

TANZANIA NATIONAL BUDGET BRIEF

2025/2026

Digest of the National Budget and
proposed tax reforms



Takeaways from the National Budget



National Budget for 2025-26:

TShs 56.49 Trillion



National Budget for 2024-25 was:

TShs 50.29 Trillion



National Budget for 2024-25 is likely to reach

TShs 50.21 Trillion



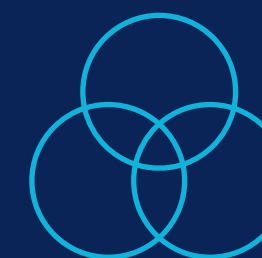
Budgeted for the TRA to collect in 2025-26

TShs 34.10 Trillion



Collections by the TRA in 2024-25 is likely to reach

TShs 30.01 Trillion



National Budget allocation for 2025-26

**31% to Development &
69% to Recurrent expenditure**

Synopsis of Tanzania National Budget

On Thursday, 12 June 2025, the Honorable Minister of Finance presented Tanzania's Government budget and Tax reforms for the fiscal year 2025/26. The theme for the budget is *"Realising Competitiveness and Industrialization for Human Development"* which is in line with the East African Community's *"Inclusive Economic Transformation through Domestic Resource Mobilization and Resilient Strategic Investment for Job Creation and Improved Livelihoods"*

Proposed Budget for 2025/26

The budget for the fiscal year 2025/26 has been set at **TShs 56.49 Trillion**, which is an 12.3% increase.

Budget performance for 2024/25

The current year fiscal budget (2024/25) was set at TShs 50.29 Trillion. However, likely outcome will be TShs 50.21 Trillion by 30 June 2025. This will be a decrease of 0.16%.

Comparison between budgets

Comparing the 2024/25 "likely budget" to the 2025/26 estimated budget, there will be a 12.5% increase.

The significant increase in budget is to service these expenditures;

- Statutory payments & pension contributions for the Central Government,
- Various recurring & development expenditures,
- Procurement of goods and services; and
- Payment of interest on debt financing,

Risks which may affect achievement of the budget:

- Volatility in global commodity prices;
- Increase in interest rates;
- Currency depreciation;
- Contingent liabilities;
- Climate change and natural disasters;

- Geo-political tensions;
- Changes in Development Partner Policies; and
- Cyber attacks of ICT systems.

Revenue collections by the TRA

For the year 2024/25, the Tanzania Revenue Authority (TRA) were to collect TShs 29.42 Trillion, out of which TRA are expected to likely collect TShs 30 Trillion by 30 June 2025. Therefore, likely exceeding the collection target.

From the proposed budget for 2025/26, the TRA have been allocated to collect **TShs 34.1 Trillion**. This is a 14% increase as compared to the likely collection for 2024-25.

Government Budget Revenue Sources

Tax Revenue Collection	Likely collection (2024/25)	Budget (2025/26)	%age Increase
Revenue from TRA			
Import Duty	2,118	2,448	16%
Excise Duty	4,008	4,512	13%
Value Added Tax	7,927	9,272	17%
Income Tax	10,345	11,675	13%
Other Taxes	5,607	6,196	11%
Total Revenue from TRA	30,005	34,103	14%
Collection from other sources	20,205	22,387	11%
Grand Total	50,210	56,490	13%

Amount in TShs 'Billions

TRA have been set with a budget to collect TShs 34 Trillion which is an increase of 14% from the current year likely collections. A significant emphasis is to increase VAT, Import and Income Tax collections.

Development and Recurrent expenditures

Expenditure	Likely expenditure (2024/25)	Budget (2025/26)	%age Increase
Recurrent Expenditure	34,583	38,996	13%
Development expenditure	15,627	17,494	12%
Grand Total	50,210	56,490	13%

Amount in TShs 'Billions

The budget allocated to development expenditure is 31% of the entire budget. One can note that the recurrent expenditure is increasing more than the development expenditure allocated for the coming year.



Sector wise budget allocation for fiscal year 2025/26

Sector	Budget 2024/25 "Billions"	Budget 2025/26 "Billions"	%age Increase
Economic Development:	10,601.7	10,236	-3.45%
• <i>Agriculture</i>	1,938.9	1,925.8	-0.68%
• <i>Energy</i>	1,883.7	1,965.7	4.35%
• <i>Industry and Trade</i>	383.2	239.5	-37.50%
• <i>Labor and Youth skills Development (Job Creation)</i>	34	38.4	12.94%
• <i>Minerals</i>	231.9	225	-2.98%
• <i>Natural Resources, Environment and Tourism</i>	596.1	317.4	-46.75%
• <i>Works, Transport and Communication</i>	5,533.9	5,524.2	-0.18%
Defense, Public order and Safety	5,493.2	6,398.1	16.47%
Education	6,369.8	7,394.4	16.09%
Health	2,648.4	3,009.2	13.62%
Housing and Community Development	1,421.6	1,781.1	25.29%
Social Development	2,653.4	3,154.1	18.87%
General Public Services and Debt repayments	21,103.2	24,517.3	16.18%
Grand Total	50,291.3	56,490.2	12.33%

The budget allocation towards economic development has decreased by 3.45% while a significant increase in budget allocation is towards Housing & Community Development, Health, Education and Defense.

