Syllabus and study guide

Taxation Botswana (E1 BWA)



December 2027

Designed to help with planning study and to provide detailed information on what could be assessed in any examination session.

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1. Overall aim of the syllabus

The overall aim of the syllabus is to develop and enable the application of technical knowledge and skills relating to the Botswana tax system as applicable to individuals and companies.

2. Introduction to the syllabus

The syllabus for E1 Taxation (E1 BWA) starts by introducing candidates to the functions and systems applicable to Botswana tax, including sources of tax law and practice and the system for self-assessment.

The syllabus then moves on to provide the core knowledge of the major technical areas of Botswana taxation as they affect the activities of individuals and businesses, beginning with income tax. The syllabus covers the taxation of income from employment, self-employment/business income, and investment income, including the availability of exemptions and reliefs.

The next technical area covered by the syllabus is company tax, in particular the profits which are chargeable to company tax and how the company tax liability is computed.

The syllabus then moves on to cover two capital taxes; capital gains tax (CGT) and capital transfer taxes (CTT), including the basic principles of computing gains and losses and the computation of CGT and CTT, taking into account relevant exemptions and reliefs.

Next in the syllabus is withholding taxes which introduces candidates to the various withholding taxes which apply to payments to residents and non-residents.

Lastly, the syllabus covers the scope, calculation and administration of value added tax (VAT).

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3. Main capabilities

On successful completion of this course of study, candidates should be able to:

- Assess the operation and scope of the Botswana tax system, the obligations of taxpayers and/or their agents, and the implications of non-compliance
- Analyse and calculate the income tax liabilities of individuals
- Analyse and calculate the company tax liabilities of companies
- Analyse and calculate the chargeable gains and losses arising on individuals and companies, and the capital transfer taxes arising on individuals
- Analyse and calculate the effects of value added tax (VAT) on incorporated and unincorporated businesses
- Analyse the operation and scope of withholding taxes and calculate withholding tax payable
- Assess the impact of relevant taxes which apply in a variety of business and personal contexts

4. Intellectual levels

The ACCA Qualification syllabus is designed to progressively broaden and deepen the technical knowledge, skills and professional values demonstrated by the candidate on their journey through the qualification.

The specific learning outcomes within the detailed syllabuses and study guides are assessed at one of three intellectual or cognitive levels:

Level 1: Knowledge and comprehension
Level 2: Application and analysis
Level 3: Synthesis and evaluation

Very broadly these intellectual levels relate to the three levels of the ACCA Qualification: Knowledge, Expertise and Strategic Professional.

Each learning outcome included in the detailed study guide is given a 1, 2 or 3 superscript, denoting its intellectual level. This gives an indication of the intellectual depth at which a learning outcome could be assessed within the examination. However, while Level 1 broadly equates with the Knowledge level, Level 2 to the Expertise level and Level 3 to the Strategic Professional level of the ACCA Qualification, some lower-level skills can continue to be assessed as the candidate progresses through each level. This reflects that at each stage of study there will be the requirement to broaden, as well as deepen, capabilities.

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5. The syllabus

A The Botswana tax system

1. Botswana taxes
2. Principal sources of tax law and practice
3. The system for self-assessment, the making of returns, submission of information, claims and the procedures relating to compliance checks, appeals and disputes

B Income tax liabilities

1. The scope of income tax
2. Income from employment
3. Income from self-employment/business income
4. Investment income
5. The comprehensive computation of taxable income and income tax liability
6. The use of exemptions and reliefs in deferring and minimising income tax liabilities
7. The time limits, including payments on account and penalties for non-compliance

C Company tax liabilities

1. The scope of company tax
2. Profits chargeable to company tax
3. The comprehensive computation of company tax liability
4. The time limits, including payments on account and penalties for non-compliance

D Capital taxes

1. The scope of capital taxes
2. The basic principles of computing gains and losses
3. Gains and losses on the disposal of immovable property
4. Gains and losses on the disposal of shares and debentures
5. The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of capital assets
6. The time limits including payments on account and penalties for non-compliance

E Withholding taxes

1. The scope of withholding taxes
2. Calculation of withholding tax
3. Credit for withholding tax
4. Interaction of tax deductions and payment of withholding tax
5. The time limits, including payments on account and penalties for non-compliance

F Value added tax

1. The scope of value added tax (VAT)
2. The VAT registration requirements
3. The computation of VAT liabilities
4. Administration of VAT and penalties for non-compliance

