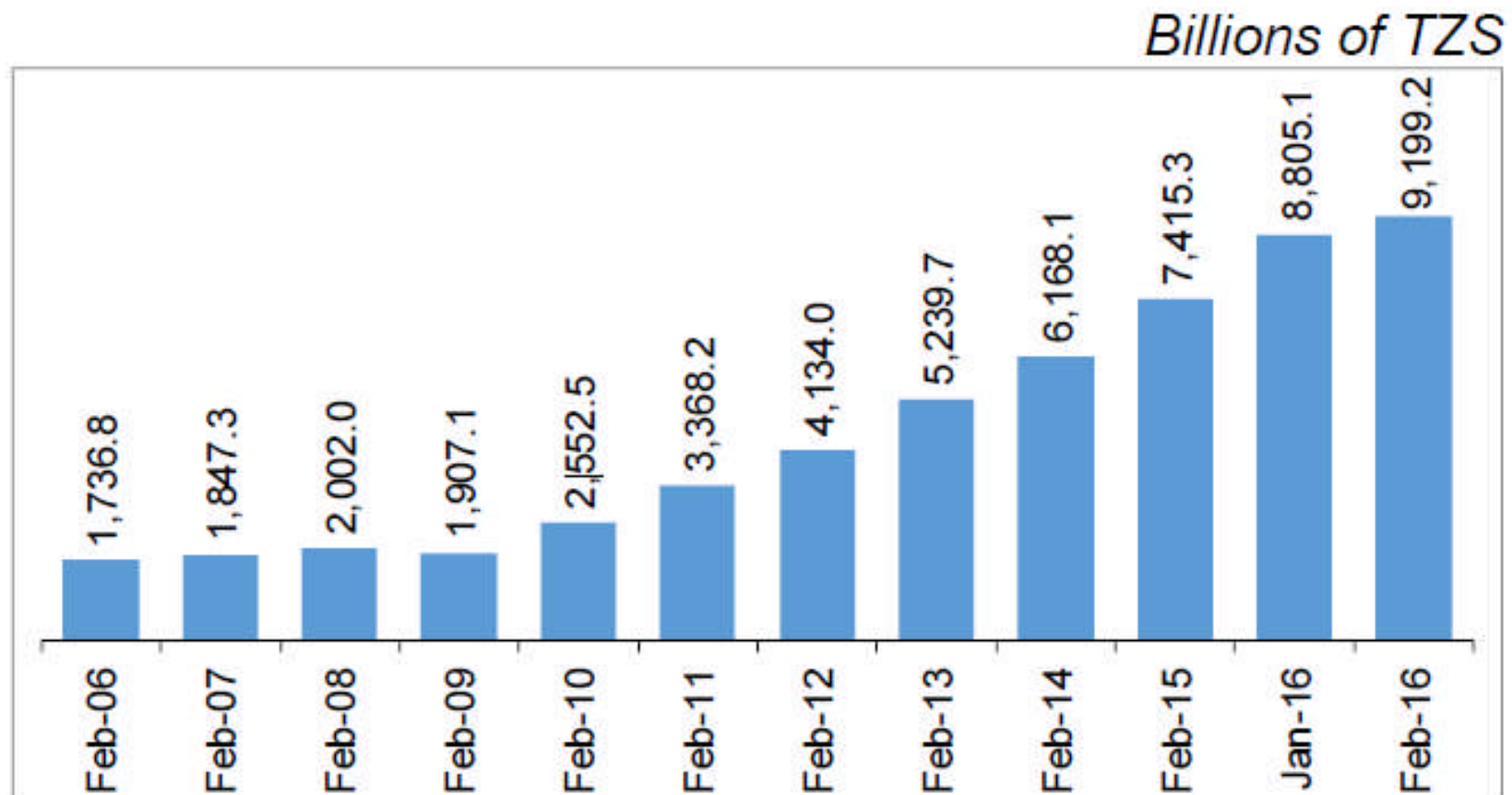
Headline annual inflation as at Feb – 5.6% (down from 6.5% in preceding year)



