

## Mineral Royalties

## Mining Act 2010

Rate %	
6	Diamonds, Gemstones, Metallic minerals (incl. copper, gold, silver and platinum group minerals)
5	Uranium
3	General rate
1	Gems
0	N/A
<b>Base:</b>	"Gross value"

## Tax treaties

In force: Canada, Denmark, Finland, India, Italy, Norway, South Africa, Sweden, Zambia

## Deadlines

Obligation	Deadline
<b>Payment of tax</b>	
Corporate tax	Instalment: each quarter end; Final tax: 6 months after accounting period
Withholding tax, PAYE & SDL	7 days after month of deduction
PSSSF, NSSF & WCF	1 month after month end
VAT	20th day of the following month
Excise Duty	Last working day of the following month
Stamp Duty	30 days after execution/entry of instrument
Service Levy	End of each quarter
<b>Filing</b>	
Corporate tax return	Instalment: end of 1st quarter; Final return: 6 months after accounting period
Withholding tax/PAYE	30 days after each 6 month period (30 July and 30 January)
SDL	7 days after month of deduction
VAT	20th day of the following month
Excise Duty	Last working day of the following month
WCF	Last working day of the following month
Transfer pricing documentation	Due with final return if related party transactions exceed TZS 10bn; otherwise within 30 days of request

## Interest &amp; Penalties

	Monthly interest/penalty %
<b>Tax Administration Act</b>	
Under-estimation/late payment	Stat*
Late filing/payment	2.5**
Failure to maintain proper documents	***
Interest due to taxpayer on late payment of refunds (from the date of approval)	Stat****
<b>Social Security and WCF</b>	
NSSF	5
PSSSF	1.5****
WCF - Late payment	*****
<b>Local Government Act</b>	
Service Levy (depending on a particular by-law)	Maximum 1.5%
<b>Transfer Pricing (TP)</b>	
TP adjustment if not complying with arm's length principle - 100%. In addition failure to adhere to TP documentation requirements results in penalty of not less than 3,500 currency points (currently TZS 52.5m)	
<b>Disclosure of information</b>	
Failure to disclose names of contractors and subcontractors in extractive and construction industry results in penalty of higher of 25% of the amount payable under the project or a fine of up to TZS 60m	

Key

- \* Stat = "Statutory Rate" (prevailing discount rate determined by Bank of Tanzania). In the case of late payment of excise duty the interest rate is : Stat+5
- \*\* Monthly penalty subject to a minimum of TZS 75,000 (individuals) and TZS 225,000 (corporates); in the case of stamp duty, late payment/stamping subject to penalty of 25% to 1000%
- \*\*\* Payable at TZS 150,000 per month
- \*\*\*\* On compounded basis
- \*\*\*\*\* Interest rate as determined by the Director General of Worker's Compensation Fund

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Although we have taken all reasonable care in compiling this publication, we do not accept responsibility for any errors or inaccuracies that it may contain.

This datacard reflects the law as at 1 July 2020 including changes introduced by the Finance Act 2020

This datacard has been prepared for quick reference. It is not a substitute for professional advice and action should not be taken solely on the strength of the information contained herein.

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# Tanzania Tax Datacard

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