

## ARRANGEMENT OF SECTIONS

## PART I

## PRELIMINARY

*Section*

1. Short title.

## PART II

## INCOME TAX

*Amendments to Chapter I of Finance Act [Chapter 23:04]*

2. Amendment of section 14 of Cap. 23:04.
3. Amendment of Schedule to Chapter I of Cap. 23:04.
4. New section substituted for section 22A of Cap. 23:04.
5. Amendment of Chapter XI of Cap. 23:04.

*Amendments to Income Tax Act [Chapter 23:06]*

6. Amendment of section 15 of Cap. 23:06.
7. Amendment of section 36C of Cap. 23:06.
8. Amendment of section 37 of Cap. 23:06.
9. Amendment of section 39 of Cap. 23:06.
10. Amendment of section 80 of Cap. 23:06.
11. Amendment of section 81 of Cap. 23:06.
12. Amendment of Third Schedule to Cap. 23:06.
13. Amendment of Fourth Schedule to Cap. 23:06.
14. Amendment of Fifteenth Schedule to Cap. 23:06.
15. Amendment of Seventeenth Schedule to Cap. 23:06.
16. Amendment of Twenty-Second Schedule to Cap. 23:06.

## PART III

## STAMP DUTY

17. Amendment of section 24 of Cap. 23:04.
18. Amendment of Schedule to Chapter II of Cap. 23:04.

## PART IV

## VALUE ADDED TAX

19. Amendment of section 10 of Cap. 23:12.
20. Amendment of section 12A of Cap. 23:12.

## PART V

## CUSTOMS AND EXCISE

21. Amendment of section 172E Cap. 23:02.
22. Amendment of section 210 of Cap. 23:02

## PART VI

## MINES AND MINERALS

*Section*

23. Amendment of section 36 of Cap. 23:04.
24. Amendment of Schedule to Chapter VII of Cap. 23:04.

## PART VII

## TAX AMNESTY

25. New section substituted for section 18 of Act 1 of 2014.
26. Amendment of section 23 of Act 1 of 2014.

## PART VIII

## AMENDMENT OF OTHER ACTS

27. Amendment of Cap. 14.33.
28. Amendment of Cap. 22.20.
29. Repeal of section 121 of Cap 24:25.
30. New section substituted for section 14 of Cap. 23.05
31. Amendment of section 3 of Cap. 24.20.

## PART IX

## VALIDATION OF PENSION REVIEWS UNDER CHAPTER 16:03

32. Validation of Pension Reviews under Cap. 16:03.



## ZIMBABWE

# ACT

To make further provision for the revenues and public funds of Zimbabwe and to provide for matters connected therewith or incidental thereto.

ENACTED by the Parliament and the President of Zimbabwe.

### PART I

#### PRELIMINARY

#### 1 Short title

This Act may be cited as the Finance (No. 3) Act, 2014.

### PART II

#### INCOME TAX

#### *Amendments to Chapter I of Finance Act [Chapter 23:04]*

#### 2 Amendment of section 14 of Cap. 23:04

With effect from the year of assessment beginning on the 1st January, 2015, section 14 ("Income tax for periods of assessment after 1.4.88")(2) of the Finance Act [Chapter 23:04] is amended—

(a) in subsection (2) by the repeal of—

(i) paragraph (a) and the substitution of—

“(a) in the case of a person other than a company, a trust or a pension fund, at the specified percentage of each dollar of each of the following parts of his or her taxable income from employment earned in foreign currency—

(i) so much as does not exceed three thousand six hundred United States dollars;

(ii) so much as exceeds three thousand six hundred United States dollars but does not exceed eighteen thousand United States dollars;

- (iii) so much as exceeds eighteen thousand United States dollars but does not exceed thirty-six thousand United States dollars;
  - (iv) so much as exceeds thirty-six thousand United States dollars but does not exceed sixty thousand United States dollars;
  - (v) so much as exceeds sixty thousand United States dollars but does not exceed one hundred and twenty thousand United States dollars;
  - (vi) so much as exceeds one hundred and twenty thousand United States dollars but does not exceed one hundred and eighty thousand United States dollars;
  - (vii) so much as exceeds one hundred and eighty thousand United States dollars but does not exceed two hundred and forty thousand United States dollars;
  - (viii) so much as exceeds two hundred and forty thousand United States dollars;”;
- (ii) paragraph (c) and the substitution of—
- “(c) in the case of a company or a trust, other than a pension fund, at the specified percentage of each United States dollar of its taxable income earned in foreign currency, other than income referred to in paragraph (e), (h) or (i);”;
- (b) by the repeal of subsection (3) and the substitution of—
- “(3) Where a company conducts manufacturing operations and, in any year of assessment, the following percentages of its total manufacturing output is exported from Zimbabwe—
- (a) more than thirty *per centum* but less than forty-one *per centum*; or
  - (b) more than forty-one *per centum* but less than fifty-one *per centum*; or
  - (c) more than fifty-one *per centum*;
- the income tax with which the company is chargeable, in respect of so much of its taxable income as, in the opinion of the Commissioner, is derived from manufacturing operations conducted in Zimbabwe during that year of assessment, shall be at the specified percentage of each United States dollar of the taxable income derived from such manufacturing.”.