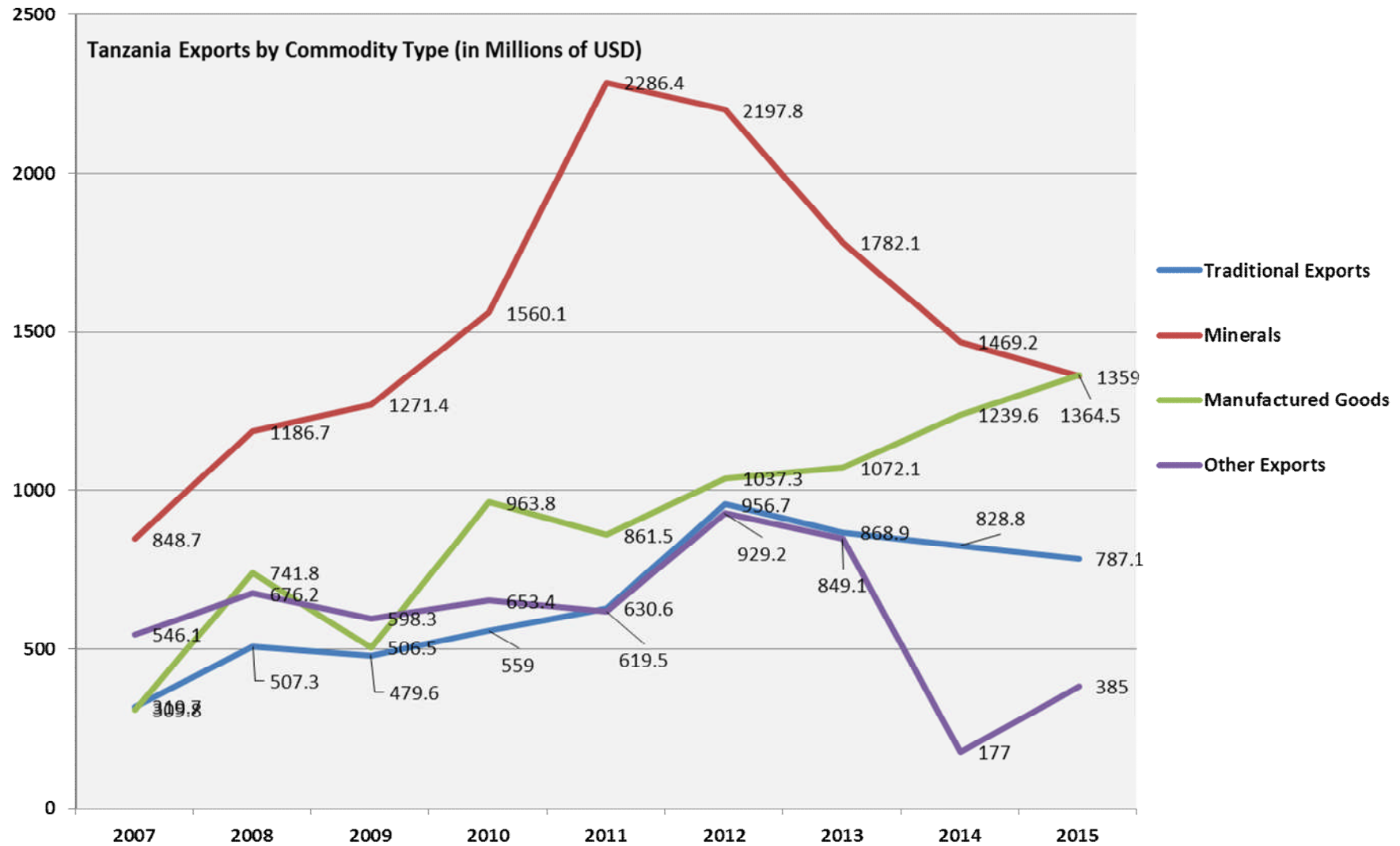
Selected Banks Interest rates



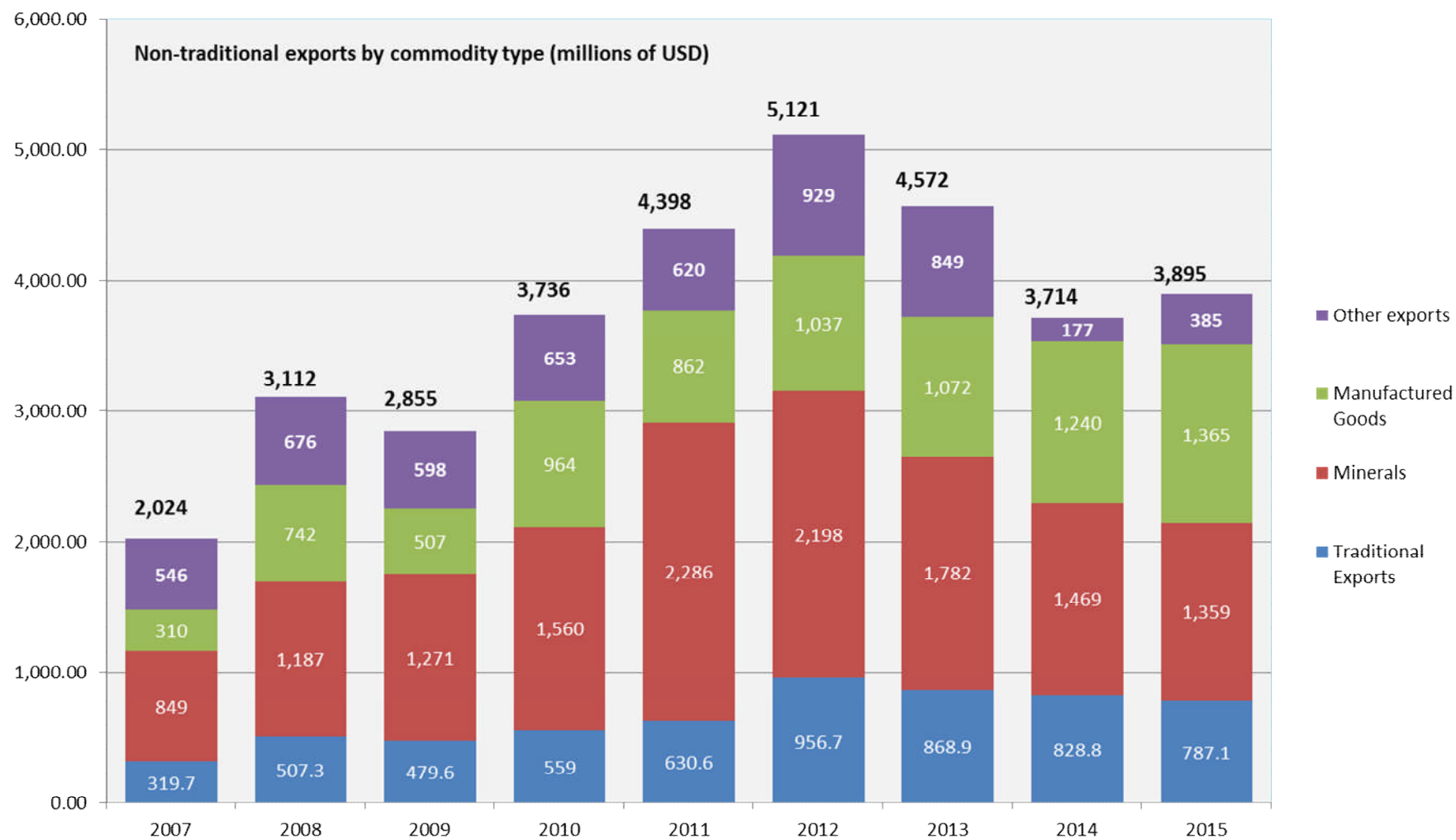
Government Domestic Debt Stock – 10 year trend



