



BUDGET NEWSLETTER

2024-2025



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TAX ASSURANCE ADVISORY

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Key Highlights

- ✚ GDP growth rate to be 5.4%.
- ✚ Strict direction to stop quoting/ paying price of goods and services in foreign currency, especially school/collage fee, house rent, land and various products or services.
- ✚ Double refined edible oil from locally grown seeds manufactured by a local manufacture to remain VAT exempt for one more year.
- ✚ Supply of Gold to BOT and domestic refineries to be zero rated.
- ✚ Supply of textile products made using locally grown cotton continue to be zero rated.
- ✚ VAT refund to be paid within 30 days from the application.
- ✚ Withholding tax of 2% introduced on industrial minerals.
- ✚ Withholding tax of 3% introduced on transfer of digital assets.
- ✚ Withholding tax of 5% introduced on business of digital content creation by resident business entity.
- ✚ Section 56(5)(a) of the Income Tax Act, clarified that allotment of shares in a resident entity shall not invoke Section 56.
- ✚ Final withholding tax of 2% introduced on payment by resident entity for purchase of agriculture produce, fishing, animal and poultry keeping.
- ✚ Brough forward loss can be set off up to 60% instead of 70% for companies which are in loss for more than four years and have profit in current year.
- ✚ Regulation for writing off bad debts to be introduced.
- ✚ Value of currency point increased from TZS 15,000 to TZS 20,000.
- ✚ Maximum fine for offence of failure to issue EFD is 1,000 currency point.
- ✚ 10% excise duty introduced on value of stake on betting, gaming and national lottery.
- ✚ Electrical motor vehicle shall also be required to pay vehicle registration fee.
- ✚ Railway Development Levy increased from 1.5% to 2%





Economic Review

Theme of the Budget

- Theme of the budget is set as “Sustainable Economic Transformation through Fiscal Consolidation and Investment in Climate Change Mitigation and Adaptation for Improved Livelihoods”.

Key Macro-economic Policy Targets

- Achieving GDP growth rate of 5.4 percent from 5.1 percent in 2023.
- To keep inflation rate between 3.0-5.0 percent in the medium term.
- To increase tax revenue to 12.9 % of GDP from target of 12.6 % in 2023/24.
- To maintain budget deficit (including grants) not exceeding 3 % of GDP.

Key Priority areas for the year 2024/25

- Completion of flagship and strategic projects; strengthening production sectors; enhance human capital development particularly in social services and increase the use of ICT.

Some of notable achievements

- Lot 1 and Lot 2 of Standard Gauge Railway (SGR) is completed and Lot 3 to Lot 7 is in progress.
- Significant construction and rehabilitation of road infrastructure was made through TANROADS and TARURA.
- Julius Nyerere Hydropower Project is significantly completed and power generation through Plant No. 9 started contributing 235MW to National Grid
- Rehabilitation of existing healthcare infrastructure and construction of more than 1,324 new healthcare centers.
- 76 percent of country’s population use formal financial services as compared to 65 percent in 2017.

- ✚ Government through Bank of Tanzania has built and launched the Tanzania Instant Payments System (TIPS) to facilitate interoperability of transactions from banks and mobile networks.

Certain Key directives

- ✚ From 1st July 2024, all stakeholders and all citizens are directed to stop quoting prices of goods and services (especially school/tertiary/college fees, house rent, land, and various products or services) in foreign currencies and prices must be quoted and paid in Tanzanian shillings.
- ✚ There have been various challenges in the financial sector including issuance of loans to citizens with high interest. Therefore, Bank of Tanzania and all institutions involved in management of the financial services has been directed to take strict action against those who provide financial services illegally; and revoke the licenses of all those who contravene the law.

Review of 2023/24 Budget Implementation for 10 months up to April 2024

- ✚ As of April 2024, a total of 35.25 trillion shillings equivalent to 79.4 percent of the annual target was mobilized from various sources which primarily includes 21.31 trillion shillings collected by TRA, 4.93 trillion shillings mobilized from Grants and concessional loans and 4.61 trillion shillings mobilized from Domestic borrowings.
- ✚ As of April 2024, a total of 35.63 trillion shillings was released for expenditure, equivalent to 80.3 percent of the annual target. Out of the released amount, 23.29 trillion shillings was for recurrent expenditure and 12.34 trillion shillings was for implementation of development projects.





Tax Reforms

A. Amendments in the Value Added Tax Act, CAP 148

✚ Value Added Tax - Exemption on new items

The following items have been incorporated/amended in the Schedule to the Value Added Tax Act, 2014:-

- (i) Supply and importation of **motor vehicles, equipment, machinery and other goods** for official use of Tanzania People's Defence Force (Incorporated in item 18 to Schedule Part 1 to the Act). Earlier under this item, the exemption was restricted only to **"Supplies of arms and ammunitions, parts and accessories thereof, to the armed forces"**

Challenge: - Since the list of exempt items to People's Defence Force has been widened, especially when the term other goods has been mentioned, it will be challenging for local suppliers as they will be denied input on such purchases and the cost shall increase. In other words when supplied locally it does not benefit much to the recipients.

