

# Finance Act Newsletter 2023

*This newsletter is an update of our budget newsletter issued on 15 June 2023. The newsletter highlights and summarizes amendments of various taxes, duties, levies, fees relating to collection and management of public revenues. These amendments shall take effect from 01 July 2023 unless stated otherwise in a specific provision of the law.*



# 1. Income Tax Act

## Clarification to taxpayers engaged in transportation of passengers or goods

This amendment brings clarity as to whether this provision was set to apply to individuals or entities, this is now applicable to resident individuals engaged in transporting passengers or goods and having a turnover of less than TZS 100 million are required to pay presumptive income tax at revised rates.

Click here to see the revised rates [PRESUMPTIVE TAX RATES](#)

While the entities engaged in the business of transporting passengers or goods will be required account for income tax as normal entity.

## A commendable move especially to investors looking to raise capital by way of issuance of new shares.

Allotment of new membership interest of the entity and transfer of resident membership interest of the entity to another resident person will no longer trigger Capital Gain Tax under Section 56.

This amendment paves the way towards new investments flowing in the country.

## Clarity on scope of chargeability of Digital Service Tax (DST) by an Individual

Resident individual consuming electronic services not for business e.g. Social networking services, electronic ticketing service, Streaming services etc. will be subjected to DST at the rate of 2% on gross payment regardless the place of payment.

“*Electronic services*” is defined to mean any of the following services provided or delivered through a telecommunications network including Websites, web-hosting, or remote maintenance of programs and equipment, Software and the updating thereof, Images, text, and information, Access to databases, Self-education packages, Music, films, and games, including gaming activities, Political, cultural, artistic, sporting, scientific, and other broadcasts and events including broadcast television

Therefore, individuals in URT consuming electronic services for business purposes will continue to deduct withholding tax on payments made to non – residents’ supplier of electronic services.

Further, the due date for payment of DST by the way of filing return to Commissioner by such individual has been extended from 7<sup>th</sup> day of the following month to 20<sup>th</sup> day of the following month to which the payment relates.

## Removal of Withholding Tax obligation to resident individual not conducting business

Individuals are exempted from withholding tax obligations on payment in respect to investment returns such as rent provided that the payment made is not for commercial purposes.

The aim of this amendment is to remove the burden to resident individual to withhold tax on payment of rent in respect of residential premises.

Therefore, individuals who make rental payments in relation to commercial buildings will still need to withhold and remit tax to TRA.

## Simplified approach of collecting taxes on disposal of land or building

Tax payers who do not possess documentary evidence substantiating the costs of asset (land or building) will be subjected to tax at the rate of 3% on greater of the incomings or the approved value of the asset at the time of disposal of such assets. This simplifies management and collection of taxes by revenue authority.

## Introduction of Withholding Tax obligations to the buyers of precious metals and carbon credits

Withholding tax to be charged at the rate of;

- 2% on the payments made by resident persons who is a buyer of precious metals, gemstones and other precious stones supplied by the holder of a primary mining license or artisanal miner and
- 10% on the payments made to a resident person in respect of verified carbon emission reduction.

The above Withholding taxes will be treated as final withholding tax payments.



## Streamlining joint venture projects between the Government and mining investors

This amendment exempts any gain that will be obtained as the result of internal restructuring of mining companies between the Government and investor to form partnership entity pursuant to the requirement of a Framework Agreement entered.

This measure will attract more investors to have joint ventures with the government in implementing the mining projects in the country.

## Incentives to NHIF

The amendment of Finance Acts 2023, under Second Schedule (Exempt Amounts) exempts the amount derived by the National Health Insurance Fund from investment returns on fixed deposit, treasury bonds, treasury bills or dividends. This will boost up the NHIF operations to continue providing general health services to the public.

## 2. Value Added Tax

### Extended power to the Minister to exempt from VAT

Minister has been granted power to exempt from VAT on;

- ❑ Import of raw materials (Heading 39.02 and 39.07) to be used solely in the manufacture of packaging materials of pharmaceutical products;
- ❑ Importation of prefabricated structures or supply of locally manufactured prefabricated structures of H.S Code 9406.20.90 to be used solely in poultry farming.
- ❑ local manufacturer of packaging materials of pharmaceutical products having a performance agreement with the Government of the United Republic; and
- ❑ A person engaged in poultry farming in Mainland Tanzania having a performance agreement with the Government of the United Republic.

### Promoting Local manufacturing of Capital Goods

VAT deferment has been extended to cover locally manufactured capital goods.

The definition of the term “capital goods” has been amended to remove reference to customs bonded warehouse (the initial definition was referring to locally manufactured or assembled in customs bonded warehouse).

For deferral VAT to be granted, the goods must not be purchased or imported for the purpose of resale in the ordinary course of carrying on the person's economic activity, whether or not in the form or state in which the goods were purchased or imported.

Where the deferral is approved, the output VAT payable on such locally manufactured taxable supplies or imports will need to be treated as if it were output tax payable in the tax period in which the locally manufactured goods were supplied or imported goods were entered for home consumption.

The deferment on imported capital goods shall cease to apply on 30th June 2026.