### 3 Amendment of Schedule to Chapter I of Cap. 23:04

With effect from the year of assessment beginning on the 1st January, 2015, the Schedule (“Credits and Rates of Income Tax”) to Chapter I of the Finance Act [Chapter 23:04] is amended in Part II—

- (a) by the repeal of the items relating to section 14(2)(a) and the substitution of—

“Section	Level of taxable income	Specified percentage
14(2)(a)(i)	Up to US \$3600	0
14(2)(a)(ii)	US \$3601 to US \$18 000	20
14(2)(a)(iii)	US \$18 001 to US \$36 000	25
14(2)(a)(iv)	US \$36 001 to US \$60 000	30
14(2)(a)(v)	US \$60 001 to US \$120 000	35

<i>Section</i>	<i>Level of taxable income</i>	<i>Specified percentage</i>
14(2)(a)(vi)	US \$120 001 to US \$180 000	40%
14(2)(a)(vii)	US \$180 001 to US \$240 000	45%
14(2)(a)(viii)	US \$240 501 and more	50%.”;

- (b) by the repeal of the items relating to section 14(3) and the substitution of—

“14(3)(a)	Taxable income from manufacturing of a company which exports more than 30% or more of its output but less than 41%	20
14(3)(b)	Taxable income from manufacturing of a company which exports more than 41% or more of its output but less than 51%	17,5
14(3)(c)	Taxable income from manufacturing of a company which exports 51% or more of its output	15”.

#### 4 New section substituted for section 22A of Cap. 23:04

With effect from the 1st January, 2015, section 22A of the of the Finance Act [Chapter 23:04] is repealed and the following section is substituted—

##### “22A Tobacco levy

The tobacco levy chargeable in terms of section 36A of the Taxes Act shall be calculated in respect of—

- (a) buyers of auction tobacco at the rate of 1,50 cents of each dollar;
- (b) sellers of auction tobacco at the rate of 1,50 cents of each dollar;

of the price from which the levy is to be withheld and paid in terms of the Twenty-Fourth Schedule to that Act.”.

#### 5 Amendment of Chapter XI of Cap. 23:04

With effect from the 1st January, 2015, Chapter XI (“Statutory Fees and Charges”) of the Finance Act [Chapter 23:04] is amended—

- (a) in section 45 (“Interpretation in Chapter XII”) by the insertion of the following definition—
 

““port of entry” means a port of entry designated as such in terms of section 14 of the Customs and Excise Act [Chapter 23:02];”;
- (b) by the insertion of the following section after section 47—

##### “48 Electronic Single Window Facility

(1) Notwithstanding anything to the contrary in any enactment, if any arm or organ of the State or any statutory body or statutory agency is empowered to charge and collect any statutory fee or charge or any penalty payable in connection with such fee or charge it shall, where such fee, charge or penalty is payable or collectible at any port of entry, be deemed to have appointed the Zimbabwe Revenue Authority

as its sole agent for the purpose of collecting any statutory fee, charge or penalty in question with effect from the date of publication of the regulations referred to in subsection (2).

(2) The Minister may make regulations for the operation by the Zimbabwe Revenue Authority of an Electronic Single Window Facility or other electronic facility by whatsoever name designated for the processing and distribution of payments of the fees, charges or penalties referred to in subsection (1).

(3) With effect from the date of publication of the regulations referred to in subsection (2), no fees, charges or penalties referred to in subsection (1) shall be levied, charged, processed, collected or accounted for otherwise than in the manner prescribed by the regulations, except for good cause shown to the Commissioner-General of the Zimbabwe Revenue Authority.

(4) The responsible authority of the arm or organ of the State or statutory body or agency referred to in subsection (1) shall comply with any written directions issued by or on behalf of the Commissioner-General of the Zimbabwe Revenue Authority to secure compliance with the regulations referred to in subsection (2) or ensure the smooth operation of the Electronic Single Window Facility generally.”.