- (ii) Supply of aircraft, aircraft engine, aircraft parts and aircraft maintenance to a local air manufacturer, assembling on production.
(Incorporated in item 31 to Schedule Part 1 to the Act). Earlier this exemption was restricted only when supplied to a local operator of air transportation.

This is a welcome change as most of these will be imported.

- (iii) Supply and importation of water treatment chemicals, water meter, sewage. Exemption only upon approval of chemicals by the minister responsible for water.
- (iv) Importation of Video Assistant Referee equipment and accessories.
- (v) Single Axle tractors (Power Tiller) HS Code 8701.10.00, Spades and Shovels with HS Code 8201.10.00 and Mattocks and Picks under HS Code 8201.30.00 (Added Under Item 1 pf Part 1 of Schedule).

- (vi) Supply of Double Refined Edible Oil from locally grown seeds by a local manufacturer. This exemption has been extended for one more year upto 30th June 2025. Last year this exemption was granted upto 30th June 2024.

✚ Value Added Tax - New items under Zero Rated

- (i) Supply of Gold to the Central Bank of Tanzania.
(ii) Supply of Gold to domestic refineries.
(iii) Supply of locally manufactured fertilizer for one year.
(iv) Supply of textile products (Fabric & Garments) made using locally grown cotton. (Last year this item was made Zero Rated for one year upto 30th June 2024. Now the time limit has been removed).

✚ Value Added Tax Refunds

Value Added Tax Refunds to be paid within 30 days from the date of submission of the refund applications.

This is a welcome change, however more clarity is required in case of default by TRA.

✚ Value Added Exemption Abolished

Supply of precious metals, gemstones and other precious stones at refineries shall no longer be exempt.

✚ Online Data Services –

Online Data Services will be under Value Added Tax Base.
(We expect to have more clarity on this under The Finance Act).

The VAT measures are expected to increase Government Revenue by Tshs. 22,393 Million



B. Amendments in the Income Tax Act, CAP 332

- ✚ **Charitable Institutions** – Institutions dealing with advancement of health services and environmental conservation shall be included under charitable institutions and shall be exempt from Income Tax.

It may be noted that there are conditions and requirements already in place to avail such exemption by charitable institutions u/s 64 of the Income Tax Act 2004.

- ✚ **AMT Exemption:** Tea processing companies which are persistently making losses are now exempted from paying AMT.

- ✚ **EFD Required** - Section 11 of ITA 2004 to be amended whereby a requirement is being added to require Electronic receipts to authenticate purchase made, except in case of foreign supplier or any person who is not required to issue EFD.

Henceforth, any purchase incurred without an Electronic Receipts shall not be allowed as deduction. Moreover TRA need not to verify the receipts as all EFD issued under one's TIN are automatically available in their EFDMS.

This is a welcome move, as it will save substantial time during audit by TRA personnel. However it is important that purchases made are reconciled with VAT returns and financial accounts on a monthly basis

- ✚ **Contributions by Public Institutions to Consolidated Fund** - 15% contribution made by Public Institutions to the consolidated fund shall now be treated as deductible expenditure for the purpose of deriving their taxable income.

- ✚ **Passenger Transportation Business** - The taxes on passenger transportation business with gross income not exceeding Tshs. 100 Million (who are not bound to prepare accounts), have been changed as under:-

CLASS A : Passenger transportation buses			
S NO	No of Passengers	Current Tax	Proposed Tax
1	Not more than 15	250,000	250,000
2	Between 16 to 25	550,000	650,000
3	Between 26 to 45	1,100,000	1,100,000
4	Between 46 to 65	1,600,000	1,600,000
5	More than 65	2,200,000	2,200,000

- ✚ **Non Residents to collect withholding tax** – Non –Residents are required to collect withholding tax @5% on payments made to resident digital content creators.
(We await further clarification on this amendment through the Finance Act)
- ✚ **Withholding tax on Industrial Minerals** – Withholding tax of 2% has been introduced on purchase of industrial minerals, except on salt, metallic minerals and other precious minerals as stipulated in the Mining Act, when sold by Primary Mining License or Artisanal Miner.
- ✚ **Withholding tax on transfer of Digital Asset** - Withholding tax of 3% has been introduced on transfer of digital assets. Even non-residents are required to operate this and they shall be registered with TRA under Simplified Tax Regime.
- ✚ **Withholding tax on business of Digital Content Creation** - Withholding tax of 5% has been introduced on the business of digital content creation conducted by resident business entities.
- ✚ **Withholding tax on Agricultural Produce etc** – A Final Withholding tax of 2% has been introduced on payment by resident entity for purchase of agricultural produce, fishing, animal and poultry keeping besides forestry produce.
- ✚ **Amendment in Section 56 (Change in Control)** - Section 56 (5) (a) allotment of shares in a residence entity, shall be excluded from applicability of Section 56. This amendment was introduced last year where the wordings used were – “**as a result of allotment of new membership interest of the entity,**” which was confusing and now the same is absolutely clear that provision of section 56 shall not apply on change on account of allotment of shares in a resident entity, irrespective of status of the allottee.
- ✚ **Amendment in Section 19(2) (Set off of Brought Forward losses)**
In the Finance Act 2020, this amendment was introduced, whereby loss making companies for more than 4 years having taxable income in the current year could set off only upto 70% of the current year income. Now they will be able to set off only 60% of the current year’s income from the brought forward losses