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6. Detailed study guide

A The Botswana tax system

1. Botswana taxes

a) Explain the difference between direct and indirect taxation.[1]

b) Summarise the different types of capital and revenue tax.[1]

c) Recommend an appropriate ethical action or response to a given tax situation.[2]

2. Principal sources of tax law and practice

a) Explain the overall structure of the Botswana tax system.[1]

b) Summarise the different sources of revenue law.[1]

c) Interpret the impact of Departmental Guidance Notes (DGN) in the tax system.[2]

d) Assess the interaction of the Botswana tax system with that of other tax jurisdictions.[2]

e) Compare and contrast tax avoidance and tax evasion.[2]

3. The system for self-assessment, the making of returns, submission of information, claims and the procedures relating to compliance checks, appeals and disputes

a) Analyse the features of the self-assessment tax (SAT) system as it applies to companies.[2]

b) Calculate the SAT payable and the timing thereof by companies.[2]

c) Analyse the system of making tax returns for individuals.[2]

d) Apply the due dates for tax payable by individuals.[2]

e) Apply the time limits for the filing of returns.[2]

f) Summarise the information and records which taxpayers need to retain for tax purposes.[1]

g) Analyse the circumstances and time limits in which the Botswana Unified Revenue Services (BURS) can enquire into a self-assessment and other tax returns.[2]

h) Explain the procedures for dealing with objections, appeals and disputes.[1]

B Income tax liabilities

1. The scope of income tax

a) Explain how the residence of an individual is determined.[1]

2. Income from employment

a) Assess the factors which determine whether an engagement is treated as employment or self-employment.[2]

b) Analyse the basis of assessment for employment income, including foreign income.[2]

c) Calculate the income assessable.[2]

d) Analyse the allowable deductions.[2]

e) Assess income which is exempt.[2]

f) Explain the PAYE system.[1]

g) Assess and calculate the employment benefits which are assessable.[2]

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3. Income from self-employment/business income

a) Analyse the basis of assessment for self-employment income/business income, including foreign income.[2]

b) Apply the badges of trade.[2]

c) Analyse the expenditure which is allowable in calculating the tax-adjusted trading profit.[2]

d) Tax depreciation:

(i) Explain what constitutes depreciable assets for tax depreciation purposes.[1]
(ii) Calculate annual tax-depreciation using either the straight-line method or the diminishing value method for Class 1, 2, 3 and 4 depreciable assets.[2]
(iii) Apply the limitation of tax depreciation on motor cars.[2]
(iv) Calculate the gain or loss on disposal of depreciable assets.[2]
(v) Explain what constitutes an industrial building and the tax depreciation for structural improvements.[1]
(vi) Calculate the initial and tax depreciation for industrial buildings and the tax depreciation for structural improvements.[2]
(vii) Calculate the gain or loss on an industrial building and a structural improvement.[2]
(viii) Apply the initial allowance on industrial buildings.[2]
(ix) Apply the 20% of tax net book value limitation on the deduction of repairs and maintenance and the inclusion of 80% in depreciable assets.[2]

e) Farmers:

(i) Assess the valuation of cattle stock.[2]
(ii) Apply the standard values to the valuation of cattle through natural increase.[2]
(iii) Apply the farming capital expenditure which can be claimed as a deduction.[2]
(iv) Calculate farming chargeable income.[2]

f) Relief for trading and farming losses:

(i) Analyse how trading and farming losses can be carried forward.[2]
(ii) Analyse how trading losses are ring-fenced and can only be carried forward for five years.[2]

g) Partnerships:

(i) Analyse and calculate how a partnership is assessed to tax.[2]
(ii) Calculate the assessable profits for each partner.[2]

4. Investment income

a) Assess and calculate the following types of investment income: [2]

(i) dividends.
(ii) interest.
(iii) royalties.
(iv) rent.
(v) pensions.
(vi) annuities.

b) Assess and calculate the tax depreciation which can be claimed against rental income.[2]

c) Apply a loss of rental income against other investment income.[2]

d) Analyse and calculate the treatment of rental and interest income which are subject to withholding tax.[2]

e) Assess the tax treatment of income from exempt investments.[2]

5. The comprehensive computation of taxable income and income tax liability

a) Prepare and calculate a basic income tax computation involving different types of income.[2]

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b) Calculate the amount of income tax payable.[2]

c) Apply tax credits received to the income tax payable.[2]

6. The use of exemptions and reliefs in deferring and minimising income tax liabilities

a) Assess and calculate the relief given for contributions to the pension and medical aid schemes.[2]

7. The time limits, including payments on account and penalties for non-compliance

a) Apply the due dates for the payment of tax under the self-assessment system (SAT) and calculate payments on account and balancing payments/repayments.[2]

b) Calculate the late payment interest and the penalties which can be applied.[2]