### Broadening the Definition of Electronic Services

The Definition of Electronic Services has been amended to include “online intermediation services” and “online advertisement services” These supplies will be treated as delivered to a person who is in Mainland Tanzania at the time when the service is delivered and VAT will be imposed thereon.

### Incentive to Local Cotton Garment Manufactures



Supply of locally manufactured garments made from locally grown cotton shall be zero rated from 1st July, 2023 up to 30th June, 2024.

### Fiscal Receipt to be eligible for input tax claim

The term tax invoice under section 86 has been broadened to include “fiscal receipt” which is defined by The Tax administration Act as “a receipt or invoice issued by using a fiscal device, Government electronic payment gateway system or any other electronic system approved by the Commissioner General”.

This is to allow recognition of all fiscal receipt including Government electronic payment gateway system as eligible for claiming input tax.

### Aligning HS codes as per VAT exemption schedule with the current Customs External Tariff Book, 2022

HS codes on the Schedule to the VAT Act (Exemptions) have been amended to align with the current version of H.S Codes as per East African Community Customs External Tariff Book, 2022.

Click here to see the amended HS Codes for [UPDATED HS CODES AS PER VAT EXEMPTION](#)

### 3. Tax Administration Act

#### Due date set to disclose information on contracted Services

Initially the law was silent on when this information relating to contracted services should be disclosed to Commissioner especially for entities engaged in the construction and extractive industry.

The amendment set a clear timeline of 30 days from the date of execution of the contract for contracted or subcontracted services.

#### Storage facility

As Finance Act 2022 introduced new requirement for the owner of storage facility for business purposes to file monthly returns to TRA for the purpose of disclosing and monitoring the goods stored in such Storage Facility.

However, this amendment provides clear definition on storage facility and owner as follows;

- Storage Facility – means warehouse, godown or any other storage facility, which is used to keep own or other persons' goods for business purposes, provided that such warehouse, godown or other facility is not part of a shop, factory, industry or farm. This amendment appears to provide clarity that on-site facilities owned for purposes of storing manufactured products do not fall within the scope of registration with the Commissioner.
- Owner – means a person who establishes or operates and is in control of the facility and possession of the storage facility or a person to whom the storage facility has been leased or sub-let to.



#### Primary data server

The definition of primary data server is amended to include physical server in the country, virtual or any other server which stores data that is created or collected by a taxable or liable person in the ordinary course of business.

The requirement to maintain a primary data server shall be effective from 1 January 2024.

This means, the taxpayers have been given ample time till January 2024 to ensure the data/ information are stored electronically.

#### Equity in Refund Application

The amendment clarifies 3 years' timeframe for application of refunds of excess tax paid starts to count not only from the date of payment of taxes in excess, but the date of a tax decision or other decision giving rise to a tax overpayment.

#### New Penalty rates for EFD offenses

- ❑ The penalty of TShs 1,500,000 or 20% of the value of goods sold or service rendered, whichever is higher is imposed for failure to issue EFD receipts or failure to use an EFD machine. Initially, the penalty was ranging from TZS 3,000,000 to TZS 4,500,000.
- ❑ The penalty of TShs 30,000 or 20% of the value of tax evaded whichever is higher is imposed for failure to demand EFD receipts or reporting failure of issuing EFD receipts. Initially, the penalty was ranging from TZS 30,000 to TZS 1,500,000.

#### Bed Night Levy Return

The requirement to file bed night return under the Tourism (Tourism Development Levy) Regulations is now administered by the tax administration Act and its regulations.

### 4. The Vocational Training and development Act

#### More Relief to Employers

Government has been continuing reducing Skills and Development Levy (SDL) since 2013 when the rate was reduced from 6% to 5%, in 2016 the rate reduced from 5% to 4.5%, from 4.5% to 4% in 2020 and currently the levy has still been reduced from 4% to 3.5%.

#### Employers who are not required to pay SDL are now excluded from filing SDL returns

Previously, the employers who were not required to pay SDL were required to file monthly SDL returns. This increased compliance costs among the employers.

With the current amendment, only employers who are eligible to pay SDL are required to file SDL monthly returns as well.

#### SDL exemptions by Minister

Minister responsible for finance, (in consultation with the Minister responsible for vocational education and training, and by order published in the Gazette), has vested power to exempt any person from paying SDL, provided that, such exemption is for public interest.

## 5. Excise Duty

### Introduction of excise duty on Cement

Excise duty has been introduced on both domestically manufactured and imported cement under HS Codes 2523.21.00, 2523.29.00, 2523.30.00, and 2523.90.00 of TShs 20 per Kg.

That means for each 1 bag of cement of 50kg, there will be excise duty of TZS 1,000. This amendment will increase the Government revenue in one hand and other hand, the market price of a cement will increase and be felt by both final consumers and Government its self especially in on-going strategic construction projects.

### Introduction of a three-year plan for Specific Duty Rates

The goods that falling under specific excise duty rates will now be adjusted by the Government after every three years. This implies that, the specific duty rates for excisable products will not be amended by the Government for the period of three years commencing July 2023 to June 2026. Initially these duty rates were amended annually.