- ✚ **Exemption of withholding on interest paid by Resident Financial Institutions** - Withholding tax shall be exempted on interest paid by Resident Financial Institutions to Non-Residents Financial Institutions and Funds which has agreement with the Government of the United Republic of Tanzania to dispense concessionary loans to resident banks and financial institutions subject to certain conditions.
- ✚ **Regulations for Writing off Bad Debts** – Regulations shall be made to prescribe the recognition and writing off of bad debts.

This is a welcome change and should resolve the difficulty experienced by various entities mainly banks and financial institutions during assessments.

The Income Tax measures are expected to increase Government Revenue by Tshs. 31,738 Million



C. Amendments in Excise (Management and Tariff) Act, CAP 147

- ✚ **Reduction in excise duty rate** on locally produced bottled water with HS Code 2201.10.00 and 2201.90.00 from Shilling 63.80 to Shilling 58 per litre.
- ✚ **Introduction of excise duty** of Shilling 7,000 Per Litre on Imported Un-denatured Ethyl Alcohol and Shilling 5,000 on locally produced Un-denatured Ethyl Alcohol of an alcoholic strength by volume of 80% vol or higher (Ethanol) with HS Code 2207.10.00 except Un-denatured Ethyl Alcohol used for purposes other than manufacturing scheduled article upon recommendations of the responsible Minister.
- ✚ **Introduction of excise duty** of 10% of the value of stake on betting, Gaming and national lottery. This amount collected shall be remitted to Universal Health Insurance Fund.
- ✚ **Introduction of excise duty** of 10% on advertisement fee in Television, Print Media and radio stations for betting, gaming and lotteries advertisement.
- ✚ **Introduction of excise duty** of Shillings 300 Per Kilogram on imported and locally manufactured Tomato Sauce and Tomato Ketchup (other than tomato paste) with HS Code 2103.20.00 and Chilli Sauce and Chilli Ketchup (other than chilli paste) and Mango Pickle with HS Code 2103.90.00.
- ✚ **Introduction of excise duty** of Shillings 500 Per Kilogram of locally manufactured and imported solvent based paints and varnishes of heading 32.08.
- ✚ **Introduction of excise duty** of Shilling 963.90 Per Litre on Imported opaque beer with HS Code 2206.00.20 and Shillings 2,959.74 on other imported beer made of mixed fruits with HS Code 2206.20.90.
- ✚ **2% of Excise Duty to be collected** on carbonated soft drinks, cosmetics products and alcoholic drinks to be remitted to Universal Health Insurance Fund.
- ✚ **Electronics Tax Stamps Regulations, 2018** – to be amended to require manufacturing license to be issued to the persons licensed to manufacture excisable goods once the manufacturer have installed ETS machines and factory have begun production.

**The Excise Duty measures are expected to increase
Government Revenue by Tshs. 196,142 Million**

D. Amendments in the Tax Administration Act, CAP 438

- ✚ **Tax Ombudsman to be empowered** in hearing and addressing complaints emanates from tax decision, procedural, service and administrative matters relating to such tax decision or objection.

- ✚ **Value of currency points** to be changed from Shilling 15,000 currently to Shilling 20,000 from 01st July 2024.

This means that all penalties measured in currency points shall go up by 33.33%.

- ✚ **Maximum Fine for offence of failure to issue EFD Receipt** to be 1000 currency points (Equivalent to Shillings 15,000,000) u/s 86 (1) of TAA 2015, against the current fine of 200 to 300 currency points.

There seems to be a typo error as when the value of a currency point is Shilling 20,000, the value of 1,000 currency points after the amendment should be Shillings 20,000,000 and not 15,000,000.

E. Amendments in The Vocational, Educational and Training Act, CAP 82

- ✚ SDL shall not be payable on casual labourers employed in the execution of water projects managed by water authorities.

F. Amendments in The Road and Fuels Tolls Act CAP 220,

- ✚ To charge Tsh 382 per kilogram of Compressed Natural Gas (CNG) used in motor vehicles.

G. Amendments in Law of the Child Act, CAP 13

- ✚ To introduce Registration Fee of Tsh 100,000 to the Day care centre and crenches; and

- ✚ To introduce Annual Fee of Tsh 200,000 to the day care centre and crenches.