C Company tax liabilities

1. The scope of company tax

a) Explain the terms 'tax year', 'accounting period' and 'financial year'.[1]

b) Apply the rules to determine when an accounting period starts and when an accounting period finishes.[2]

c) Assess how the residence of a company is determined.[2]

2. Profits chargeable to company tax

a) Analyse the expenditure which is allowable in calculating the tax-adjusted trading profit.[2]

b) Assess and apply the difference between the general deduction formula and specific deductions.[2]

c) Assess and apply the treatment of pre-trading expenditure.[2]

d) Calculate tax depreciation (as for income tax).[2]

e) Assess the deductions available against business and investment income.[2]

(f) Apply the calculation of repatriated profit to foreign companies.[2]

g) Analyse how relief for losses is given.[2]

h) Calculate the company's taxable income.[2]

3. The comprehensive computation of company tax liability

a) Calculate the company tax liability for different sources of income.[2]

b) Analyse the implications of receiving income which has been subjected to withholding tax.[2]

c) Apply credits to the company tax liability, including SAT payments and withholding tax credits and unutilised credit balances from prior years.[2]

d) Assess and apply the rules for certain expenses which are liable to withholding tax which can only be deducted from assessable income in the year in which the withholding tax is paid.[2]

5. The time limits, including payments on account and penalties for non-compliance

a) Assess how companies are required to account for company tax on a quarterly basis.[2]

b) Calculate late payment interest and the penalties which can be applied.[2]

D Capital taxes

1. The scope of capital taxes

a) Analyse the scope of, and application of, capital gains tax (CGT).[2]

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b) Explain the difference between depreciable assets and CGT assets.[1]

c) Explain which assets are exempt from CGT.[1]

d) Explain which persons are chargeable to capital transfer taxes (CTT).[1]

e) Assess and apply the meaning of gratuitous disposals for CTT.[2]

2. The basic principles of computing gains and losses

a) Calculate capital gains for both individuals and companies.[2]

b) Assess and apply the aggregation of capital gains and capital losses.[2]

c) Calculate the amount of allowable expenditure for a part disposal.[2]

3. Gains and losses on the disposal of immoveable property

a) Explain which assets are moveable or immoveable property.[1]

b) Calculate the capital gain on the disposal of immoveable property.[2]

c) Calculate the tax cost of the immoveable property, including improvements.[2]

d) Calculate the indexation allowance available in respect of a disposal of immoveable property.[2]

e) Explain which expenses incurred in disposing of a property can be deducted.[1]

f) Apply capital losses brought forward.[2]

4. Gains and losses on the disposal of shares and debentures

a) Calculate the capital gain on the disposal of shares.[2]

b) Apply the treatment of bonus issues and rights issues.[2]

c) Assess and apply the treatment of the sale of goodwill.[2]

5. The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of capital assets

a) Assess and apply rollover relief as it applies to individuals and companies.[2]

b) Assess and apply holdover relief for restructures and reorganisations in order to list on the Botswana Stock Exchange.[2]

c) Assess and calculate the tax liability arising in respect of a chargeable disposal for CTT.[2]

d) Assess and apply any available exemptions for CTT.[2]

6. The time limits, including payments on account and penalties for non-compliance

a) Apply the due dates for the payment of taxes and calculate payments/repayments including the advance payment of capital gains tax.[2]

b) Calculate late payment interest and the penalties which can be applied.[2]

c) Assess who is responsible for the payment of CTT.[2]

E Withholding taxes

1. The scope of withholding taxes

a) Assess and calculate the withholding taxes which apply to payments to non-residents.[2]

b) Assess and calculate the withholding taxes which apply to payments to residents.[2]

c) Assess when withholding tax is payable.[2]

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d) Analyse the exemption of withholding tax on the payment of dividends to resident companies.[2]

2. Calculation of withholding tax

a) Calculate the withholding tax payable in respect of payments of interest to residents and non-residents.[2]

b) Calculate the withholding tax payable in respect of dividends, royalties, entertainment, technical fees, insurance premiums, directors' fees, natural resource amounts, repatriated profit, and capital gains paid to non-residents.[2]

c) Calculate the withholding tax payable in respect of dividends, rentals, commissions, brokerage, and directors fees paid to residents.[2]

d) Calculate the withholding tax payable in respect of construction contracts.[2]

3. Credit for withholding tax

a) Assess which withholding tax payments are a final charge to tax and which can be credited against tax payable.[2]

b) Analyse how the timing of withholding tax payments affects the claim for a deduction of certain expenses.[2]