This amendment will enhance market stability and improve the investment atmosphere in the country.

### Hybrid passenger vehicles with more than 5 years old to be charged excise duty of 10%



The imported hybrid passenger vehicles aged more than 5 years (both compression-ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion with HSD Codes; 8702.20.22, 8702.20.29, 8702.20.99, 8702.30.22, 8702.30.29, 8702.30.99, 8702.40.22, 8702.40.29, 8702.40.99 will now be charged excise duty at the rate of 10%

Specific excise duty rate for various products have been adjusted for inflation.

Click here for detailed changes in HS codes and duty rate [CHANGES IN HS CODES AND EXCISE DUTY RATE](#)

## 6. Other Amendments

### 6.1. Gaming Act

#### New requirement for issuing Gaming License by the Board

The license for operations for commercial gaming undertakings will not be issued unless 5% or more of the applicant's paid up share capital are owned by Tanzanian citizens.

The Commercial Gaming Undertakings has been defined as any gaming activity which is subject to gaming tax.

Further, the word "gross gaming revenue" has been defined as collective amount of wagering or staking placed by players minus the collective amount of winnings paid out to players.



### 6.2. Mining Act

#### Reduction of Royalty Charge for Salt Miners

The royalty charge rate for salt miners has been reduced from 3% to 1% of the gross value of minerals produced under their license.



#### Inspection fee exemption to Refineries

Refineries have been exempted from paying inspection fee, which is currently charged at the rate of 1% of the gross value of mineral or minerals.

### 6.3. Local Government Authority (Rating) Act



#### Increase of Property Rates

- The property rates have been increased from TShs 12,000 to TShs 18,000 ordinary buildings and from TShs 60,000 to TShs 90,000 for each storey in a storey building. This change is applicable to a ratable property in city council, municipal council and town council areas.
- The property rates have been increased from TShs 12,000 to TShs 18,000 for ratable properties in district council areas. No changes have been made for storey building. The rate remains TZS 60,000 for each storey in a storey building.
- The mud huts, thatched houses, mud houses and such other similar houses used for residential purposes have been excluded from ratable property.

### 6.4. Local Government Finance Act

#### Increase the revenue source to Urban Authorities

The source of urban authority revenue to include 25% of all the moneys collected as property rate under the Local Government Authorities (Rating) Act.

#### Increase the revenue source to District Councils

The source of district council revenue to include 20% of all the moneys collected as property rate under the Local Government Authorities (Rating) Act.

#### Obligation to Collect Property Rate

With effect from 01 January 2024, the local government authorities shall be responsible to evaluate, assess, collect, and account for property rate. Currently, this responsibility lies to Tanzania Revenue Authority until 31 December 2023.

### 6.5. The National Payment System Act

#### Removal of Transaction Levy for Mobile Money

- The mobile money transaction levy on sending and receiving money electronically has been abolished. Initial transaction levy applied on sending money, Receiving money and withdrawal of money.
- Transaction levy is now charged on withdrawal transactions only.



### 6.6. Road and Fuel Tolls Act

#### Increase of road and fuel toll by TShs100

Prior to this amendment, the road and fuel tolls were charged at TShs 413 per litre of petrol and diesel. With the current amendment, the charge has been increased to TShs 513. The objective is to finance implementation of strategic projects in the country.



### 6.7. Export Tax Act

#### Exemption from Export Levy to export of raw hides and skin by an investor

Investors whose commercial undertaking in an EPZ is export of meat are exempted from export levy.

Prior to this amendment, the export levy was charged at the rate of 80% of FOB value or USD 0.52 per kg whichever is greater.

## 7. PRESUMPTIVE TAX RATES

Class A: Passenger Service Vehicles		
S/N	Number of Passengers	Tax Payable
1.	Up to 15	250,000
2.	16 to 25	550,000
3.	26 to 45	1,100,000
4.	46 to 65	1,600,000
5.	Above 65	2,200,000
Class B: Tour Service Vehicles		
S/N	Number of Passengers	Tax Payable
1.	Up to 15	650,000
2.	16 to 25	900,000
3.	26 to 45	1,300,000
4.	46 to 65	1,800,000
5.	Above 65	2,400,000
Class C: Goods Carrying Vehicles		
S/N	Capacity (Tonnes)	Tax payable
1.	Less than 1	250,000
2.	1 to 5	500,000
3.	6 to 10	750,000
4.	11 to 15	1,100,000
5.	16 to 20	1,300,000
6.	21 to 25	1,650,000
7.	26 to 30	1,900,000
8.	More than 30	2,200,000
Class D: Private Hire Service Vehicles		
S/N	Category of vehicle	Tax payable
1.	Motor Cycle	65,000
2.	Tricycle	120,000
3.	Taxi	180,000
4.	Ride Hailing	350,000
5.	Ride Sharing	450,000
6.	Special Hire	750,000