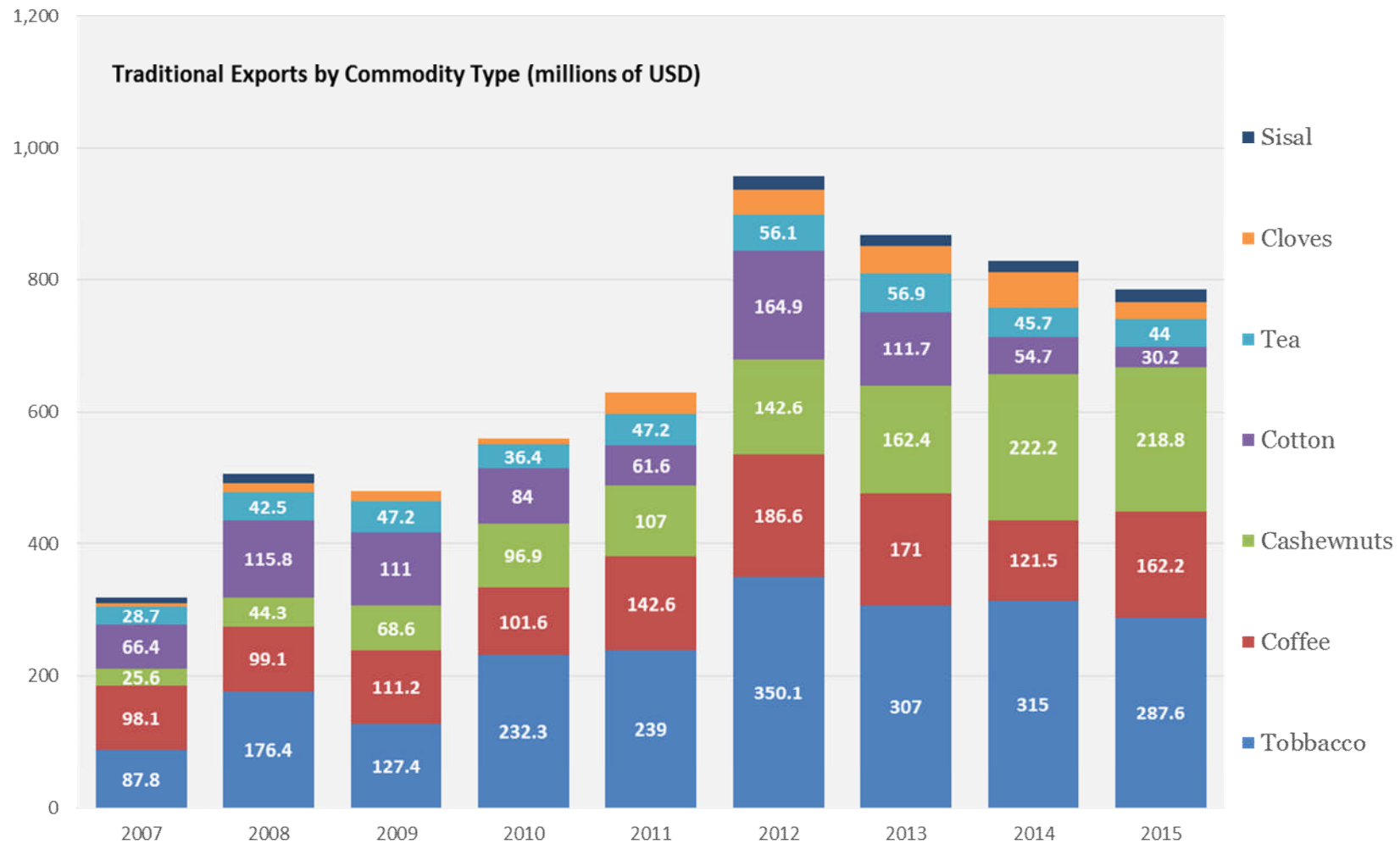
Exported Goods - by Commodity Type



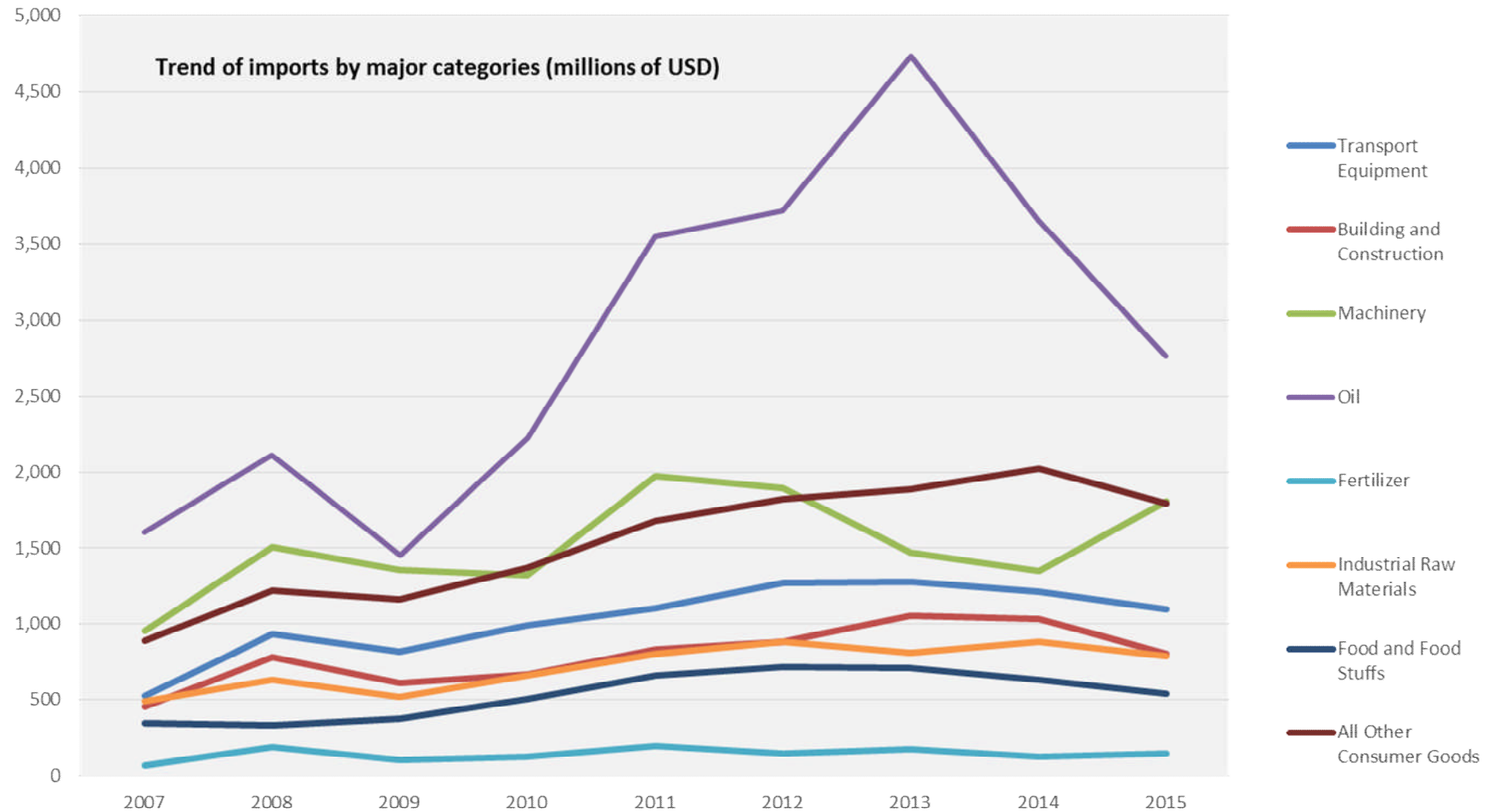
Export Goods - by Commodity Type (continued)