The table depicts the key focus sectors of the Government for the coming year.



Proposed Tax Amendments & reforms

We analyze the proposed amendments which may come in to effect from 1 July 2025.

We await for the Finance Act 2025 and further Regulations, to understand the confirmed amendments.



Income Tax Act



Value Added Tax



Tax Administration



**Various Amendments
including fees and levies**



**Customs Duties
& Industrial and export levies**



Excise Duties

Income Tax Proposals

Introduction of 10% withholding tax on retained earnings after 6 months:

Recently there have been several tax cases where resident companies owned by non-residents were assessed 10% withholding tax on deemed dividends under Controlled Foreign Corporation (CFC) provisions. This amendment seems to provide clarity but also expands the tax base by requiring any entity with retained earnings to treat them as deemed dividends and remit 10% withholding tax, regardless of whether the entity is owned by residents or non-residents.

Increase Alternative Minimum Tax (AMT) Rate to 1% of Turnover:

Currently companies with unrelieved tax losses for 3 consecutive years are subjected to tax at the rate of 0.5% of turnover. Its proposed to increase rate to 1%.

Interest Restriction (Thin Capitalization) Rules Amended to Include “Retained Earnings” in “Equity” Definition:

The definition of "equity" for thin capitalization purposes has been amended to include retained earnings. While this may benefit to taxpayers with positive retained earnings, it could pose a significant risk for those with negative retained earnings, as they may face interest deduction disallowances.

Tax loss slow down rules affecting mining, petroleum and oil & gas companies

Its proposed to limit the ratio of carrying forward losses from the previous years that can be deducted during the income tax calculation for businesses in mining, petroleum, oil and gas activities operating at a loss from 70% to 60%. This streamlines the tax loss restriction rules with other sectors.

Removal of 10-Year Corporate Income Tax Holiday for EPZ and SEZ Operators Selling Locally:

The 10-year corporate income tax holiday previously granted to businesses operating in Export Processing Zones (EPZs) and Special Economic Zones (SEZs) is proposed to be abolished if the goods or services produced are sold in the domestic market.



Income Tax Proposals

Sale of forest products to be subject to 3.5% single instalment tax for each consignment.

Tax relief for individuals engaged in transportation of passengers & goods:
Proposed to reduce the income tax rate charged on resident individuals engaged in transportation of passenger or goods. The proposals aim to reduce tax charges on 2 and 3 wheeled motorcycles (e.g. Bajaji) and small good vehicles (e.g. Guta) with a load capacity under 500kg.

Example of the amendment is, currently the law provides that passenger vehicles not exceeding 15 people are charged 250,000/= per year. However, its proposed to include a category for passenger not exceeding 5 people to be liable to TShs 120,000.

Withholding tax rates to be introduced or increased on the following:

- Introduced 10% final WHT on commission payments derived from sport betting advertisements;
- 10% on insurance and re-insurance premium payments made to non-resident companies (currently 5%);
- 10% on payments for professional and management services provided in the extractive sector (currently 5%); and
- 2% on payments arising from purchase of raw salt from holders of a Primary mining license (PML) or Artisanal miners;



VAT Proposals

To introduce a withholding VAT system by establishing a VAT collection agency system on payments made to a registered seller:

Through this system agents will be required to collect 3% of VAT and submit it to TRA.

The agents highlighted so far are the: Ministry responsible for Finance; Government Institutions that collect revenue and retain; as well as taxpayers registered to collect VAT. We look forward to the VAT Collection Agency Regulations to be issued for further guidance.

To impose a reduced VAT rate of 16% instead of 18% on the purchase of goods where payment is made online (B2C) and the consumer confirms that the payment invoice issued contains the correct amount of the transaction:

As the same is a welcome move to offering a tax discount, we look forward for further details to understand the scope and operational modality of the same.