*Amendments to Income Tax Act [Chapter 23:06]*

**6 Amendment of section 15 of Cap. 23:06**

Section 15 (“Deductions allowed in determination of taxable income”) of the Income Tax Act [*Chapter 23:06*] is amended in subsection (2) by the insertion of the following paragraph after paragraph (l) —

“(mm) the amount of a lump sum contribution made by an employer in the year of assessment concerned towards capitalising a pension fund of which his or her employees are members, that is to say, an amount which the Commissioner is satisfied, on the basis of —

- (i) an actuarial certificate furnished to the Commissioner by or on behalf of the employer; and
- (ii) a certificate by the Minister (issued after consultation with Insurance and Pensions Commission) to the effect that, having taken the actuarial certificate into account, the Minister is satisfied that the lump sum contribution made by the employer will result in increased pensions or benefits for persons who are or have been members of the pension fund, which increased pensions or benefits will be fair and not unfairly discriminate against or unfairly prejudice any class of persons who are or have been members of the pension fund;

For the purposes of this paragraph —

“actuarial certificate” means a certificate issued by an actuary;

“actuary” means a person who is a member or fellow of an institute, faculty, society or association of actuaries approved by the Pensions and Insurance Commission for the purposes of the Insurance Act [*Chapter 24:07*];

“Insurance and Pensions Commission” means the Insurance and Pensions Commission established by section 3 of the Insurance and Pensions Commission Act [*Chapter 24:21*] (No. 7 of 2000);

“pension fund” means a pension fund registered in terms of the Pension and Provident Funds Act [Chapter 24:09].

## 7 Amendment of section 36C of Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2015, section 36C (“Presumptive tax”) of the Income Tax Act [Chapter 23:06] is amended by the repeal of subsection (1b) and the substitution of the following paragraphs—

“(1b) Subject to this section, the Zimbabwe National Road Administration established by the Roads Act [Chapter 13:18] (No. 6 of 2011) is hereby appointed as the agent of the Zimbabwe Revenue Authority for the collection of any or all of the following presumptive taxes—

- (a) presumptive tax payable by operators of taxicabs for the carriage of passengers for hire or reward having seating accommodation for not more than seven passengers;
- (b) presumptive tax payable by operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than eight or more than fourteen passengers;
- (c) presumptive tax payable by operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than fifteen or more than twenty-four passengers;
- (d) presumptive tax payable by operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than twenty-five or more than thirty-six passengers;
- (e) presumptive tax payable by operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than thirty-seven passengers;
- (f) operators of goods vehicles having a carrying capacity—
  - (i) of more than ten tonnes but less than twenty tonnes;
  - (ii) of ten tonnes or less but which drive one or more trailers resulting in a combined carrying capacity of more than fifteen tonnes but less than twenty tonnes;
  - (iii) of twenty tonnes or more;
- (g) presumptive tax payable by operators of driving schools providing driving tuition—
  - (i) for class 4 vehicles only;
  - (ii) for class 1 and 2 vehicles (whether or not in addition to providing driving tuition for other classes of vehicles).

(1c) The arrangement entered into between a local authority referred to in subsection (1a) or the Zimbabwe National Road Administration, and the Zimbabwe Revenue Authority shall be embodied in a contract (“collection contract”) providing, among other things, for the following—

- (a) the retention (in the case of the Zimbabwe National Road Administration) of not more than ten *per centum* of the proceeds of the presumptive taxes collected by it; and
- (b) full disclosure by the local authority or the Zimbabwe National Road Administration to the Commissioner-General of all relevant particulars related to the collection by it of the contracted presumptive taxes, including the submission of regular specified returns to the Commissioner-General and unhindered access by officers of the Zimbabwe Revenue Authority to all premises, books, accounts and

other documents of the or the Zimbabwe National Road Administration or local authority for the purposes of inspection and verification of compliance with the collection contract;

- (c) adequate training of personnel employed or retained by the local authority or the Zimbabwe National Road Administration for the purpose of collecting the contracted presumptive taxes.”.

#### **8 Amendment of section 37 of Cap. 23:06**

With effect from the year of assessment beginning on the 1st January, 2015, section 37 (“Notice by Commissioner requiring returns for assessment under this Act and manner of furnishing returns and interim returns”) of the Income Tax Act [*Chapter 23:06*] is amended by the insertion of the following proviso to subsection (1)—

“Provided that no dormant company (that is to say, a company that has not carried on any trade or business for the whole of the year of assessment in respect of which the Commissioner gives the notice) shall be subject to any penalty provided in this Act and the Revenue Authority Act for failing to furnish a return if its public officer or a director of the company, or the holder of a majority or plurality of its shares, makes a written and sworn declaration to that effect to the Commissioner within thirty days after the date of such notice.”.