## 8. UPDATED HS CODES AS PER VAT EXEMPTION

Implements	Deleted HS Code	New HS Code CET 2022	Remarks
Tractors for agricultural use	8701.90.00	8701.30.00 8701.91.00 8701.92.00 8701.93.00 8701.94.00 8701.95.00	The law has transposed as per CET 2022
Liquid sprayers for agriculture	8424.81.00	8424.41.00 8424.49.00	The law has transposed as per CET 2022
Powder sprayers for agriculture	8424.81.00	8424.41.00 8424.49.00	
Tractor trailers (whatabout farm trailers)	8716.10.10	8716.20.90	The law has amended to reflect CET 2022
New Pneumatic tyres of a kind used in agricultural and forest vehicles	4011.61.00	4011.70.00	
Irrigation equipment (system)	8424.81.00	8424.82.00	The law has amended to reflect CET 2022
Green house system	9406.00.10	9406.10.10 9406.20.10 9406.90.10	The law has transposed as per CET 2022
Item	Deleted HS Code	New HS Code _CET 2022	Remarks
Fungicides	3808.92.10 or 3808.99.90	3808.92.10 or 3808.92.90	The law has amended to reflect CET 2022
Rodenticides	3808.92.10 or 3808.99.90	3808.99.10 or 3808.99.90	
Herbicides	3808.93.10 to 3808.92.90	3808.93.10 or 3808.93.90	
Food item	Deleted HS Code	New HS Code _CET 2022	Remarks
Live cattle	0102.21.00	0102.21.00 0102.29.00	The FA 2023 has amended the item 3
Live swine	0103.10.00	0103.10.00 0103.91.00 0103.92.00	
Live sheep	0104.10.10	0104.10.10 0104.10.90	
Live goats	0104.20.10	0104.20.10 0104.20.90	
Live poultry	0105.11.10	01.05	

**\*\*CET- Custom external Tariff**



Amended the item 3; by deleting item 3 and substituting for it the following: “3: Livestock, basic agricultural products and food for human consumptions

S/No	Item	New HS Code
1	Unprocessed edible animal	Chapter 2
	products	
2	Unprocessed	0407.21.00
	edible eggs	0407.29.00
3	Unpasteurised or	4.01
	pasteurised cow milk	
4	Unpasteurised or pasteurised goat milk	4.01
5	Unprocessed fish	3.02
		3.03
		3.05
		3.06
		3.07
		3.08
6	Unprocessed	Chapter 7
	edible vegetables	
7	Unprocessed	08.03 to 08.13
	fruits	
8	Unprocessed nuts	8.01
		8.02
9	Unprocessed	0601.10.00
	bulbs	
10	Unprocessed	0601.20.00
	tubers	
11	Unprocessed	Chapter 10
	cereals	
12	Wheat or meslin flour	11.01
13	Maize flour	11.02
14	Tobacco, not stemmed or	2401.10.00
	stripped	
15	Unprocessed	0801.31.00
	cashew nuts	
16	Unprocessed	0901.11.00
	coffee	0901.12.00
17	Unprocessed tea	0902.10.10
		0902.10.90
		0902.20.10
		0902.20.90
18	Soya beans	12.01
19	Ground nuts	12.02

20	Sunflower seeds	12.06
21	Oil seeds	12.07
22	Unprocessed pyrethrum	1211.90.20
23	Unprocessed cotton	52.01
24	Unprocessed sisal	5303.10.00
25	Unprocessed sugar cane	1212.93.00
26	Seeds and plants thereof (seeds, fruits, spores, seedlings and plants for sowing or planting)	Any description
27	Preparations of a kind used in animal feeding	23.09
28	Fertilised eggs for incubation	0407.11.00 0407.19.00
29	Oil-cake of soya beans	2304.00.00
30	Oil-cake and other solid residues of cotton seeds	2306.10.00
31	Oil-cake and other solid residues of sunflower seeds	2306.30.00
32	Maize Bran	2302.10.00
33	Wheat Bran	2302.30.00
34	Lysine	2922.41.00
35	Methionine	2930.40.00
36	Mycotoxin binders	2309.90.10
37	Pollard	2309.90.90
38	Standing tree	6.02
39	Rice Bran	2302.40.00
40	Cotton cake	2306.10.00

Printing	Deleted HS Code	New HS Code _CET 2022	Remarks
Newspapers	4902.90.00	4902.10.00 4902.90.00	Amendment to reflect CET 2022 HS code
Instructional charts and diagrams	4911.90.10	4911.99.10	The Finance Act 2023 has amended HS codes for Instructional charts and diagrams
Petroleum product	Deleted HS Code	New HS Code _CET 2022	Remarks
Petrol (MSR and MSP)	2710.12.10 and	2710.12.10 and	The Finance Act 2023 has amended to take into considerations Finance Act 2018 and CET 2022 HS codes
Petrol (MSR and MSP) Revenue Stamps of HSCode 4907.00.90	2010.12.20	2710.12.20	The Finance Act 2023 has amended to take into considerations Finance Act 2018(Should be Shifted to part one)
Implements	HS Code	New HS Code CET 2022	Remarks
An import of grain drying equipment of HS code 8419.31.00 by a person engaged in Agriculture for exclusive use in Agriculture in mainland Tanzania	8419.31.00	8419.34.00	Amendment to reflect CET 2022 HS code
An import of artificial grass of HS Code 5703.30.00 and 5703.20.00 for football pitches located in City or Municipal Council approved by the National Sports Council of Tanzania.	5703.30.00 5703.20.00	5703.31.00 5703.39.00 5703.21.00 5703.29.00	Amendment to reflect CET 2022 HS code