Clarified and re-worded the VAT exemptions on the following as follows:

- Exemptions provided to “Liquified petroleum and Natural gases” to be reworded to “Liquified Petroleum Gas”
- Exemptions provided to “Compressed and Natural gases” to be reworded to “Compressed Natural Gas for Motor vehicles”

Include the following definitions for the same to be captured under the scope of VAT:

- Non-resident online payment services platforms that use the infrastructure of other service providers in the scope of financial intermediaries (online intermediation payment platforms) that provide services in the country from abroad; and
- Online market places platforms and network marketing platforms to be treated as online intermediation services



VAT Proposals

Proposed to be exempted from VAT:

Item	HS Code
Pesticides	3808.61.00, 3808.62.00, 3808.69.00
Locally published newspapers	N/A
Insurance and reinsurance services	N/A
Natural Gas sold to CNG stations for motor vehicles only	N/A
Cooking gas tanks	7311.00.10
Carbonization furnace used in the production of briquettes	8417.80.00
Locally produced edible oil using local seeds (limited to 30 June 2026)	N/A
VAT Exemptions that require approval from the minister of Agriculture.	Tractor tyres: 4011.70.00 Dam liners: 39.20 Forks – 8201.90.00 Rakes – 8201.30.00 Axes – 8201.40.00
CNG Compressor and CNG metering equipment	

Proposed to be repealed from VAT exempt status:

Item	HS Code
Purchase and importation of gaming supplies	N/A
Bitumen	2713.20.00 & 2715.00.00
Non-CNG equipment such as natural gas pipes, transportation and distribution pipes, natural gas metering equipment, gas receiving units, flare gas system, condensate tanks and leading facility, system piping and pipe rack and condensate stabilizer	N/A

Proposed to be Zero rated:

Item	Ends on
Textile products from locally grown cotton	30 June 2026
Locally produced fertilizers	30 June 2028

Tax Administration Proposals

Interface between taxpayer's system and TRA

To require a person to interface their system used in the issuance of electronic receipts with the system operated by the Tanzania Revenue Authority for the purpose of enhancing voluntary tax compliance and facilitating tax administration.

Time to pay one third or amount not in dispute

The current requirement is to apply for a waiver of tax deposit in order for objection to be admitted within 15 days before the due date of filing an objection. The proposal currently intends to not limit the application to be within the 15 day period. Therefore, allowing the taxpayer with further time to submit an application for a waiver of tax deposit.



Other Proposed Reforms

City service levy
Reduction of City Service Levy (CSL) from 0.3% to 0.25%.

Hotel Levy
Reducing the Hotel levy from 10% to 2% per night, which is payable by a guest.

Loading and offloading fees charged by LGA
To abolish the fees that were charged by local government authorities on the loading and offloading of transportation of goods.

Mandatory Travel insurance for foreigners
A mandatory travel insurance fee of \$44 proposed to be payable by foreigners entering Mainland Tanzania which will be valid for 92 days. The insurance will cover health emergencies, repatriation, baggage issues and accidents. EAC/SADC citizens are exempted.

Restriction from closing businesses
Planned to repeal powers for business licensing authorities to close business upon breach of the Act

Prohibition of business activities undertaken by non-citizens
Powers to be introduced which shall give the Minister of trade to designate, list of business activities that shall be prohibited from being undertaken by non-citizens.

Trade and Service Marks law
The Government is to assign the Fair Competition Commission (FCC) to undertake the role of recordation of trademarks. To support this role in combating counterfeit products that are produced and imported into the country, the Merchandise Marks (Recordation) Regulations, 2025, will be enacted. Below are the proposed rates:

Recordation related fees	Amount (TShs)
Application to Record Trademarks	200,000
Change of ownership	150,000
Change of Name	100,000
Renewal of Recordation	50,000
Application for Search	3,000
Application for copies	3,000

Other Proposed Reforms

National Environmental Management Council (NEMC)

The Government intends to revoke the Environmental Management Fees and Charges (Amendment) Regulations, 2024 GN. No. 588 of 2024 and reinstate the Environmental Management Fees and Charges Amendment Regulations, GN. No. 387 of 2021.

This is a good move as it will not only pave the way to the drafting of new Regulations by involving all key stakeholders but also provide input fees to enhance favourable business environment.

Investment and Special Economic Zones Act, 2025 proposed to include:

- 75% exemption of import duty for deemed capital goods imported by investors registered under the Investment and Special Zones Act, 2025;
- To provide a negative list of products which do not qualify for exemptions, the list will include sugar, beverages, roofing sheets, air conditioners, cement, PVC, HDPE pipes, and cutleries; and
- Granting strategic investment status to mining projects with a framework agreement signed between the Government and Investors in the mining sector.

The Road Traffic (Motor Vehicles Registration) Regulations 2024

- To reduce the registration fee for commercial motorcycles from TShs 340,000 to TShs 170,000 for a period of 3 years, with the new fee payable once at the time of registration;
- To repeal the annual presumptive tax and introduce a one-time payment of both the fee and presumptive tax at a reduced rate of TShs 120,000 instead of TShs 290,000, payable at registration; and
- To reduce the motorcycle and tricycle license fee from TShs 70,000 to TShs 30,000.