H. Amendments in The Port Act, 2004

- ✚ To reinstate the mandate of collecting wharfage to the Tanzania Ports Authority (TPA)

I. Amendments in Sugar Industry Act, CAP 251

- ✚ To give power to the National Food Reserve Agency (NFRA) to buy, stock and reserve sugar as a National food reserve
- ✚ To amend the NFRA regulations by including sugar as part of food security; and
- ✚ To charge Tsh 50 per kilogram of Sugar by-products originating from sugar production (more clarity awaited).

J. Amendments in Cashewnut Industry Act, Number 18

- ✚ Cashewnut Board to collect and utilize revenue from export levy on cashewnut for five years.
- ✚ TRA to collect crops export and import levies (clarity required as to which department shall collect export levy).

K. Amendments in The Mining Act, CAP 123

- ✚ To amend Section 90A (3) of the Mining Act, CAP 123, to exempt the supply of gold to the Bank of Tanzania (BOT) from paying inspection fee of 1 percent.
- ✚ To reduce royalty rate from six (6) percent to two (2) percent on the supply of gold to be sold to the Bank of Tanzania.
- ✚ To reduce royalty rate from four (4) percent to two (2) percent on the supply of gold to be sold to the domestic refineries.

L. Amendments in Gaming Act, CAP 41

- ✚ To introduce gaming dealer's certificate application fee of 10,000 shillings and certificate fee of 20,000 shillings.
- ✚ To introduce the lottery centres registration fee of 30,000 shillings.
- ✚ To introduce license application fee of 500,000 shillings and Annual fee of 1,000,000 shillings for supply of tokens used in slot machines.

M. Amendments in The Railway Act, 2017

Increase in railway development levy from 1.5 percent of CIF value to 2 percent of CIF value.

N. Amendments in The Motor Vehicle (Tax Registration and Transfer) Act, CAP 124

- ✚ To include electrical motor vehicle in the scope of vehicle registration.

O. Amendments in The Import Control Act, CAP 276

- ✚ Introducing Industrial Development Levy on selected imported goods as follows:
 - 10 percent on wire rods with HS Code 7213.91.90;
 - 10 percent on beer under heading 22.03;
 - 5 percent on non-alcoholic beer with HS Code 2202.91.00;
 - 5 percent on energy drinks with HS Code 2202.99.00;
 - 10 percent on organic surface-active agents - detergents with HS Code 3402.50.00 and
 - 10 percent on liquid with HS Code 3402.90.00.
- ✚ Further, The Industrial Development Levy will not apply to goods originating from East African Community Partner States that meet the East African Community Rules of Origin.

P. Amendments in The Export Levy, CAP 196

- ✚ Introducing export levy at the rate of 10 percent on Crude Sunflower Oil, Sunflower Cake, and Sunflower seeds.

Q. Various Government Fees and Levies of the Government Agency

i. Tanzania Atomic Energy Commission

To amend the radiation inspection fee as follows:

- To set a requirement of charging a fee of 0.1% of the FOB value on exportation of animal products and foodstuffs to foreign destinations where the destination countries have a requirement of the Radiation Certificate or when the exporter has requested the certificate.
- To reduce the radiation inspection and certification fee from 0.4 % of the FOB Value to 0.2% of the FOB value on finished goods which are imported into the country.



ii. Fire and Rescue Force

To amend the Fire and Rescue Force Act, CAP 427 by reducing the fee chargeable for training wardens on fire prevention and cautionary measures from **TZS 500,000** to **TZS 200,000**.

iii. Tanzania Civil Aviation Authority (TAA)

To charge a fee for renewing licenses to operate safety planes (Air Operators Certificates - AOC) at the rate of 600 US dollars **per Company per year** instead of the current rate of 600 US dollars **per aircraft per year**.

iv. Ministry of Natural Resource and Tourism

To reduce the fee of Tanzanian Tourist Business License which is paid by an agent of the mountain climbing from **US Dollar 2,000 per annum** to **TZS 3,000,000 per annum**. The fee shall be payable in **Tanzanian shillings**.