#### **9 Amendment of section 39 of Cap. 23:06**

With effect from the year of assessment beginning on the 1st January, 2015, section 39 (“Duty to furnish further returns and information”) of the Income Tax Act [*Chapter 23:06*] is amended by the insertion of the following subsection after subsection (2)—

“(2a) In addition to any information required to be furnished to the Commissioner under subsection (2), every person deriving any taxable income from mining operations shall, in such manner and form and at such times as may be prescribed, furnish to the Commissioner returns showing, with such particularity and supporting documentation as the Commissioner may require—

- (a) the particulars of the expenditure, exploration and development incurred or undertaken in connection with the mining operations in the year of assessment concerned, including particulars of exploration expenditure, exploration operations, development expenditure and development operations, as those terms are defined in the Twenty-Second Schedule, regardless of whether such exploration, development or expenditure was incurred or undertaken in connection with special mining lease operations; and
- (b) all information concerning the servicing of any debt or debts contracted in connection with the production of income from mining operations (including the ratio of debt to equity of the business carried on by him or her in connection with mining operations), whether contracted by the person or by an agent, local branch or subsidiary of the person; and
- (c) what proportions of the total amount received by or accrued to or in favour of the person or deemed to have been received by or to have accrued to or in favour of the person in any year of assessment from mining operations are incurred on or set aside for—
  - (i) any expenditure incurred by a local branch or subsidiary of a foreign company, or by a local company or subsidiary of a local company, in servicing any debt or debts contracted in connection with the production of income from mining operations, both before and after the commencement of mining operations; and
  - (ii) any expenditure on general administration and management in favour of a company of which the person is the subsidiary or



holding company or (where the company is a foreign company) the local branch, both before and after the commencement of mining operations; and

- (iii) dividends or profits (whether distributed or retained) on the one hand and wages, salaries, commissions and other remuneration on the other;

and

- (d) all such other information in the person's possession with regard to the income received by or accruing to or in favour of himself or herself or any other person from mining operations in the year of assessment concerned as may be prescribed or may be required by the Commissioner.

(2b) In addition to the information that may be disclosed to the Minister under section 5(3), the Commissioner shall, upon the written request of the Minister (or of the Minister on behalf of the Governor of the Reserve Bank) made on the grounds that the Minister requires such information for ascertaining the level of compliance or otherwise with existing or projected mining fiscal regimes provided for under this Act or any other enactment (or, in the case of a request made on behalf of the Governor of the Reserve Bank, made for the purpose of ascertaining compliance with the existing exchange control regime), avail to the Minister any information and supporting documentation availed to the Commissioner in or together with a return furnished in terms of subsection (2a) in relation to any particular person deriving any taxable income from mining operations or group or class of such persons, and may direct the Commissioner to require the person or persons concerned to furnish to the Commissioner such supplementary information or supporting documentation in connection with a return rendered in terms of subsection (2a) if, in the opinion of the Minister, any information referred to in paragraph (a), (b), (c) or (d) of that subsection lacks sufficient particularity."

#### **10 Amendment of section 80 of Cap. 23:06**

With effect from the 1st January, 2015, section 80 ("Withholding of amounts payable under contracts with State or statutory corporations") (1) of the Income Tax Act [*Chapter 23:06*] is amended in the definition of "contract" by the deletion of "an aggregate amount of two hundred and fifty United States dollars or more over the year of assessment" and the substitution of "an aggregate amount of one thousand United States dollars or more over the year of assessment."

#### **11 Amendment of section 81 of Cap. 23:06**

With effect from the 1st January, 2015, section 81 ("Offences: general") (1) of the Income Tax Act [*Chapter 23:06*] is amended by the insertion of the following paragraph after paragraph (d)—

- "(e) fails, refuses or neglects to show in any return made by him or her pursuant to section 39(2a) the information required to be furnished in such return or such supplementary information or supporting documentation as the Commissioner may require in connection therewith, or fails to disclose to the Commissioner, when making such return, any material facts which should have been disclosed;"

#### **12 Amendment of Third Schedule to Cap. 23:06**

With effect from the 1st February, 2009, the Third Schedule ("Exemptions from Income Tax") to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 10 by the insertion of the following subparagraph—

- “(s) any loan to any statutory corporation approved by the Minister by General Notice in the *Gazette*.”.

### 13 Amendment of Fourth Schedule to Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2015, the Fourth Schedule (“Deductions to be Allowed in Respect of Buildings, Improvements, Machinery and Equipment Used for Commercial, Industrial and Farming Purposes, and Other Provisions Relating Thereto”) to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 1 (“Interpretation”) by the insertion of the following definitions—

““articles, implements, machinery and utensils” includes tangible or intangible property in the form of computer software that is acquired, developed or used by a taxpayer for the purposes of his or her trade, otherwise than as trading stock;

“computer software” means any set of machine-readable instructions that directs a computer’s processor to perform specific operations;”.