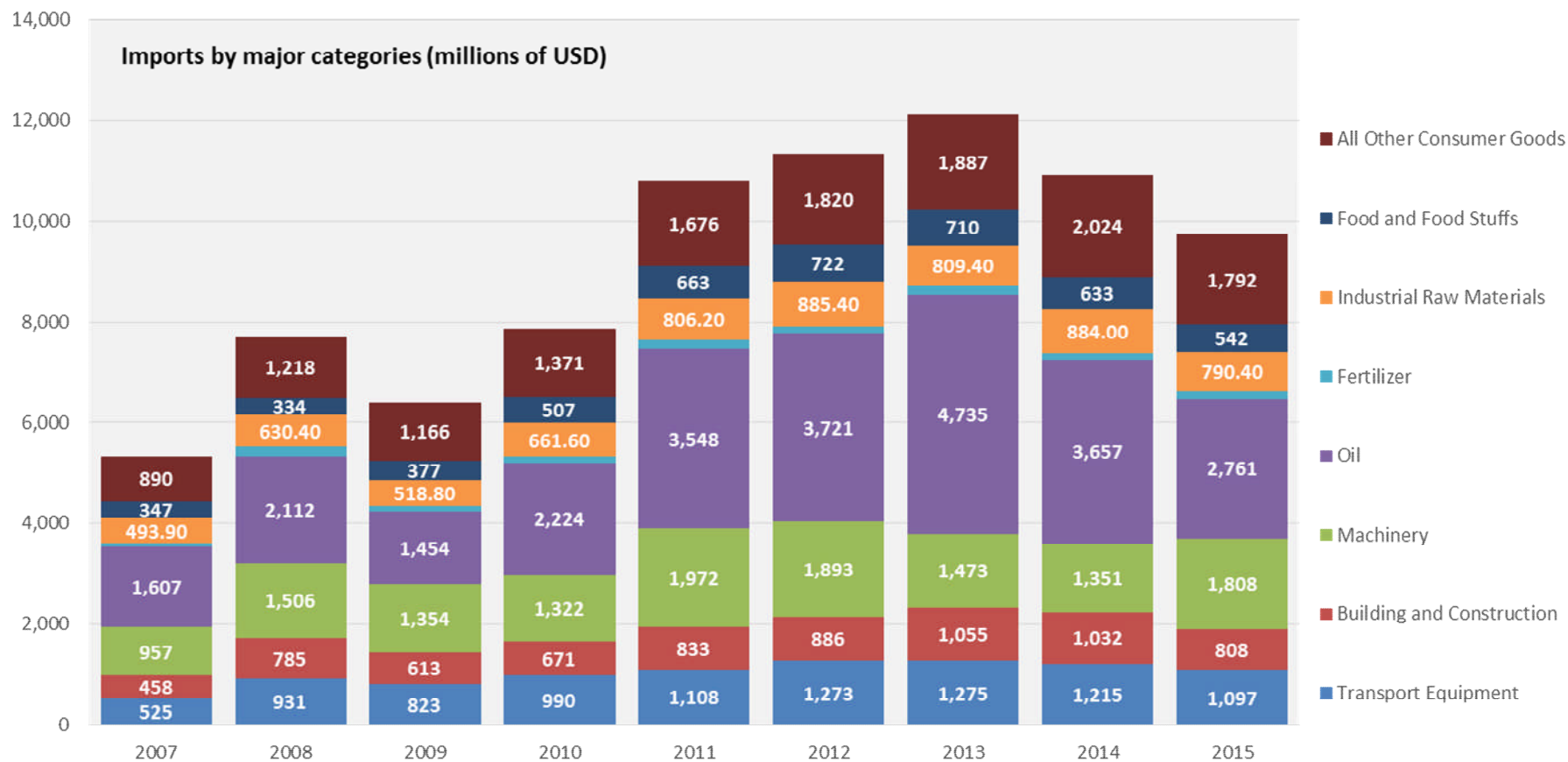
Traditional Exports



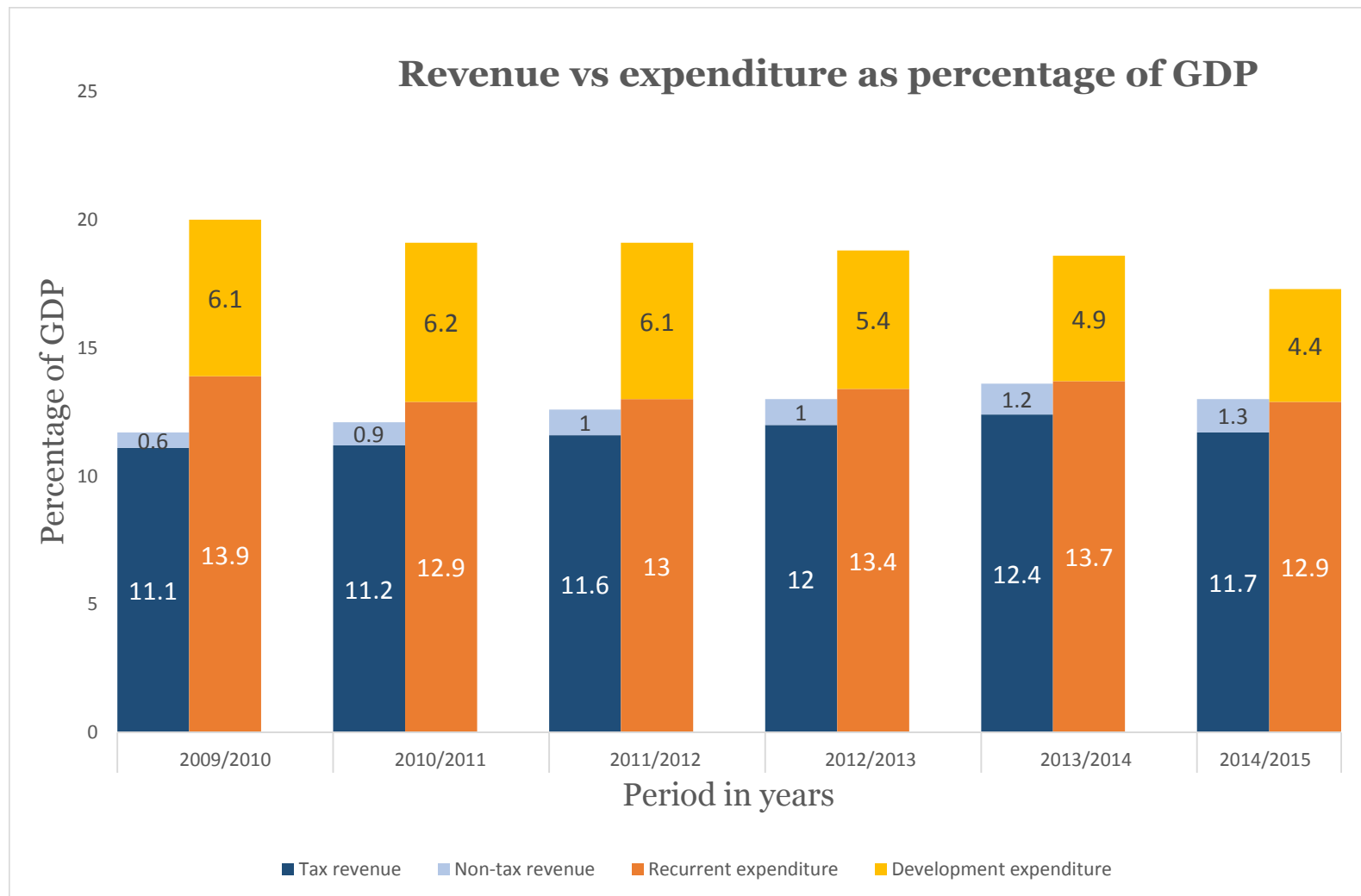
Imported Goods



Imported Goods (continued)



Revenue and Expenditure - % of GDP



2016/17 plans

| Budget Targets | Budget | |
|--|----------------|----------------|
| | 2016/17 | 2015/16 |
| GDP growth | 7.2% | 7.5% |
| Inflation | 5.0% - 8.0% | single digit |
| Domestic revenue / GDP | 16.9% | 14.8% |
| Tax revenue / GDP | 13.8% | 13.1% |
| Government expenditure / GDP | 27.0% | 20.6% |
| Budget deficit / GDP | 4.5% | 4.2% |
| Foreign exchange cover (months of imports) | 4 months | 4 months |

2016/17 plans (continued)

| | | 2016/2017 12 month Budget TZS' bn | 2015/2016 12 month Budget TZS' bn | Increase |
|--------------------------------|------------------------|--|--|------------|
| Expenditure | | | | |
| | Recurrent | 17,719 | 16,576 | 7% |
| | Development | 11,821 | 5,919 | 100% |
| | Total | 29,540 | 22,495 | 31% |
| Recurrent expenditure | | | | |
| | National Debt Service* | 8,000 | | |
| | Wages and Salaries | 6,600 | | |
| | Other Charges | 3,119 | | |
| | | 17,719 | | |
| Development expenditure | | | | |
| | Domestic Financing | 8,703 | | |
| | Foreign Financing | 3,118 | | |
| | | 11,821 | | |

***National Debt Service** includes: domestic interest TZS 1,089bn, domestic amortisation (rollover) TZS 3,777bn, external interest and amortisation TZS 1,586bn, Government contribution to pension funds TZS 1,141bn, other expenditure under CFS TZS 406bn

Revenue Performance

2015 / 2016 Target – a recap

2015 / 2016 Performance

2016 / 2017 Target

Last year (2014/15) tax revenue collections were 11% below budget, and tax revenue budget for this year (2015/16) was 9% higher than 2014/15 budget:

| | | BUDGETS | | |
|--------------------------|--|---------------|---------------|------------|
| | | 2014/2015 | 2015/2016 | |
| | | 12 month | 12 month | |
| | | Budget | Budget | |
| | | TZS' bn | TZS' bn | Increase |
| Domestic Revenue: | | | | |
| | Tax Revenue - TRA | 11,318 | 12,363 | 9% |
| | Non Tax Revenue | 860 | 1,113 | 29% |
| | | 12,178 | 13,476 | 11% |
| | Local Government Authorities (LGA) ow | 458 | 522 | 14% |
| | Domestic Revenue + LGA | 12,636 | 13,998 | 11% |
| | General budget support | 922 | 660 | -28% |
| | Foreign loans and grants (incl. MCA (T)) | 2,019 | 1,662 | -18% |
| | Domestic borrowings | 2,955 | 4,033 | 36% |
| | Non-concessional borrowings | 1,320 | 2,142 | 62% |
| | Total revenue | 19,852 | 22,495 | 13% |

***Collections this year (10 months to April 2016):
25% up on prior year, only 1% below budget!***

| Collections by Department | Total | | | Variance | | Proportion |
|--------------------------------|--------------|---------------|---------------|------------|------------|------------|
| | 2014/15 | 2015/16 | 2015/16 | 2015/16 | 2015/16 | 2015/16 |
| | Actual | Budget | Actual | Prior Yr | Budget | Actual |
| | Shs'bn | Shs'bn | Shs'bn | % | % | % |
| Taxes on fuel | 1,150 | 1,476 | 1,449 | 26% | -2% | |
| Other taxes on imports | 2,222 | 2,940 | 2,914 | 31% | -1% | |
| Customs & Excise | 3,372 | 4,416 | 4,363 | 29% | -1% | 40.4% |
| Large Taxpayer Dept | 3,747 | 4,584 | 4,452 | 19% | -3% | 41.3% |
| Domestic Revenue Dept | 1,597 | 1,881 | 1,973 | 24% | 5% | 18.3% |
| | 8,716 | 10,882 | 10,788 | | | 100.0% |
| Add: Treasury Vouchers | 16 | 27 | 19 | | | |
| Less: Transfers to refunds A/C | -439 | -473 | -501 | | | |
| Less: VETA | -33 | -34 | 0 | | | |
| Total | 8,259 | 10,401 | 10,306 | 25% | -1% | |