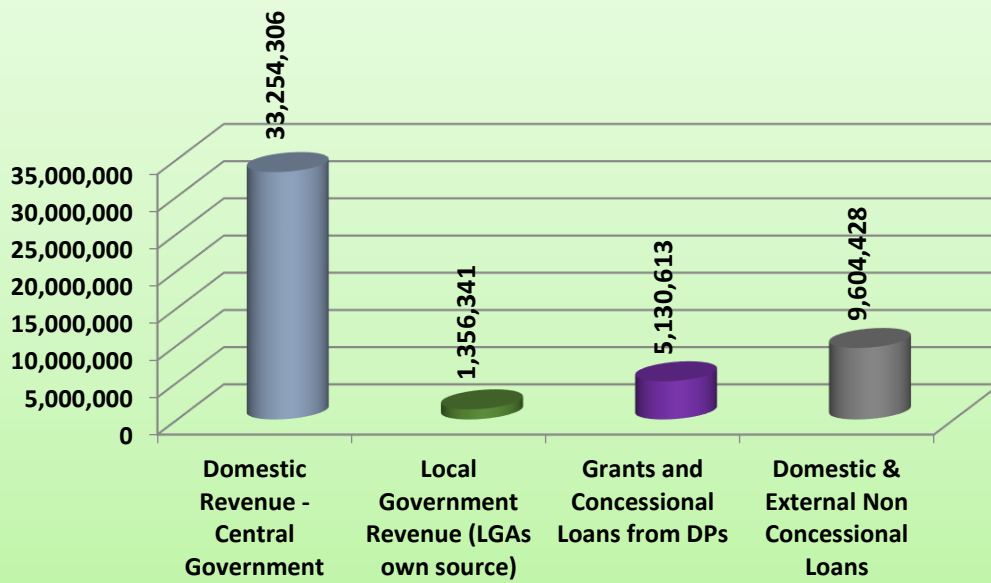


Budget Structure 2024/2025

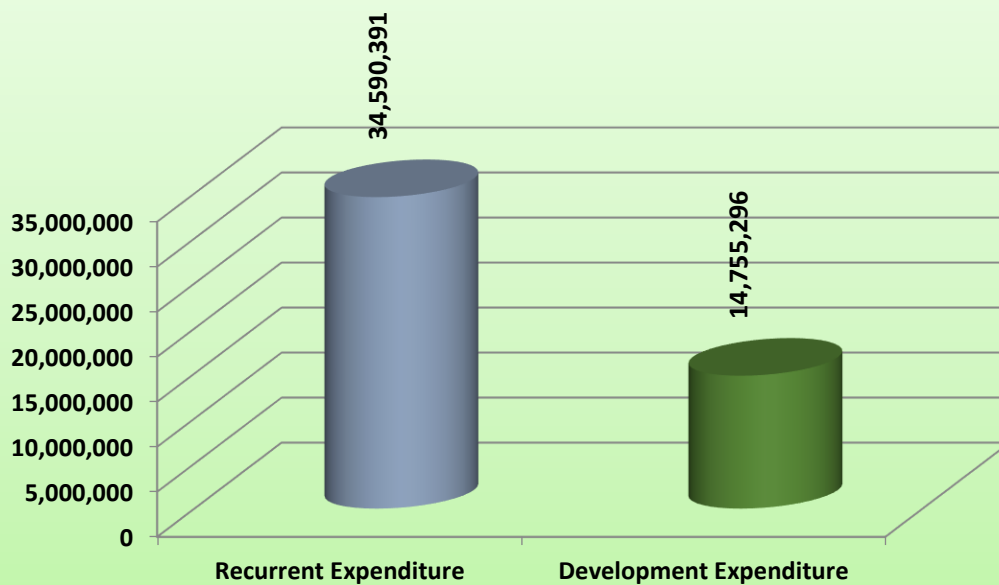
	Particulars	TZS Millions	TZS Millions	%
	Revenue			
A.	Domestic Revenue - Central Government		33,254,306	67.39%
	(i) Tax Revenue (TRA)	29,415,289		
	(ii) Non-Tax Revenue	3,839,017		
B.	Local Government Revenue (LGAs own source)		1,356,341	2.75%
C.	Grants and Concessional Loans from DPs		5,130,613	10.40%
	(i) Grants and Concessional Loans - GBS	1,489,775		
	(ii) Grants and Concessional Loans - Projects	3,461,946		
	(iii) Grants and Concessional Loans - Basket	178,892		
D.	Domestic & External Non Concessional Loans		9,604,428	19.46%
	(i) External Loans	2,986,638		
	(ii) Domestic Loans - Financing	2,595,417		
	(iii) Domestic Loans - Rollover	4,022,373		
	Total Revenue (A+B+C+D)		49,345,688	100.00%
	Expenditure			
E.	Recurrent Expenditure			
	(i) CFS		15,736,279	31.89%
	- Domestic Interest payments	3,146,668		
	- Domestic Principle payments (Rollover)	4,022,373		
	- External Principle payments	3,517,120		
	- External Interest payments	2,435,305		
	- Government Contribution to Pension Funds	2,000,000		
	- Other Expenditure under CFS	614,813		
	(ii) Wages and Salaries		11,767,987	23.85%
	(iii) Other Charges (OC)		7,086,125	14.36%
	- o/w LGAs Own Source	815,065		
F.	Development Expenditure			
	(i) Local		11,114,458	22.52%
	- Clearance of arrears	400,000		
	- Railway Fund, Water Fund, Road Fund, REA and TARURA	2,167,623		
	- LGAs Own Source	541,276		
	- Other Development Expenditure	8,005,559		
	(ii) Foreign		3,640,838	7.38%
	Total Expenditure (E+F)		49,345,688	100.00%
	Overall Budget Deficit (ss percentage of GDP)		2.9%	