### 14 Amendment of Fifteenth Schedule to Cap. 23:06

With effect from the 1st November, 2013, the Fifteenth Schedule (“Resident Shareholders’ Tax”) to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 1 (“Interpretation”) (1) in the definition of “dividend” by the insertion of the following subparagraph after subparagraph (h)—

- “(i) any amount deemed under this Act to be a dividend by virtue of the company in question exceeding the prescribed debt to equity ratio, if the company is one that the Minister certifies in writing has advanced loans for the benefit of the State;”.

### 15 Amendment of Seventeenth Schedule to Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2015, the Seventeenth Schedule (“Non-Residents’ Tax on Fees”) to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 1(1)—

- (a) by the insertion of the following definition—

““export market services” means services rendered wholly or exclusively for the purpose of seeking and exploiting opportunities for the export of goods from Zimbabwe or of creating, sustaining or increasing the demand for such exports and, without derogation from the generality of the foregoing, includes any of the following services—

- (a) research into, or the obtaining of information relating to, markets outside Zimbabwe;
- (b) research into the packaging or presentation of goods for sale outside Zimbabwe;
- (c) advertising goods outside Zimbabwe or otherwise securing publicity outside Zimbabwe for goods;
- (d) soliciting business outside Zimbabwe;
- (e) investigating or preparing information, designs, estimates or other material for the purpose of submitting tenders for the sale or supply of goods outside Zimbabwe;
- (f) bringing prospective buyers to Zimbabwe from outside Zimbabwe;
- (g) providing samples of goods to persons outside Zimbabwe;”;

- (b) in the definition of “fees” by the insertion of the following paragraph after paragraph (g)—

“(h) export market services rendered by an agent of a company that exports goods from Zimbabwe:

Provided, however, that the fees payable to the agent must not exceed five *per centum* of the “free on board value” (as that phrase is defined in the Customs and Excise Act [*Chapter 23:02*]) of the exports of the company for the year of assessment concerned, as confirmed on acquittance by the company of the export documentation relating to its exports in that year;”.

#### 16 Amendment of Twenty-Second Schedule to Cap. 23:06

The Twenty-Second Schedule (“Determination of Gross Income and Taxable Income or Assessed Loss from Special Mining Lease Operations”) to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 6 (“Limitations on allowable deductions”) (2)—

- (a) in paragraph (f) by the insertion of the following subparagraph after subparagraph (iii)—

“(iv) ten thousand United States dollars, where the residential unit was erected on or after the 1st January 2009;”;

- (b) in paragraph (g) by the insertion of the following subparagraph after subparagraph (iii)—

“(iv) ten thousand United States dollars, where the motor vehicle was purchased on or after the 1st January 2009;”.

- (c) in paragraph (h)(ii) by the insertion of the following sub-subparagraph after sub-subparagraph III—

“IV ten thousand United States dollars, where the expenditure was incurred on or after the 1st January 2009;”.

#### PART III

#### STAMP DUTY

#### 17 Amendment of section 24 of Cap. 23:04

With effect from the 1st January, 2015, section 24 (“Interpretation in Chapter II”) (1) of the Finance Act [*Chapter 23:04*] is amended by the insertion of the following definition—

““mortgage finance” means the provision of loans for the acquisition of immovable property for residential purposes, which loans are secured by the collateral of that immovable property;”.

#### 18 Amendment of Schedule to Chapter II of Cap. 23:04

With effect from the 1st January, 2015, item 1 (“Bonds”) of the Schedule (“Stamp Duty on Instruments and other Matters”) to Chapter II of the Finance Act [*Chapter 23:04*] is amended by the insertion of the following paragraph under “Exemptions to Item”—

- “(e) any cession by a creditor of a mortgage bond for valuable consideration if the ceding creditor certifies in writing to the Registrar that the valuable consideration therefor will be used for mortgage finance.”.