Indirect tax on local supplies: strong increase in VAT, but more modest increase in excise

| Indirect Taxes on Local Supplies | Total | | | Variance | |
|----------------------------------|--------------|--------------|--------------|------------|-------------|
| | 2014/15 | 2015/16 | 2015/16 | 2015/16 | 2015/16 |
| 10 months to April | Actual | Budget | Actual | Prior Yr | Budget |
| | Shs'bn | Shs'bn | Shs'bn | % | % |
| VAT-Local | 1,273 | 1,680 | 1,544 | 21% | -8% |
| Excise Duty - Local | 691 | 830 | 737 | 7% | -11% |
| Motor Vehicle Taxes | 152 | 234 | 173 | 14% | -26% |
| Departure Charges | 44 | 52 | 57 | 28% | 10% |
| Treasury Voucher | 6 | 8 | 1 | -90% | -93% |
| Stamp duty | 9 | 11 | 10 | 20% | -3% |
| Transfers to refund a/c | (408) | (441) | (469) | 15% | 6% |
| OVERALL TOTAL | 1,767 | 2,374 | 2,053 | 16% | -14% |

VAT & excise on local supplies: No growth in the “Big 8”, but significant growth on others

| VAT & Excise Duty on Local Supplies | Total | | | Variance | | Proportion |
|--|----------------|----------------|----------------|-----------------|----------------|-------------------|
| | 2014/15 | 2015/16 | 2015/16 | 2015/16 | 2015/16 | 2015/16 |
| | Actual | Budget | Actual | Prior Yr | Budget | Actual |
| | Shs'bn | Shs'bn | Shs'bn | % | % | |
| Telecommunications | 385 | 565 | 383 | -1% | -32% | 17% |
| Beer | 286 | 401 | 314 | 10% | -22% | 14% |
| Cigarettes | 150 | 211 | 155 | 3% | -27% | 7% |
| Spirits & konyagi | 126 | 169 | 118 | -7% | -30% | 5% |
| Electricity | 116 | 205 | 93 | -20% | -55% | 4% |
| Soft Drinks | 74 | 116 | 73 | -2% | -37% | 3% |
| Sugar | 33 | 59 | 41 | 25% | -30% | 2% |
| Cement | 19 | 34 | 18 | -9% | -47% | 1% |
| Sub-Total (the "BIG 8") | 1,192 | 1,759 | 1,195 | 0% | -32% | 52% |
| Other | 772 | 751 | 1,086 | 41% | 45% | 48% |
| Total before refunds | 1,964 | 2,510 | 2,281 | 16% | -9% | 100% |
| Transfers to refund a/c | -408 | -441 | -469 | | | |
| Total after refunds | 1,556 | 2,069 | 1,812 | 16% | -12% | |

Collections on excisable products indicate a consumer wallet under pressure

| VAT and Excise Duty - traditional excisable products | | Total | | | Variance | |
|--|--------------------------|------------|------------|------------|------------|-------------|
| | | 2014/15 | 2015/16 | 2015/16 | 2015/16 | 2015/16 |
| 10 months to April | | Actual | Budget | Actual | Prior Yr | Budget |
| | | Shs'bn | Shs'bn | Shs'bn | % | % |
| Telecommunications | Excise Duty (ad valorem) | 210 | 256 | 205 | -2% | -20% |
| | Value Added Tax | 175 | 309 | 178 | 1% | -42% |
| | Total | 385 | 565 | 383 | -1% | -32% |
| Beer | Excise Duty (specific) | 169 | 201 | 188 | 11% | -7% |
| | Value Added Tax | 118 | 200 | 126 | 7% | -37% |
| | Total | 286 | 401 | 314 | 10% | -22% |
| Cigarettes | Excise Duty (specific) | 112 | 138 | 113 | 1% | -18% |
| | Value Added Tax | 38 | 72 | 42 | 9% | -42% |
| | Total | 150 | 211 | 155 | 3% | -27% |
| Soft Drinks | Excise Duty (specific) | 32 | 40 | 35 | 8% | -12% |
| | Value Added Tax | 42 | 76 | 38 | -10% | -50% |
| | Total | 74 | 116 | 73 | -2% | -37% |

Direct taxes: good growth, but huge cost of employment taxes is clear!

| Direct Taxes and SDL | Total | | | Variance | |
|---------------------------------|--------------|--------------|--------------|------------|------------|
| | 2014/15 | 2015/16 | 2015/16 | 2015/16 | 2015/16 |
| 10 months to April | Actual | Budget | Actual | Prior Yr | Budget |
| | Shs'bn | Shs'bn | Shs'bn | % | % |
| PAYE | 1,438 | 1,675 | 1,855 | 29% | 11% |
| Skills & Dev .Levy | 177 | 204 | 214 | 21% | 5% |
| Taxes on Employment | 1,615 | 1,879 | 2,069 | 28% | 10% |
| Less: | | | | | |
| Income Tax Refunds | (7) | (7) | (7) | 106 | -2% |
| Transfer to VETA & HESLB | (33) | (34) | 0 | 0 | -100% |
| | 1,575 | 1,837 | 2,062 | | |
| Corporate Taxes | 910 | 978 | 1,048 | 15% | 7% |
| Individuals | 81 | 115 | 110 | 37% | -4% |
| Rental Tax | 54 | 62 | 69 | 27% | 11% |
| Withholding Tax | 488 | 584 | 550 | 13% | -6% |
| Other | 25 | 37 | 42 | 69% | 12% |
| Total - Direct & SDL | 3,133 | 3,614 | 3,882 | 24% | 7% |

2016/17 tax revenue budget: 22% up on 2015/16 budget...and non-tax revenue up 142%.....33% higher budget for domestic borrowing

| | 2016/2017 12 month Budget TZS' bn | 2015/2016 12 month Budget TZS' bn | Increase |
|---|--|--|-----------------|
| Domestic Revenue: | | | |
| Tax Revenue - TRA | 15,105 | 12,363 | 22% |
| Non Tax Revenue | 2,693 | 1,113 | 142% |
| | 17,798 | 13,476 | 32% |
| Local Government Authorities (LGA) own source | 665 | 522 | 27% |
| Domestic Revenue + LGA | 18,464 | 13,998 | 32% |
| General budget support | 483 | 660 | -27% |
| Foreign loans and grants (incl. MCA (T)) | 3,118 | 1,662 | 88% |
| Domestic borrowings | 5,374 | 4,033 | 33% |
| Non-concessional borrowings | 2,101 | 2,142 | -2% |
| Total revenue | 29,540 | 22,495 | 31% |

World Bank – Tanzania Economic Update, 8th edn

Extract from “Key Messages”

*“The new administration is taking sweeping measures to improve tax collection; to contain public spending; and to curb corruption. However, **measures to improve tax collection should be implemented in a business-friendly manner and accompanied by the measures to streamline multiple taxes and levies, particularly in the agricultural and tourism sectors.**”*