## 9. CHANGES IN HS CODES AND EXCISE DUTY RATE

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
20.09		Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter			
	-- 20.09.11.00 -- 20.09.12.00 -- 20.09.19.00 -- 20.09.21.00 -- 20.09.29.00 -- 20.09.31.00 -- 20.09.39.00 -- 20.09.41.00 -- 20.09.49.00 -- 20.09.50.00 -- 20.09.61.00 -- 20.09.69.00 -- 20.09.71.00 -- 20.09.79.00 -- 20.09.81.00 -- 20.09.89.00 -- 20.09.90.00				
		Locally produced fruit juices manufactured from domestic fruits under heading 20.09	l	Tshs.9.00 per litre	Tshs.9.90 per litre
		Other fruit juices under the heading [ Tshs. 232.0 0 per litre Tshs. 255.20 per litre 20.09	l	Tshs.232.0 0 per litre	Tshs.255.20 per litre
21.06		Food preparations not elsewhere specified or included.			
		-Other			
	2106.90.90	---Imported powdered beer	kg	Tshs.844.00 per/kg	Tshs.1,012.80 per/kg
	2106.90.90	---Imported powdered juice	kg	Tshs. 232.00 per/kg	Tshs. 255.20 per/kg
22.01		Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter or flavoured; ice and snow.			
	2201.10.00	-Mineral waters and aerated waters			
		Locally produced, bottled	l	Tshs.58.00 per litre	Tshs.63.80 per litre
		Imported, bottled	l	Tshs.64.05 per litre	Tshs.70.46 per litre
	2201.90.00	-Other	l		
		Locally produced, bottled	l	Tshs.58.00 per litre	Tshs.63.80 per litre
		Imported, bottled	l	Tshs.64.05 per litre	Tshs.70.46 per litre
22.02		Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other nonalcoholic beverages, not including fruit vegetable juice of heading 20.09			
	2202.10.00	- Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured			
		Locally produced	l	Tshs.61.00 per litre	Tshs.67.10 per litre
		Imported	l	Tshs.61.00 per litre	Tshs.67.10 per litre
		-Other			
	2202.91.00	-- Nonalcoholic beer	l		
		Locally produced	l	Tshs.561.00 per litre	Tshs.673.20 per litre
		Imported	l	Tshs.589.05 per litre	Tshs.706.86 per litre
	2202.99.00	-- Other			
		Locally produced	l	Tshs.561.00 per litre	Tshs.561.00 per litre

		Imported	I	Tshs.589.05 per litre	Tshs.600.00 per litre
22.03		Beer made from malt.			
	2203.00.10	--Stout and porter			
		Made from 100 % Locally Grown Barley	I	Tshs.620.00 per litre	Tshs.620.00 per litre
		Made from wholly or partially Imported Barley	I	Tshs.765.00 per litre	Tshs.918.00 per litre
		Imported	I	Tshs.803.25 per litre	Tshs.963.90 per litre
	2203.00.90	---Other			
		Made from 100 % Locally Grown Barley	I	Tshs.620.00 per litre	Tshs.620.00 per litre
		Made from wholly or partially Imported Barley	I	Tshs.765.00 per litre	Tshs.918.00 per litre
		Imported	I	Tshs.803.25 per litre	Tshs.963.90 per litre
22.06		Other fermented beverages (for example, cider, perry, mead, sake); mixtures of fermented beverages and mixtures of fermented beverages and nonalcoholic beverages, not elsewhere specified or included.			
	2206.00.10	--- Cider	I	Tshs.2,466. 45 per litre	Tshs.2959.74 per litre
		Locally produced	I	Tshs.2,466. 45 per litre	Tshs.2959.74 per litre
		Imported			
	2206.00.20	--- Opaque beer (for example Kibuku)			
		Beer made from 100% local unmalted cereals	I	Tshs.450.00 per litre	Tshs.540.00 per litre
		Imported			
	2206.00.90	---other			
		Other beverages produced from locally grown fruits such as banana, tomato, rosella, etc other than grapes with domestic content exceeding 75%	I	Tshs.61.00 per litre	Tshs.73.20 per litre
24.02		Other	I		
		Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes.			
		- Cigarettes containing tobacco:			
	2402.20.10	--- Of length not exceeding 72mm in length including the filter tip			
		Without filter tip and containing domestic tobacco exceeding 75%	mil	Tshs.12,447 .00 per mil	Tshs.14,936.40 per mil
		With filter tip and containing domestic tobacco exceeding 75%	mil	Tshs.29,425 .00 per mil	Tshs.35,310.00 per mil
		Other	mil	Tshs.55,896 .75 per mil	Tshs.67,076.10 per mil
	2402.20.90	--- Other			
		Without filter tip and containing domestic tobacco exceeding 75%	mil	Tshs.12,447 .00 per mil	Tshs.14,936.40 per mil
		With filter tip and containing domestic tobacco exceeding 75%	mil	Tshs.29,425 .00 per mil	Tshs.35,310.00 per mil
		Other	mil	Tshs.55,896 .75 per mil	Tshs.67,076.10 per mil
24.03		Other manufacture d tobacco and manufacture d tobacco substitutes; "homogenise d" or "reconstitute d" tobacco; tobacco extracts and essences.			
		-Smoking tobacco, whether or not containing tobacco substitute in any propotion:			
	2403.19.00	-- Other (for example cut rag/filler)			
		Locally produced containing domestic tobacco exceeding 75%	kg	Tshs.8,000. 00 per kg	Tshs.9,600.00 per kg
		Other/Imported	kg	Tshs.28,232. 40 per kg	Tshs.33,878.88 per kg
	2403.91.00	-- "Homogeniz ed" or "reconstitute d" tobacco	kg	Tshs.28,232. 40 per kg	Tshs.33,878.88 per kg
	2403.99.00	-- Othe	kg	Tshs.28,232. 40 per kg	Tshs.33,878.88 per kg
34.03		Lubricating preparation s (including cutting-oil preparation s, bolt or nut release			