PART IV  
VALUE ADDED TAX

**19 Amendment of section 10 of Cap. 23:12**

With effect from the 1st January, 2004, section 10 (“Zero rating”) (2) the Value Added Tax Act [*Chapter 23:12*] is amended by the insertion after paragraph (p) of the following paragraph—

- “(q) the services in question are supplied by—
- (i) the operator of a facility designated in terms of the Tourism Act [*Chapter 14:20*] as a tourist facility of a class specified in the First Schedule to the Tourism (Designated Tourist Facilities) (Declaration and Requirements for Registration) Regulations, 1996, published in Statutory Instrument 106 of 1996 (as amended or replaced from time to time);
  - (ii) the owner of any place (other than a place wherein the owner ordinarily resides) where persons are provided to persons not resident in Zimbabwe, on the payment of a charge, with residential accommodation, whether with or without meals, commonly known as, but not limited to, a “boarding house” or “back-packers’ lodge”;
  - (iii) the operator of a hunting safari:

Provided that regulations made in terms of section 78 may specify that any such class of services shall not be charged with tax at the rate of zero *per centum* but be charged with tax at the rate referred to in section 6(1).”

**20 Amendment of section 12A of Cap. 23:12**

With effect from the 1st January, 2015, the Value Added Tax Act [*Chapter 23:12*] is amended in section 12A (“Deferment of collection of tax on capital goods”) by the repeal of subsection (1) and the substitution of—

“(1) Subject to this section and to such conditions as may be prescribed, where a person produces proof to the satisfaction of the Commissioner that he or she has imported goods of a capital nature for his or her own use, the Commissioner shall authorise a deferment of payment of tax on such goods for a prescribed period not exceeding one hundred and eighty days from the date on which the goods are, in terms of section 36 of the Customs and Excise Act [*Chapter 23:02*] deemed to have been imported:

Provided that the Minister may prescribe different periods for different classes or values of goods of a capital nature.”

PART V  
CUSTOMS AND EXCISE

**21 Amendment of section 172E of Cap. 23:02**

With effect from the 1st October, 2014, section 172 E (“Interpretation in Part XIIB”) of the Customs and Excise Act [*Chapter 23:02*] is amended by the repeal of the definition of “airtime” and the substitution of—

““airtime” means the minutes of voice calls, short message service (sms), multimedia service (mms), internet band width or such other service as a licensed operator may offer through a cellular telecommunication system or any other electronic communications service;”

**22 Amendment of section 210 of Cap. 23:02**

With effect from the 1st January, 2015, section 210 ("Secrecy") of the Customs and Excise Act [*Chapter 23:02*] is amended—

- (a) in subsection (1) by the deletion of "An officer who" and the substitution of "Subject to subsections (3) and (4), an officer who"
- (b) by the insertion of the following subsections after subsection (2)—

"(3) Where the Minister has, in implementation of any fiscal policy to assist any sector of the economy or any class of growers, producers, manufacturers, miners, service providers, exporters or importers, granted any concessions as to, or exemptions from, the duties normally payable in terms of this Act, he or she may request from the Commissioner such aggregated or disaggregated, or general or specific, information relating to the manner in which and extent to which all or any such growers, producers, manufacturers, miners, service providers, exporters or importers (all of the foregoing being hereinafter referred to as "beneficiaries") have utilised or benefited from such concessions or exemptions.

(4) The Commissioner shall without delay avail to the Minister such of the requested information as is available to the Commissioner and, where any of it is not so available, the Commissioner shall require the beneficiaries concerned to furnish him or her with the requested information in such manner and form and at such times as may the Commissioner may direct, and with such particularity and supporting documentation as the Commissioner may require.

(5) Any beneficiary who fails, neglects or refuses to comply with a requirement or direction of the Commissioner in terms of subsection (4) shall be guilty of an offence and liable to a fine not exceeding level twelve or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment."

## PART VI

## MINES AND MINERALS

**23 Amendment of section 36 of Cap. 23:04**

With effect from the year of assessment beginning on the 1st January, 2015, section 36 ("Interpretation in Chapter VII") (1) by the insertion of the following paragraph after paragraph (d)—

- "(e) "local diamond manufacturer" means a person who, in Zimbabwe—
  - (i) cuts, polishes, crushes or otherwise processes rough diamonds for gain or reward; and
  - (ii) is licensed as an authorised dealer in terms of the Precious Stones Trade Act [*Chapter 21:06*]; and
  - (iii) has successfully applied to the General Manager of the Minerals Marketing Corporation of Zimbabwe appointed in terms of section 24 of the Minerals Marketing Corporation of Zimbabwe Act [*Chapter 21:04*] to buy rough diamonds in terms of the Minerals Marketing Corporation of Zimbabwe (Diamond Sales to Local Diamond Manufacturers) Regulations, 2010, or any other law that may be substituted for the same."

**24 Amendment of Schedule to Chapter VII of Cap. 23:04**

With effect from the 1st January, 2015, the Schedule to Chapter VII of the Finance Act [*Chapter 23:04*] is amended in the part fixing the rates of royalties for the purposes

of section 245 of the Mines and Minerals Act [*Chapter 21:05*], by the deletion of the item referring to “diamonds” and the substitution of the following item—

“diamonds (other than diamonds sold to any local diamond manufacturer, for which no royalties shall be payable). . . . 15”.