Source: Ministry of Finance

TOTAL REVENUE (TZS Millions)



TOTAL EXPENSES (TZS Millions)



Annexure A

Amendments in the East African Community Customs Management Act, 2004

	Particulars	H S Code
I	The proposed new changes in the Common External Tariff are as follows:	
	Grant Stay of Application of the EAC CET rate	
1	10 percent and apply a duty rate of 35 percent on float, toughened and multiple walled insulating units of glass for one year.	7005.10.00; 7005.21.00; 7005.29.00; 7005.30.00; 7007.19.00; 7007.29.00; 7008.00.00
2	35 percent and apply a duty rate of 35 percent or USD 3 per square meter, whichever is higher for one year on ceramic tiles	6907.21.00; 6907.22.00; and 6907.23.00
3	25 percent or USD 200/MT whichever is higher and apply a duty rate of 25 percent or USD 300/MT whichever is higher for one year on flat-rolled products of iron or non-alloy steel	7210.49.00; 7210.61.00; 7210.69.00; 7210.70.00; 7210.90.00; and 7212.30.00.
4	35 percent and apply a duty rate of 25 percent or USD 300/MT whichever is higher for one year on Flat-rolled products of iron or non-alloy steel	7212.40.00; 7212.50.00.
5	10 percent and apply a duty rate of 10 percent or USD 300/MT whichever is higher for one year on flat-rolled products of iron or non-alloy steel	7212.60.00
6	10 percent and apply a duty rate of 25 percent or USD 300/MT whichever is higher for one year on Iron and steel flat rods products	7225.91.00; 7225.92.00; 7225.99.00
7	35 percent and apply a duty rate of 35 percent or USD 500/MT whichever is higher for one year on corrugated iron sheets	7210.41.00
8	25 percent or 35 percent and apply a duty rate of 50 percent for one year on salt	25.01
9	10 percent and apply a duty rate of 10 percent or USD 300/MT whichever is higher for one year on semi-finished flat rolled products	7226.99.00
	35 percent and apply a duty rate of 35 percent or USD 500/MT whichever is higher for one year on refined vegetable oils	1507.90.00; 1508.90.00; 15.09; 15.10; 511.90.30; 1511.90.90; 1512.19.00; 1512.29.00; 1513.19.00; 1513.29.00; 1514.19.00; 1514.99.00; 1515.19.00; 1515.29.00; 1515.50.00; 1515.60.00; 1515.90.00

	The proposed new changes in the Common External Tariff are as follows:	
	Grant Duty Remission and at a duty rate	
10	0 percent instead of 25 percent for 1 year on lithium-iron electric accumulators.	8507.60.00
11	0 percent instead of 10 percent for one year on unassembled Television (CKD)	8528.72.10; 8528.73.10
12	10 percent instead of 25 percent for one year on other paper, paperboard, cellulose wadding and webs of cellulose fibres used to manufacture labels and thermal paper rolls for cash registers, POS and EFD machines	4811.90.00
13	10 percent instead of 35 percent for one year on float glasses used to manufacture toughened glass	7005.10.00; 7005.21.00; 7005.29.00; 7005.30.00
14	0 percent instead of 25 percent or 35 percent for one year on inputs used by domestic manufacturers of yoghurt, powdered or UHT milk	3923.50.90; 4819.20.90; 4819.30.00; 4819.50.00; 4821.90.00; 7607.19.90
15	0 percent for one year on inputs and raw materials used to manufacture optical fiber cables.	3215.19.00; 3403.99.00; 3506.91.00; 3818.00.00; 3907.99.00; 3907.99.00; 3916.90.00; 3917.39.00; 3919.90.90; 3920.69.90; 3920.99.90; 3921.14.90; 3921.90.90; 5402.11.00; 5404.90.00; 7019.90.90; 8536.90.00; 8544.49.00
16	All Partner States agreed 0 percent on inputs used for the manufacture mosquito repelants	4817.30.00; 4819.10.00; 5407.51.00; 3921.19.90
17	All Partner States agreed 10 percent on Inputs used in the manufacture of foods and beverages	2106.90.20
	The proposed new changes in the Common External Tariff are as follows:	
	EAC Partner States agreed to grant Duty Remission at a duty rate	
18	0 percent on various inputs used in the assembling or manufacturing of mobile phones.	
	EAC Partner States agreed to amend	
19	The structure of hybrid motor vehicle tariff lines to cater for unassembled vehicle at import duty rate of 0 percent.	8703.40.00; 8703.50.00; 8703.60.00; 8703.70.00