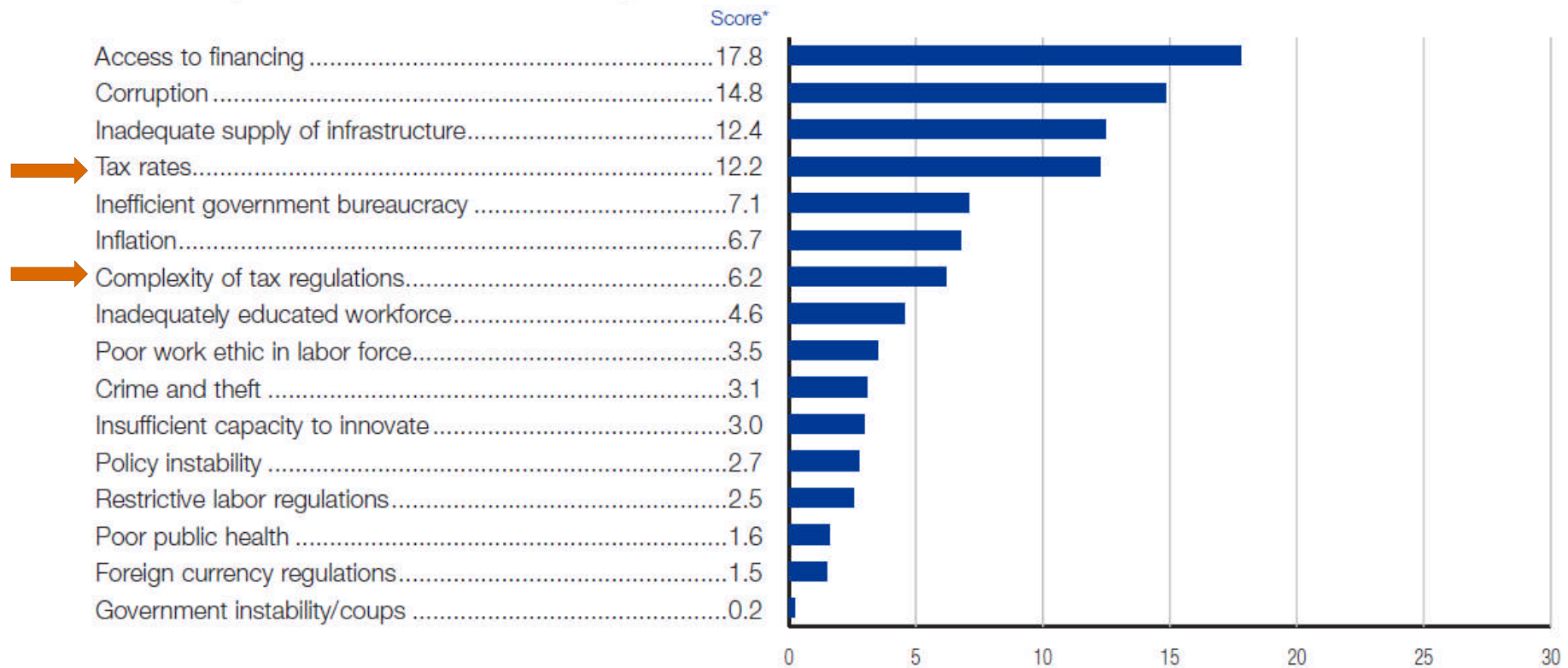
Doing Business Environment

World Economic Forum

Global Competitiveness Report 2015 / 2016

Tanzania ranking – 120 out of 140

The most problematic factors for doing business



World Bank - Doing Business Report 2016

Tanzania ranking – 139 out of 189 (2015: 140)

Figure 1.3 Rankings on *Doing Business* topics - Tanzania
(Scale: Rank 189 center, Rank 1 outer edge)



Extract from Minister's speech on the Economy: *"This situation is unsatisfactory.....it is necessary to add more strength in addressing the concerns of investment and business in the country, particularly ...to improve the tax system and policies so that they may be predictable.."*

Tax overview

Payroll Taxes – an overview

| | | | Taxes |
|---|-----|---------------|--------------|
| TOTAL COST TO EMPLOYER | | 100.00 | |
| Employer - social security contribution | 10% | -8.62 | 8.62 |
| Skills and Development Levy | 5% | -4.31 | 4.31 |
| Workers Compensation Fund | 1% | -0.86 | 0.86 |
| GROSS INCOME FOR EMPLOYEE | | 86.21 | |
| Employee - social security contribution | 10% | -8.62 | 8.62 |
| | | 77.59 | |
| PAYE (income tax) | 30% | -23.28 | 23.28 |
| NET INCOME FOR EMPLOYEE | | 54.31 | |
| | | | |
| TOTAL TAXES | | | 45.69 |

Note: example is for income taxed at top marginal rate of 30% which applies to monthly income in excess of TZS 720,000 (approximately USD 327).

Import taxes - an overview (final consumer goods)

| | |
|------------------------------------|--------------|
| CIF value | 100.0 |
| Railway development levy (1.5%) | 1.5 |
| Destination Inspection Fees (0.6%) | 0.6 |
| Import duty | 25.0 |
| Subtotal | 127.1 |
| VAT (on subtotal) | 22.9 |
| Total | 150.0 |
| | |
| Total taxes and levies | 49.98 |
| | |
| In terms of CIF value | 50% |
| | |

...and this table ignores excise duty; where excise duty applies the cumulative taxes are even higher!

Telecoms taxes – an overview

| | 2011/12 | | | 2012/13 | | | 2013/14 | | | 2014/15 | | |
|--------------------------------------|---------|-------|------|---------|-------|------|---------|-------|------|---------|-------|------|
| Gross charge before tax | | 100.0 | | | 100.0 | | | 100.0 | | | 100.0 | |
| Excise Duty | 10.0% | 10.0 | 10.0 | 12.0% | 12.0 | 12.0 | 14.5% | 14.5 | 14.5 | 17.0% | 17.0 | 17.0 |
| | | 110.0 | | | 112.0 | | | 114.5 | | | 117.0 | |
| VAT | 18.0% | 19.8 | 19.8 | 18.0% | 20.2 | 20.2 | 18.0% | 20.6 | 20.6 | 18.0% | 21.1 | 21.1 |
| | | 129.8 | 29.8 | | 132.2 | 32.2 | | 135.1 | 35.1 | | 138.1 | 38.1 |
| Local tax - service levy | 0.3% | | 0.3 | 0.3% | | 0.3 | 0.3% | | 0.3 | 0.3% | | 0.3 |
| TCRA, UCAF (0.8%, 0.3%) | 1.1% | | 1.1 | 1.1% | | 1.1 | 1.1% | | 1.1 | 1.1% | | 1.1 |
| Total tax and levies on gross income | | | 31.2 | | | 33.6 | | | 36.5 | | | 39.5 |

Consistent increases in recent Budgets in excise duty have pushed taxes on airtime to approximately 40%!