#### PART VII

#### TAX AMNESTY

#### 25 New section substituted for section 18 of Act 1 of 2014

Section 20 of the Finance Act, 2014 (No. 1 of 2014), is repealed and substituted by—

##### “20 Payment conditions

When an amnesty is granted, the covered taxes due shall be payable as set out on the payment schedule form as determined by the Commissioner-General, and, save as may otherwise be allowed or directed by the Commissioner-General under subsection (2), is to be paid no later than the 31st December, 2015.”.

#### 26 Amendment of section 23 of Act 1 of 2014

(1) Section 23 (“Regulatory powers of Minister”)(2) of the Finance Act, 2014 (No. 1 of 2014), is amended by the insertion of the following paragraph after paragraph (b)—

“(c) a prescribed discount from the tax payable by an amnestied taxpayer for early payment of the covered taxes due.”.

(2) Any person who, before the promulgation of this Act, made any payment of covered taxes due in accordance with Part VII of the Finance (No. 2) Act, 2014, shall qualify for any discount made in favour of persons who, after that date, made payments of covered taxes due after that date and benefited from the discount:

Provided that instead of a refund of the discounted amount, the Commissioner-General may give a credit against the person’s future tax liabilities.

#### PART VIII

#### AMENDMENT OF OTHER ACTS

#### 27 Amendment of Cap. 14:33

(1) With effect from the 1st January, 2015, the Indigenisation and Economic Empowerment Act [*Chapter 14:33*] (No. 14 of 2007) is amended—

(a) in section 2 (“Interpretation”) —

(i) by the insertion of the following definitions —

““certificate of compliance” means a final or provisional certificate issued for the purposes of section 3(8);

“line Minister” means the Minister to whom a party or parties to a transaction referred to in section 4 shall refer their application for assessment in terms of section 4, being the Minister responsible for the sector or subsector of the economy to which the business subjected to this Act belongs;

“prescribed register” means the register prescribed in regulations made under section 21 and kept by the Board on behalf of the Minister assigned the administration of this Act, wherein particulars of the certificates referred to in section 3(8) and 4(5) are recorded;

“sector of the economy”, “subsector of the economy” and “sectoral” refer to a prescribed sector or subsector of the economy;”;

- (ii) by the insertion of the following subsections, the existing section becoming subsection (1)—

“(2) A reference to “Minister” in this Act shall, wherever appropriate, be construed as a reference to “line Minister”.

(3) The appropriate line Minister shall be responsible for prescribing by notice in a statutory instrument anything that may be prescribed under section 3(4):

Provided that any such notice which is in force on the date of commencement of the Finance (No. 3) Act, 2014, shall remain in force until the appropriate line Minister prescribes his or her own notice, in which event the notice in force shall, to the extent of any inconsistency with the second-mentioned notice, be deemed to have been repealed.”;

- (b) in section 3 (“Objectives and measures in pursuance of indigenisation and economic empowerment”) is amended by the insertion of the following subsections after subsection (6)—

“(7) In order to ensure that the Government’s policies and objectives of indigenisation and economic empowerment are implemented—

- (a) businesses shall submit indigenisation implementation plans for approval by the line Minister; and  
(b) the line Minister shall carry out an indigenisation and empowerment assessment rating of every business.

(8) Where, following an indigenisation and empowerment assessment rating of any business, it is found that the Government’s policies and objectives of indigenisation and economic empowerment have been implemented by the business in question, the line Minister shall, at the written request of the business, issue a certificate of compliance to the business no later than fourteen working days after such request is received by the line Minister, and the line Minister shall without delay transmit a copy thereof to the Board for inclusion in the prescribed register:

Provided that the line Minister may issue a provisional certificate to the business in question instead of a final one if the business undertakes or is required to comply with any specified conditions, upon the fulfilment of which the line Minister shall issue a final certificate.

(9) A statement issued by the Secretary to the Board as custodian of the prescribed register as to the existence or otherwise and contents of a certificate referred to in subsection (8) shall be conclusive as to the existence or otherwise of the certificate and its contents.”;

- (c) in section 4 (“Power of Minister to review and approve indigenisation and empowerment arrangements”) by the insertion of the following subsections after subsection (4)—

“(5) Where, following the approval by the line Minister of a transaction in terms of this section, the notifying party so requests in writing, the line Minister, shall issue a certificate of approval of the transaction no later than fourteen working days after such request is received by the line Minister, and the line Minister shall without delay transmit a copy thereof to the Board for inclusion in the prescribed register.