		preparation s, based on lubricants) and preparation s of a kind used for the oil or grease treatment of textile materials, leather, furskin or other materials, but excluding preparation Lubricating preparation s (including cutting-oil preparation s, bolt or nut release preparation s, based on lubricants) and preparation s of a kind used for the oil or grease treatment of textile materials, leather, furskin or other materials, but excluding preparation			
		-Containing petroleum oils or oils obtained from bituminous minerals			
	3403.19.00	--Other			
		Lubricating oils preparation	l	Tshs.669.00 per cubic mete	Tshs.735.90 per cubic meter
		Greases preparation	kg	Tshs.0.79 per kg	Tshs.0.87 per kg
	3403.99.00	-Other			
		Lubricating oils preparations	l	Tshs.669.00 per cubic meter	Tshs.735.90 per cubic meter
		Grease preparations	kg	Tshs.0.79 per kg	Tshs.0.87 per kg
85.23		Discs, tapes, solid state non-volatile storage devices, "smart cards" and other media for the recording of sound or other phenomena, whether or not recorded, including matrices and masters for the production of discs, but excluding products of Chapter 37 of East African Community Common External Tariff, 2022			
		-Magnetic media			
		--Other (excluding Cards incorporating magnetic stripe)			
	8523.29.90	--- recorded video and audio tape	u	Tshs.50.00 per unit	Tshs.55.00 per unit
		-Optical media			
	8523.49.00	-- Recorded DVD, VCD, CD	u	Tshs.50.00 per unit	Tshs.55.00 per unit

(a) The Act deleting H.S Code 2208.60.00 and substituting for it the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
	2208.60.00	Vodka			
		Locally manufactured ready to drink of not more than 7% Alcohol By Volume (ABV)	l	Tshs 4,386.06 per litre	Tshs.2,466.45 per litre
		Other/Imported		Tshs.4,386.06 per litre	Tshs.4,386.06 per litre

(b) The Act deleting H.S Code 2402.20.90 and substituting for it the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
		Other			
	2402.90.00	Locally manufactured	kg	Tshs 4,386.06 per litre	Tshs.2,466.45 per litre
		Imported			

(c) The Act deleting H.S Code 2403.11.00 and substituting for it the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
	2403.11.00	Water pipe tobacco specified in Subheading Note 1 to this Chapter	kg		
		Locally manufactured		N/A	30%
		Imported		N/A	30%

(d) The Act adding below Heading 24.03 the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
25.23		Portland cement, aluminous cement, slag cement, supersulphate cement and similar hydraulic cements, whether or not coloured or in the form of clinkers.			
		- Portland cement:			
	2523.21.00	-- White cement, whether or not artificially coloured	kg		
		Locally manufactured		N/A	Tshs. 20
		Imported		N/A	Tshs. 20
	2523.29.00	-- Other	kg		
		Locally manufactured		N/A	Tshs. 20
		Imported		N/A	Tshs. 20
	2523.30.00	- Aluminous cement	kg		
		Locally manufactured		N/A	Tshs. 20
		Imported		N/A	Tshs. 20
	2523.90.00	- Other hydraulic cements	kg		
		Locally manufactured		N/A	Tshs. 20
		Imported		N/A	Tshs. 20

(e) The Act adding in the fifth column of H.S Code 2710.20.00 the rate "TShs.80".