Paying Taxes Indicator

World Bank – Paying Taxes Indicator 2016

Paying Taxes Study

Study looks at small scale manufacturing enterprise, with overall *Paying Taxes indicator* derived from the following three factors:

1. Time to Comply (number of hours)
2. Total Tax Rate (total taxes as % of commercial profit)
3. Tax Payments (number of payments)

Paying Taxes 2016 – EAC comparison:

1. Rwanda (48)
2. Kenya (101)
3. Uganda (105)
4. Burundi (111)
5. Tanzania (150)

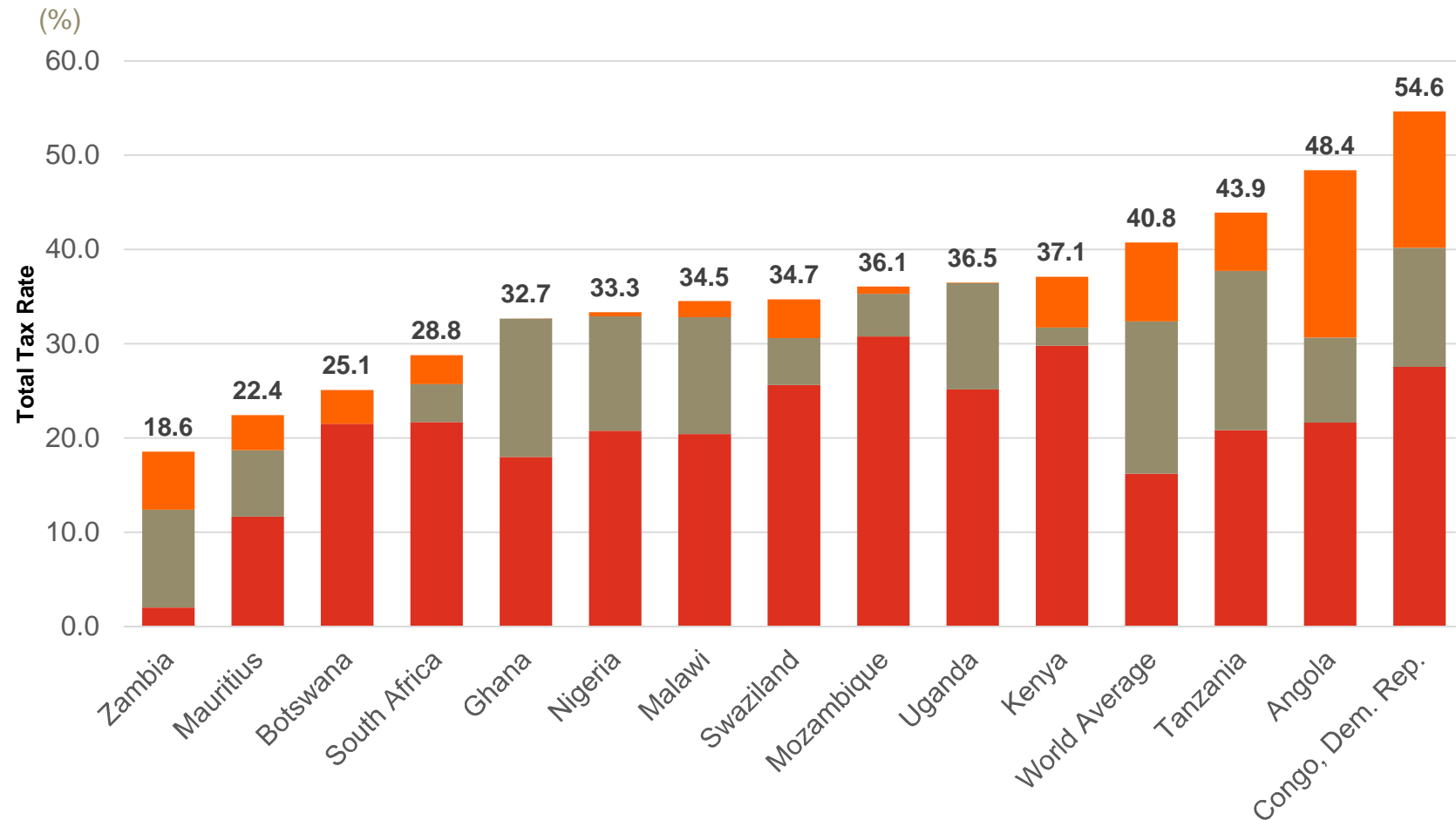
Time to comply

Tanzania, selected African economies and the world average



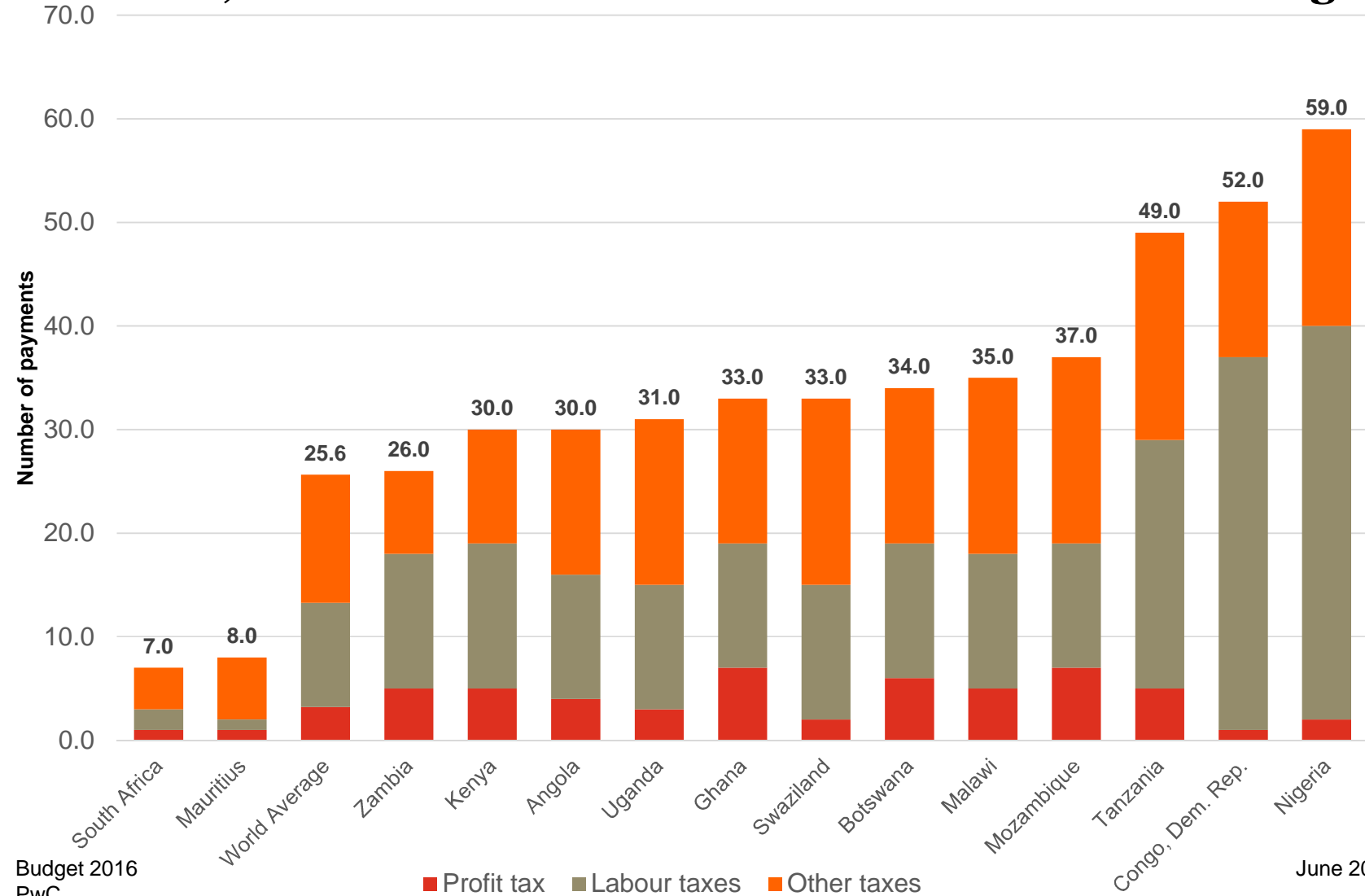
Total Tax Rate

Tanzania, selected African economies and the world average



Number of payments

Tanzania, selected African economies and the world average



What are the factors driving Tanzania's poor Paying Taxes ranking?