(6) A statement issued by the Secretary to the Board as custodian of the prescribed register as to the existence or otherwise and contents of a certificate referred to in subsection (5) shall be conclusive as to the existence or otherwise of the certificate and its contents.”.

- (2) For the avoidance of doubt, it is declared that—

- (a) the Indigenisation and Economic Empowerment (General) Regulations, 2010, published in Statutory Instrument 21 of 2010, remain in force subject to such changes as may be required to bring them into compliance with the amendments to the Indigenisation and Economic Empowerment Act [*Chapter 14:33*] (No. 14 of 2007) made by this Act, including, where appropriate, the substitution of the “line Minister” for the “Minister”;
- (b) indigenisation implementation plans approved under the aforementioned regulations on or before the date of commencement of this Act shall, subject to subsection (3), be deemed to have been approved by the appropriate line Minister as defined in subsection (1).

(3) If a business wishes to amend an indigenisation implementation plan referred to in subsection (2)(b), the business may, no later than sixty days after the publication of the *Gazette* notice referred to in section 3(6) of the Indigenisation and Economic Empowerment Act [*Chapter 14:33*] (No. 14 of 2007) as amended by this Act, submit a revised indigenisation implementation plan to the line Minister who shall, no later than three months after the revised indigenisation implementation plan submitted to him or her, by notice in writing to the business concerned, either approve the revised indigenisation implementation plan submitted by the business or reject it.

(4) If a revised indigenisation implementation plan submitted to the line Minister in terms of subsection (3) is rejected in terms of paragraph (b) of that subsection, the business concerned shall have one more opportunity to submit another revised indigenisation implementation plan no later than sixty days from the date when it is notified of the rejection, and subsection (3) shall apply to such plan in the same way as it applied to the first revised indigenisation implementation plan submitted by it.”.

## 28 Amendment of Cap. 22:20

The Sovereign Wealth Fund of Zimbabwe Act [*Chapter 22:20*] (No. 7 of 2014) is amended—

- (a) in the long title by the deletion of “to amend the Zimbabwe Mining Development Corporation Act [*Chapter 21:08*]” and the substitution of “to amend the Banking Act [*Chapter 24:20*] (No. 9 of 1999) and the Reserve Bank Act [*Chapter 22:15*] (No. 5 of 1999)”;
- (b) in section 1 (“Short title and date of commencement”) by the repeal of subsection (2) and the substitution of—



“(2) This Act (other than sections 31 and 32, which shall commence on the date of promulgation of this Act) shall come into operation on a date to be fixed by the President by statutory instrument.”.

**29 Repeal of section 121 of Cap. 24:25**

Section 121 of the Securities Act [*Chapter 24:25*] is repealed with effect from a date to be fixed by the President by notice in a statutory instrument.

**30 New section substituted for section 14 of Cap. 23:05**

The Fiscal Appeal Court Act [*Chapter 23:05*] is amended by the repeal of section 14 and the substitution of—

“14 Payment of tax pending appeal

The obligation to pay and the right to receive and recover any tax, additional tax, penalty or interest chargeable under this Act shall not, unless the Commissioner so directs, be suspended by any appeal in accordance with section 11 or 13 or pending the decision of the court, but if any assessment is altered on appeal or in conformity with any such decision or a decision by the Commissioner to concede the appeal to the court, a due adjustment shall be made, amounts paid in excess being refunded with interest at the prescribed rate and calculated from the date proved to the satisfaction of the Commissioner to be the date on which such excess was received, and amounts short-paid being recoverable with penalty and interest.”.

**31 Amendment of section 3 of Cap. 24:20**

Section 3 (“Application of Act”) (3) of the Banking Act [*Chapter 24:20*] (No. 9 of 1999) is amended by the insertion of the following paragraph after paragraph (f)—

“(g) the Infrastructural Development Bank of Zimbabwe (“IDBZ”) established by the Infrastructural Development Bank of Zimbabwe Act [*Chapter 24:14*].”.

PART IX

VALIDATION OF PENSION REVIEWS UNDER CHAPTER 16:03

**32 Validation of Pension Reviews under Cap. 16:03**

The increases in the levels of pensions paid from the Consolidated Revenue Fund which were made after considering the recommendations of the Pensions Review Tribunal established in terms of section 2 of the Pensions Review Act [*Chapter 16:03*], and which were not published by notice in statutory instruments as required by that Act, are hereby validated with effect from the following dates on which they took effect—

1st January, 2010, 1st January, 2011, 1st July, 2011, 1st January, 2012, 1st January, 2013.