(f) The Act deleting the whole of Heading 57.03 and substituting for it the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
57.03		Carpets and other textile floor coverings (including turf), tufted, whether or not made up:			
	5703.10.00	- Of wool or fine animal hair	m2	10%	10%
		- Of nylon or other polyamides:			
	5703.21.00	-- Turf	m2	10%	10%
	5703.29.00	-- Other			
		- Of other man-made textile materials:			
	5703.31.00	-- Turf	m2	10%	10%
	5703.39.00	-- Other			
	5703.90.00	- Of other textile materials	m2	10%	10%

(g) The Act deleting the whole of Heading 62.01 and substituting for it the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
62.01		Men's or boys' overcoats, car-coats, capes, cloaks, anoraks (including skijackets), wind-cheaters, wind-jackets and similar articles, other than those of heading 62.03			
	6201.20.00	- Of wool or fine animal hair	u	10%	10%
	6201.30.00	- Of cotton			
	6201.40.00	- Of man-made fibres			
	6201.90.00	- Of other textile materials			

(h) The Act deleting the whole of Heading 62.02 and substituting for it the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
62.02		Women's or girls' overcoats, car-coats, capes, cloaks, anoraks (including ski-jackets), wind-cheaters, windjackets and similar articles, other than those of heading 62.04			
	6202.20.00	- Of wool or fine animal hair	u	10%	10%
	6202.30.00	- Of cotton			
	6202.40.00	- Of man-made fibres			
	6202.90.00	- Of other textile materials			

(i) The Act adding immediately after Heading 85.23 the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
85.43		Electrical machines and apparatus, having individual functions, not specified or included elsewhere in this Chapter			
	8543.40.10	--- Electronic cigarettes	u		
		Locally manufactured		N/A	30%
		Imported		N/A	30%
	8543.40.90	--- Similar personal u electric vaporising devices	u		
		Locally manufactured		N/A	30%
		Imported		N/A	30%

(j) The Act deleting the whole of Heading 87.02 and substituting for it the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
87.02		Motor vehicles for the transport of ten or more persons, including the driver (except HS Code 8702.40.11 and 8702.40.19 and vehicles that use Compressed Natural Gas (CNG) only)			
		- With only compression ignition internal combustion piston engine (diesel or semi-diesel)			
		--- Four wheel drive vehicles for the transport of ten persons:			
	8702.10.11	---- Unassembled			
	8702.10.19	---- Other (Assembled)	u		10%
		- With both compression ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion:			
		--- Four wheel drive vehicles for the transport of ten persons:			
	8702.20.11	--- Unassembled			
	8702.20.19	-- Other (Assembled)	u	N/A	10%
		- With both spark-ignition internal combustion piston engine and electric motor as motors for propulsion			
		--- Four wheel drive vehicles for the transport of ten persons:			
	8702.30.11	--- Unassembled			
	8702.30.19	---- Other	u	N/A	10%
		- Other:			
		--- Four wheel drive vehicles for the transport of ten persons:			
	8702.90.11	---- Unassembled			
	8702.90.19	---- Other	u		10%

(k) The Act adding immediately after H.S Code 8703.33.90 the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
87.03	8703.40.00	- Other vehicles, with both spark-ignition internal combustion piston engine and electric motor as motors for propulsion, other than those capable of being charged by plugging to external source of electric power (except HS Code 8703.80.10 and 8703.80.90 and vehicles that use Compressed Natural Gas (CNG) only)			
		--of a cylinder capacity exceeding 1000cc but not exceeding 2000cc:	u	N/A	5%
		--of a cylinder capacity exceeding 2000cc	u	N/A	10%
	8703.50.00	- Other vehicles, with both compression-ignition internal combustion piston engine (diesel or semidiesel) and electric motor as motors for propulsion, other than those capable of being charged by plugging to external source of electric power			
		--of a cylinder capacity exceeding 1000cc but not exceeding 2000cc:	u	N/A	5%
		--of a cylinder capacity exceeding 2000cc	u	N/A	10%



8703.60.00	- Other vehicles, with both spark-ignition internal combustion piston engine and electric motor as motors for propulsion, capable of being charged by plugging to external source of electric power			
	--of a cylinder capacity exceeding 1000cc but not exceeding 2000cc:	u	N/A	5%
	--of a cylinder capacity exceeding 2000cc	u	N/A	10%
8703.70.00	- Other vehicles, with both compression-ignition internal combustion piston engine (diesel or semidiesel) and electric motor as motors for propulsion, capable of being charged by plugging to external source of electric power			
	--of a cylinder capacity exceeding 1000cc but not exceeding 2000cc:	u	N/A	5%
	--of a cylinder capacity exceeding 2000cc	u	N/A	10%

(l) The Act deleting the whole of Heading 89.03 and substituting for it the following:

Heading	New H.S Code	Description	Unit	Old excise rate	New excise rate
89.03		Yachts and other vessels for pleasure or sports; rowing boats and canoes			
		- Inflatable (including rigid hull inflatable) boats:			
	8903.11.00	-- Fitted or designed to be fitted with a motor, unladen (net) weight (excluding the motor) not exceeding 100 kg	u	20%	20%
	8903.12.00	-- Not designed for use with a motor and unladen (net) weight not exceeding 100 kg	u	20%	20%
	8903.19.00	-- Other	u	20%	20%
		- Other u 20% 20% - Sailboats, other than inflatable, with or without auxiliary motor:			
	8903.21.00	- Of a length not exceeding 7.5 m	u	20%	20%
	8903.22.00	-- Of a length exceeding 7.5 m but not exceeding 24 m	u	20%	20%
	8903.23.00	-- Of a length exceeding 24 m	u	20%	20%
		- Motorboats, other than inflatable, not including outboard motorboats:			
	8903.31.00	board motorboats: 8903.31.00 -- Of a length not exceeding 7.5 m	u	20%	20%
	8903.32.00	- Of a length exceeding 7.5 m but not exceeding 24 m	u	20%	20%
	8903.33.00	-- Of a length exceeding 24 m	u	20%	20%
		- Other:			
	8903.93.00	- Of a length not exceeding 7.5 m	u	20%	20%
	8903.99.90	--- Other	u	20%	20%