4. Interaction of tax deductions and payment of withholding tax

a) Assess and apply the rules for certain expenses which are liable to withholding tax which cannot be claimed as a deduction until the withholding tax is paid.[2]

5. The time limits, including payments on account and penalties for non-compliance

a) Apply the due dates for the payment of taxes and calculate payments/repayments.[2]

b) Calculate late payment interest and the penalties which can be applied.[2]

F Value added tax

1. The scope of value added tax (VAT)

a) Explain the scope of VAT.[1]

b) Summarise the treatment of zero-rated and exempt supplies.[1]

2. The VAT registration requirements

a) Assess the circumstances in which a person must register for VAT.[2]

b) Assess the advantages of voluntary VAT registration.[2]

c) Explain how and when a person can deregister for VAT.[1]

3. The computation of VAT liabilities

a) Assess and apply the time of supply for goods and services.[2]

b) Assess and apply the principles regarding the valuation of supplies.[2]

c) Analyse and apply the circumstance in which input VAT is non-deductible.[2]

d) Analyse and apply the relief that is available for impairment losses on trade debts.[2]

e) Assess and apply the apportionment of input VAT between exempt and taxable supplies.[2]

f) Apply the reverse VAT charge on the importation of services.[2]

4. Administration of VAT and penalties for non-compliance

a) Analyse how VAT is accounted for and administered.[2]

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b) Calculate late payment interest and the penalties which can be applied.[2]

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7. Reading list

Botswana Income Tax - Botswana Government

Silke on South African Income Tax - Divaris & Stein

Notes on South African Income tax – Huxham & Haupt

VAT in Botswana: A Simplified Approach – Jonathan Hore

Withholding Tax in Botswana: A Simplified Approach – Jonathan Hore

8. Approach to examining the syllabus

The syllabus for E1 Taxation (E1 BWA) is assessed by a three-hour computer-based examination.

The examination will consist of two sections:

Section A will contain 15 two-mark objective test questions (OTs).

Section B will contain six constructed response questions (CRs). Four of the CR questions will be worth 10 marks each and two of the CR questions will be worth 15 marks each. The two 15-mark questions will focus on income tax (syllabus area B) and company tax (syllabus area C).

All other questions can cover any areas of the syllabus.

Tax rates, allowances and information on certain reliefs will be given in the examination.

9. Guide to ACCA examination structure and delivery mode

The structure of examinations varies, depending on the level of the qualification.

The Expertise examinations contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus.

All Expertise examinations are assessed by three-hour computer-based examinations.

The pass mark for all Expertise examinations is 50%.

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10. Guide to ACCA examination assessment

ACCA reserves the right to examine anything contained within the study guide at any examination session. This includes knowledge, techniques, principles, theories, and concepts as specified.

For specified financial accounting, audit and tax examinations, except if indicated otherwise, ACCA will publish examinable documents once a year to indicate exactly what regulations and legislation could potentially be assessed within identified examination sessions. For most examinations (not tax) regulation issued, or legislation passed on or before 31 August annually, will be assessed from 1 September of the following year to 31 August of the year after. Please refer to the examinable documents for the examination (where relevant) for further information.

Regulations issued or legislation passed in accordance with the above dates may be examinable if the effective date is in the future, unless explicitly stated otherwise in the syllabus and study guide or examinable documents. The terms 'issued' or 'passed' relate to when regulation or legislation has been formally approved.

The term 'effective' relates to when regulation or legislation must be applied to entity transactions and business practices.

The study guide offers more detailed guidance on the depth and level at which the examinable documents will be examined. The study guide should therefore be read in conjunction with the examinable documents list, where applicable.

For E1 BWA, generally examinations in June and December will be based on legislation passed by the previous 30 September. Note: Exceptionally, the examination in June 2027 will be based on legislation passed by 30 September 2025 and only the examination in December 2027 will be based on legislation passed by 30 September 2026. The tax acts passed into law on 1 July 2026, i.e. Income Tax Act 2026, Tax Administration Act 2026, and Value Added Tax Act 2026, will be examinable in the December 2027 exam.

11. Learning hours and education recognition

The ACCA Qualification does not prescribe or recommend any particular number of learning hours for examinations because study and learning patterns and styles vary greatly between people and organisations. This also recognises the wide diversity of personal, professional and educational circumstances in which ACCA candidates find themselves.

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognised and valued by governments and regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognised on the educational frameworks in several countries. Please refer to your national education framework regulator for further information about recognition.

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