II Measures that were affected during 2023/24 and will continue to be implemented in 2024/25 are as follows		
	Stay of Application of EAC - CET Rate	H S Code
1	10 percent and apply a duty rate of 0 percent for one year on cash registers and other Electronic Fiscal Device (EFD) Machines and Point of Sale (POS) of Imported by the Government or authorized persons.	8470.50.00 and 8470.90.00
2	0 percent and apply a duty rate of 10 percent for one year on cocoa powder, not containing added sugar or other sweetening matter	1805.00.00
3	10 percent and apply a duty rate of 10 percent or USD 125/MT whichever is higher for one year on iron and steel products	7209.16.00; 7209.17.00; 7209.18.00; 7209.25.00; 7209.26.00; 7209.27.00; 7209.28.00; 7209.90.00; 7211.23.00; 7211.90.00; 7226.92.00; and 7225.50.00
4	25 percent or USD 200/MT whichever is higher and apply a duty rate of 25 percent or USD 250/MT whichever is higher for one year on Iron and steel reinforcement bars and hollow profiles	7213.10.00; 7213.20.00; 7213.99.00; 7306.30.00; 7306.50.00; 7306.61.00; 7306.69.00; and 7306.90.00
5	0 percent and apply a duty rate of 10 percent for one year on monofilament of which any cross sectional dimension exceeds 1mm, rods, sticks and profile shapes whether or not surface worked but not otherwise worked of plastics	3916.10.00; 3916.20.00; and 3916.90.00.
6	10 percent and apply a duty rate of 25 percent on paper and paper products for one year.	4804.29.00
7	25 percent and apply a duty rate of 25 percent or USD 1.35/kg whichever is higher for one year on safety matches	3605.00.00
8	25 percent and apply a duty rate of 60 percent for one year on mineral water	2201.10.00
9	0 percent and apply 10 percent for one year on gypsum powder	2520.20.00
10	35 percent or USD 0.40/Kg whichever is higher and apply a duty rate of 35 percent on worn items of clothing, footwear and articles for one year.	6309.00.10; 6309.00.20 and 6309.00.90
11	10 percent and apply a duty rate of 25 percent for one year on new pneumatic tyres of rubber, of a kind used on motorcycles	4011.40.00
12	25 percent and apply a duty rate of 0 percent for one year on milk cans	7310.10.00 and 7310.29.90

13	100 percent or USD 460/MT whichever is higher and apply a duty rate of 10 percent on refined sugar (sugar for industrial use)	1701.99.10 and 1701.99.20
14	10 percent and apply a duty rate of 10 percent or USD125/MT whichever is higher for one year on flat-rolled products	7212.20.00
15	25 percent and apply a duty rate of 35 percent for one year on baby diapers	9619.00.90
16	10 percent and apply a duty rate of 25 percent for one year on cotton yarn	52.05; 52.06; and 52.07 except 5205.23.00.
17	25 percent and apply a duty rate of 35 percent on horticultural products for one year.	0604.20.00; 0604.90.00; 0808.10.00; and 0808.30.00
18	10 percent and apply a duty rate of 25 percent on Polyester/ Nylon Twine for one year	5607.50.00
19	25 percent and apply a duty rate of 0 percent on Smart cards imported by the National Identification Authority for one year in order to facilitate issuance of National Identification Cards;	under HS Code 8523.52.00
20	25 percent and apply a duty rate of 25 percent or USD 250/MT whichever is higher for one year on flat-rolled products of iron or non-alloy steel	7210.30.00
21	50 percent and apply a duty rate of 35 percent on imported Vitenge for one year	5208.51.10; 5208.52.10; 5209.51.10; 5210.51.10; 5211.51.10; 5212.15.10; 5212.25.10; 5513.41.10; and 5514.41.10
22	25 percent and apply a duty rate of 25 percent or 0.25 USD per meter whichever is higher on imported cotton grey fabric for one year.	5208.11.00; 5208.12.00; 5208.13.00; 5208.19.00; 5209.11.00; 5209.12.00; 5209.19.00; 5210.11.00; 5210.19.00; 5211.11.00; 5211.12.00; 5211.19.00; 5212.11.00; and 5212.21.00
23	10 percent and apply a duty rate of 25 percent on imported items (Other paper, paperboard, cellulose wadding and webs of cellulose fibres) for one year.	4811.90.00
24	25 percent and apply a duty rate of 0 percent on buses for transportation of more than 25 persons imported for rapid transport project for one year.	8702.10.99 and 8702.20.99
25	35 percent and apply a duty rate of 35 percent or USD 350 per metric ton whichever is higher on nails, tacks, drawing pins, corrugated nails staples (other than those of heading 83.05) and similar articles of iron or steel, whether or not with heads of other materials for one year.	7317.00.00