(m) The Act deleting the whole of Heading 93.02 and substituting for it the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
93.02		Revolvers and pistols, other than those of heading 93.03 or 93.04 of East African Community Common External Tariff, 2022			
	9302.00.10	--- Revolvers	u	25%	25%
		--- Pistols, single barrel:			
	9302.00.21	---- Semi-automatic	u	25%	25%
	9302.00.29	---- Other	u	25%	25%
	9302.00.30	--- Pistols, multiple barre	u	25%	25%

(n) The Act deleting the whole of Heading 93.03 and substituting for it the following:

Heading	New H.S Code	Description	Unit	Old excise rate	New excise rate
93.03		Other firearms and similar devices which operate by the firing of an explosive charge (for example, sporting shotguns and rifles, muzzle-loading firearms, Very pistols and other devices designed to project only signal flares, pistols and revolvers for firing blank ammunition, captive-bolt humane killers, line throwing guns)			
	9303.10.00	- Muzzle-loading firearms	u	25%	25%
		- Other sporting, hunting or target-shooting shotguns, including combination shotgun rifles:			
		- Shotguns, single barrel:			
	9303.20.21	---- Pump-action	u	25%	25%
	9303.20.22	--- Semi-automatic	u	25%	25%
	9303.20.29	--- Other	u	25%	25%
	9303.20.30	-- Shotguns, multiple barrel, including combination guns	u	25%	25%
		- Other sporting, hunting or target-shooting rifles:			
	9303.30.10	-- Single-shot	u	25%	25%
	9303.30.20	--- Semi-automatic	u	25%	25%
	9303.90.00	- Other	u	25%	25%

(o) The Act deleting the whole of Heading 94.01 and substituting for it the following:

Heading	New H.S Code	Description	Unit	Old excise rate	New excise rate
94.01		Seats (other than those of heading 94.02), whether or not convertible into beds, and parts thereof			
		- Swivel seats with variable height adjustment:			
	9401.31.00	-- Of wood	u	20%	20%
	9401.39.00	-- Other	u	20%	20%
		- Seats other than garden seats or camping equipment, convertible into beds:			
	9401.41.00	-- Of wood	u	20%	20%
	9401.49.00	-- Other	u	20%	20%
		- Seats of cane, osier, bamboo or similar materials:			
	9401.52.00	- Of bamboo	u	20%	20%
	9401.53.00	-- Of rattan	u	20%	20%
	9401.59.00	-- Other	u	20%	20%
		- Other seats, with wooden frames:			
	9401.61.00	-- Upholstered	u	20%	20%
	9401.69.00	-- Other	u	20%	20%
		- Other seats, with metal frames:			
	9401.71.00	-- Upholstered	u	20%	20%
	9401.79.00	-- Other	u	20%	20%
	9401.80.00	- Other seats	u	20%	20%
		- Parts:			
	9401.91.00	-- Of wood	u	20%	20%
	9401.99.00	-- Other	u	20%	20%

(p) The Act deleting the whole of Heading 94.03 and substituting for it the following:

Heading	New H.S Code	Description	Unit	Old excise rate	New excise rate
94.03		Other furniture and parts thereof			
	9403.10.00	Metal furniture of a kind used in offices	u	20%	20%
	9403.20.00	- Other metal furniture	u	20%	20%
	9403.30.00	- Wooden furniture of a kind used in offices	u	20%	20%
	9403.40.00	Wooden furniture of a kind used in the kitchen	u	20%	20%
	9403.50.00	- Wooden furniture of a kind used in the bedroom	u	20%	20%
	9403.60.00	- Other wooden furniture	u	20%	20%
	9403.70.00	- Furniture of plastics	u	20%	20%
		Furniture of other materials, including cane, osier, bamboo or similar materials			
	9403.82.00	-- Of bamboo	u	20%	20%
	9403.83.00	-- Of rattan	u	20%	20%
	9403.89.00	-- Other	u	20%	20%
		- Parts:			
	9403.91.00	-- Of wood	u	20%	20%
	9403.99.00	-- Other	u	20%	20%

(q) The Act adding immediately after Heading 94.03 the following:

Heading	H.S Code	Description	Unit	Old excise rate	New excise rate
95.04		Video game consoles and machines, table or parlour games, including printables, billiards, special tables for casino games and automatic bowling equipment, usement machines erated by coins, bank notes, bank cards, kens or by any other mean of payment			
	9504.30.00	- Other games, operated by coins, banknotes, bank cards, tokens or by any other means of payment, other than automatic bowling alley equipment.	u	N/A	30%
96.14	9614.00.00	Smoking pipes (including pipe bowls) and cigar or cigarette holders, and parts thereof	u	N/A	30%