- **Time to comply**
 - No electronic filing apart from VAT
 - Too many taxes/levies that require filing
- **Total Tax Rate**
 - Employment Taxes
 - Service Levy
- **Number of payments**
 - As a result of multiplicity of taxes, number of payments are also high as well as to different authorities

Employment Taxes – Regional Comparison

Position as at June 2016 - before Budget changes

| | Tanzania | Kenya | Uganda | Rwanda |
|---|------------|-------|--------|--------|
| <u>Taxes on employer</u> | | | | |
| Social security - employer contribution | 10% | 6% | 10% | 5% |
| Skills and Development Levy | 5% | n/a | n/a | n/a |
| Workers Compensation Fund | 1% | n/a | n/a | n/a |
| | 16% | 6% | 10% | 5% |
| <u>Taxes on employee</u> | | | | |
| Income Tax - top marginal rate | 30% | 30% | 40% | 30% |
| Social security contribution - employee | 10% | 6% | 5% | 3% |
| | 40% | 36% | 45% | 33% |
| Total social security contribution | 20% | 12% | 15% | 8% |

Nb: Kenya social security payments may in practice be less as they are subject to a cap (i.e. stated maximum amount payable)

Tax changes

VAT

- **VAT exemption removed on:**
 - Tourism services
 - Fee based financial services (except for interest)
- **VAT exemption introduced on:**
 - All unprocessed foodstuff, raw soya beans
 - Vitamins and food supplements
 - Water treatment chemicals
 - All types of bitumen (previously only HS Code 27.14 was exempt)
 - Aviation insurance

VAT

- **Zanzibar**

- Supply of goods to Zanzibar will now be treated as zero-rated
- However imports from Zanzibar will now attract VAT on importation (assumption is that the Zanzibar VAT Act will be amended to zero rate the supply from Zanzibar to Mainland)
- Questions arises on treatment of services?

- **Tanzania Investment Act and VAT**

- Review proposed of the Tanzania Investment Act to be consistent with the VAT Act to reduce exemptions which are not productive

Income Tax & SDL

- **Tax rates**
 - Individuals - tax rate on lowest band reduced to 9% (from 11%)
 - No increase in thresholds (threshold for top rate (TZS 720k / month) last increased in 2008!)
- **Exemptions removed**
 - Members of Parliament final gratuity
 - Disposal of DSE listed shares
- **Withholding Tax**
 - To apply to payments made to approved retirement funds
 - Powers to Commissioner to determine rental income for purpose of withholding tax
- **Skills & Development Levy (SDL)**
 - Reduction to 4.5%.....let's rejoice, Rome was not built in a day!

Fuel Taxes – in real terms a tax decrease!

| | | | | | Revision | |
|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------|----------|
| | 01/07/07 to 30/06/11 | 01/07/11 to 30/06/13 | 01/07/13 to 30/06/15 | 01/07/15 to 30/06/16 | 01/07/2016 | Increase |
| | TZS / litre | TZS / litre | TZS / litre | TZS / litre | TZS / litre | |
| Excise - diesel | 314 | 215 | 215 | 215 | 215 | 0 |
| Excise - petrol | 339 | 339 | 339 | 339 | 339 | 0 |
| Road Toll | 200 | 200 | 263 | 313 | 313 | 0 |
| Petroleum Levy | 0 | 0 | 50 | 100 | 100 | 0 |
| Total taxes - diesel | 514 | 415 | 528 | 628 | 628 | 0 |
| Total taxes - petrol | 539 | 539 | 652 | 752 | 752 | 0 |

Incomplete slide? No. Rather a missed opportunity for increased revenue collection. But consistent with past reluctance to annually index fuel taxes.

Excise Duty

Alcohol, Tobacco, Soft Drinks:

- Generally increased by around 5% (inflationary adjustment)

Bottled water:

- No increase

Airtime:

- No decrease



Excise Duty

Money Transfer

- Withdrawal fees now also captured

Imported furniture

- Duty increased from 15% to 20%

Plastic bags

- Manufacture/Importation abolished of bags under 50 microns

Motor vehicle taxes

- **Motor Vehicle Registration fee** - increase from TZS 150,000 to TZS 250,000 per motor vehicle and from TZS 45,000 to TZS 95,000 per motor cycle and tricycle; and
- **Personalized Registration Number fee** - increase from TZS 5,000,000 to TZS 10,000,000 every three years

Customs Duty – Tanzania – increase in rates

- **Cement** under HS Code 2523.29.00 - 25% to 35% for one year
- **Iron or non-alloy steel** which fall under HS Codes 7208.54.00, 7208.90.00, 7208.52.00 and 7208.53.00 - 0% to 10%
- **Bars and rods of iron and steel** under HS Codes: 7213.10.00, 7213.20.00, 7213.99.00, 7227.10.00, 7227.20.00, 7227.90.00, 7308.20.00, 7308.40.00 and 9406.00.90 - 10% to 25%
- **Made up fishing nets** under HS Code 5608.11.00 - 10% to 25%
- **Oil and petrol filters** under HS Code 8421.23.00 and **intake air filters** of HS Code 8421.31.00 - 10% to 25%
- **Aluminium milk cans** under HS Code 7612.90.90 - 10% to 25%

Customs Duty – Tanzania – increase in rates

- Specific duty rate on **worn clothes and shoes** - US\$ 0.2 per kg to US\$ 0.4 per kg
- **Paper products** falling under various HS Codes - 10% to 25% for one year
- Progressively on **sugar and sugar confectionery** from 10% as follows: 2016/17 – 15%, 2017/18 – 20% and 2018/19 – 25%
- Apply rate of 25% or charging specific duty rate of US\$ 200 per metric tons, whichever is higher, on **products of iron and steel** for one year on the following HS Codes 7212.40.00, 7215.10.00, 7215.50.00, 7215.90.00, 7216.61.00, 7216.69.00, 7216.91.00 and 7216.99.00

Customs Duty – Tanzania - Reduction to 0%

- **Raw materials imported by manufacturers of:**
 - **Bolts & nuts** classified under HS Codes 7228.30.00 and 7228.50.00 (instead of 10%)
 - **Motor vehicle air filters.** The type of raw material for manufacturing of the air filters will be gazetted in the East African Community Gazette
 - **Aluminium cans** (for HS Codes 7606.12.00 and 7606.92.00)
- **Splints**, being raw materials used in the manufacture of matches

Customs Duty – Tanzania - Stay

- **Iron & steel products** classified under HS Code 7308.10.00 **and used in construction of bridges and bridge sections** (0% instead of 25%)
- **Automotive bolts and nuts** classified under HS Code 7318.15.00 (10% instead of 25%)
- For one year on **wheat (wheat grain)** under HS Codes 1001.99.10 and 1001.99.90 (10% instead of 35%)
- For one year on **flat-rolled products of iron, steel or non-alloy steel, bars, rods, sections, angles, steel reinforcement bars and related products** - 25% or specific duty rate of US\$ 200 per metric tons
- 10% import duty rate instead of 0% for one year to manufacturers of **crude edible oil** under HS Code 1511.10.00

Customs Duty - EAC

Remission to:

- Manufacturers of inputs used in manufacture of deep cycle batteries
- For inputs or raw materials for use in the manufacture of solar equipment

Exemption on:

- Refrigeration equipment for human dead bodies
- Incinerator's equipment and materials used in hospitals to burn waste

Removal of exemption on:

- uniforms for hospital staff and blood collection tubes

Other matters

- **Property tax** – Proposal for TRA to collect
- **Records** – Effectively keep and up-date taxpayer register and maintain accurate taxpayers records and information
- **Fees and levies imposed by Ministries, Regions and Independent Departments** – *“to amend in order to rationalise with the current economic development”*
 - Many fees and levies charged by Tanzania Food and Drug Authority have been abolished
- **Legislative amendments** – reference to proposal to *“make minor amendments to various tax laws and other legislations with a view to simplifying revenue collection”*
- **Armed Forces** – abolish exemptions; compensate with allowance

For more information (including tax data card and publications / newsletters): go to www.pwc.com/tz

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