26	100 percent or USD 460/MT whichever is higher and apply a duty rate of 35 percent for one year on cane sugar imported under a permit issued by the Tanzania Sugar Board.	1701.14.90
27	0 percent and apply a duty rate of 10 percent for one year on crude vegetable oils of soya-beans, groundnuts, coconuts, mustard and linseed	1507.10.00; 1508.10.00; 1513.11.00; 1513.21.00; 1514.11.00; 1514.91.00; and 1515.11.00
Grant Duty Remission and Apply Import Duty		H S Code
28	0 percent instead of 10 percent for one year on corks and stoppers used as inputs by domestic manufacturers of local wines	4503.10.00
29	0 percent instead of 25 percent for one year on packaging materials used for packing processed coffee.	7310.21.00; 6305.10.00; 3923.50.10; 3923.50.90 and 3920.30.90
30	0 percent instead of 25 percent for one year on sacks and bags of polymers of ethylene used as inputs by domestic processors of cashew nuts.	3923.21.00
31	0 percent instead of 25 percent for one year on inputs used by domestic processors of cotton lint.	3920.30.90; 6305.39.00; and 7217.90.00
32	All partners states agreed to 0 percent instead of 25 percent or 10 percent on raw materials used to manufacture sanitary pads and baby diapers.	
33	0 percent instead of 25 percent for one year on packaging materials for seeds used by local producers of agricultural seeds.	3923.29.00; 6305.10.00; 4819.40.00; 7310.29.90; 6305.33.00; 6305.20.00; 6304.91.90 and 7607.19.90
34	10 percent instead of 35 percent on imported wheat grain for one year.	1001.99.10 and 1001.99.90
35	0 percent instead of 10 percent on Refined Bleached Deodorized (RBD) Palm Stearin for one year.	1511.90.40
36	All Partner States agreed on raw materials and industrial inputs used to manufacture textiles and leather footwear.	
37	0 percent instead of 10 percent for one year on organic surface-active agents used by manufacturers of detergents and liquid soaps.	3402.31.00; 3402.39.00; and 3402.49.00
38	0 percent instead of 25 percent or 10 percent for one year on raw material used in leather processing	3208.20.10; 3208.20.20; 3208.90.20 and 3210.00.10
39	0 percent instead of 25 percent or 10 percent for one year on raw materials used to manufacture different types of fertilizers.	2710.99.00; 2528.00.00; and 3505.20.00
40	0 percent instead of 25 percent for one year on packaging materials for processed tobacco in order to reduce costs to processors of tobacco;	5310.10.00

41	0 percent instead of 25 percent for one year on packaging materials used by local manufacturers of tea (blenders).	4819.20.90; 5407.44.00; and 3923.29.00
42	10 percent instead of 25 percent for one year on CKD for three-wheel motorcycle excluding chassis and its components	8704.21.90.
43	0 percent instead of 25 percent or 10 percent for one year on inputs used to manufacture glass reinforced plastic pipes.	3920.61.10, 7019.39.00, 7019.31.00, 6006.90.00, 7019.12.00, 3920.10.10, 4016.93.00, and 3907.91.00
44	0 percent instead of 10 percent for one year on raw materials used to manufacture food flavors.	1901.90.10; 3302.10.00; and 3505.10.00
45	0 percent instead of 10 percent or 25 percent for one year on inputs used to manufacture corrugated boxes.	4804.39.00; 4805.11.00; 4805.19.00; 4805.24.00; and 4805.25.00
46	10 percent instead of 35 percent for one year on inputs used to manufacture soap.	HS Code 3401.20.10
47	0 percent instead of 10 percent or 25 percent for one year on inputs used to manufacture electrical cables.	7312.10.00; 7217.20.00; 7408.19.00; 7409.11.00; 7605.21.00; 2710.19.56; 3815.90.00; 5402.19.00; 5903.90.00; 7907.00.00; and 2712.10.00
48	0 percent instead of 10 percent, 25 percent or 35 percent on inputs/raw materials used to manufacture capital goods/equipment for various sectors for one year.	72.14; 72.15; 72.16; 32.08; 73.07; 83.11; 85.44; 68.06; 74.19; 72.08; 73.06; 73.12; 73.15; 73.18; 84.82; 84.83; 72.22; 73.04; 84.81; 84.84; 7325; 40.10; and 76.06
49	0 percent instead of 10 percent, 25 percent or 35 percent for one year on inputs used to manufacture radiators.	7409.11.00; 7409.19.00; 7410.11.00; 7410.12.00; 7409.21.00; 8001.10.00; and 3810.90.00
50	0 percent instead of 10 percent or 25 percent for one year on inputs used to manufacture wiring harnesses for vehicles and motorcycles.	8538.90.00; 4016.99.00; 8205.59.00; 8536.10.00; 8536.69.00; 8536.90.00; 8547.20.00; 3926.90.90; 3917.32.00; and 8544.30.00

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Our analysis highlights the main aspects of the Budget, presented in parliament on 13th June 2024. The information contained in this analysis has been compiled from the Budget speech read on 13th June 2024 and the economic review. While all reasonable attempts have been made to ensure that the information contained herein is accurate, Balakrishna Sreekumar & Co. accepts no responsibility for any errors or omissions it contains whether caused by negligence or otherwise. The review contains general information only and is neither intended to be a comprehensive publication nor provide specific advice.