Other Proposed Reforms

Mining Act

- To introduce a levy of 0.1% on the gross market value of the minerals; and
- The Government proposes an amendment requiring companies that have contracts with the Government to allocate at least 20% of gold production for smelting, refining, and trading within the country. This will be achieved by finalizing negotiations with the Government, and subsequently, the contracts will be amended within thirty (30) days following the enactment of the Finance Act, 2025.

Gaming Act

To increase the winning tax from 10% to 15% on sports betting games and from 12% to 15% on land-based casino

Revenue sources for HIV/AIDS Control and Financing of Universal Health Coverage

Due to the recent ongoing global changes that resulted to suspending the financial assistance previously allocated for the prevention and control of various diseases, particularly HIV/AIDS.

To address the resulting funding gap, the Government proposes to: Mentioning a few are:

- Increase excise duty on beer and spirits
- Increase excise duty on electronic services from 17% to 17.5%
- Introduce TShs 10 per litre of fuel
- Introduce 0.1% mining levy
- Increase Gaming tax
- Introduce levy on imported vehicles and heavy machinery from TShs 50,000 to TShs 250,000 depending on engine capacity
- Levy TShs 500 on ticket issued by a person licensed to operate train transportation; and
- Introduce a levy of TShs 1,000 on ticket issued by a person licensed to operate air transportation

Amendment of Various Government Fees and Levies of the Government Agency

- Livestock Sector - revise the export fee for livestock which includes the market fee and export fee at border livestock markets by reducing the charge;
- Fisheries Sector - propose to reduce the import fee for fin fish from \$ 2.5 to TShs 1,300/ kg of the fish. The levy will not include Tilapia;
- Ministry of Natural Resources and Tourism - consolidate approved accommodation facilities of Group A (Approved A) and Group B (Approved B) and be recognized as Approved Accommodation Facilities. This measure goes hand in hand with reducing the license fee for this group from \$800 to TShs 766,500; and
- Amend fees for BASATA, Tanzania Bureau of Standards (TBS), Weight and Measures (WMA) and Occupational Safety and Health Agency (OSHA).

Import Control Proposals

Item	Current Rate	Proposed Rate	Scheme
Industrial development levy on imported kitchenware, tableware and other household articles of plastic with heading 39.24.	N/A	10%	New
Industrial development levy on imported road tractors under HS Codes 8701.21.90; 8701.22.90; 8701.23.90; 8701.24.90; and 8701.29.90.	N/A	10%	New
Industrial development levy on imported prefabricate buildings under HS Codes 9406.10.90; 9406.20.90 and 9406.90.90.	N/A	10%	New
Industrial development levy on imported bars and rods under HS Codes 7214.10.00; 7214.20.00; 7214.30.00; 7214.91.00; 7214.99.00; 7213.10.00; 7213.20.00; and 7213.99.00	N/A	10%	New
Industrial development levy on imported nails, tacks, drawing pins, staples and similar articles, of iron or Steel under HS Code 7317.00.00.	N/A	5%	New
Industrial development levy on imported furnitures under heading 94.03.	N/A	10%	New
Industrial development levy on on imported flat rolled products under HS Codes 7209.16.00; 7209.17.00; 7209.18.00; 7209.25.00; 7209.26.00; 7209.27.00; 7209.28.00; 7209.90.00; 7210.30.00; 7210.41.00; 7210.49.00; 7210.61.00; 7210.69.00; 7210.70.00; 7210.90.00; 7211.23.00; 7211.90.00; 7212.20.00; 7212.30.00; 7212.40.00; 7212.50.00; 7212.60.00; 7225.50.00; 7225.91.00; 7225.92.00; 7225.99.00; 7226.92.00; and 7226.99.00.	N/A	15%	New
Industrial development levy on imported glasses under HS Codes 7003.12.00; 7003.19.00; 7003.20.00; 7003.30.00; 7004.20.00; 7004.90.00; 7005.10.00; 7005.21.00; 7005.29.00; 7005.30.00; 7006.00.00; 7007.11.00; 7007.19.00; 7007.21.00; 7007.29.00; 7008.00.00; 7009.91.00; and 7009.92.00.	N/A	10%	New
Industrial development levy on imported ceramic tiles under HS Codes 6907.21.00; 6907.22.00; 6907.23.00; 6907.30.00; and 6907.40.00	N/A	10% or TShs. 4,500 whichever is higher	New
Exempt Industrial development levy on cement clinker under HS Code 2523.10.00	10%	N/A	Decrease

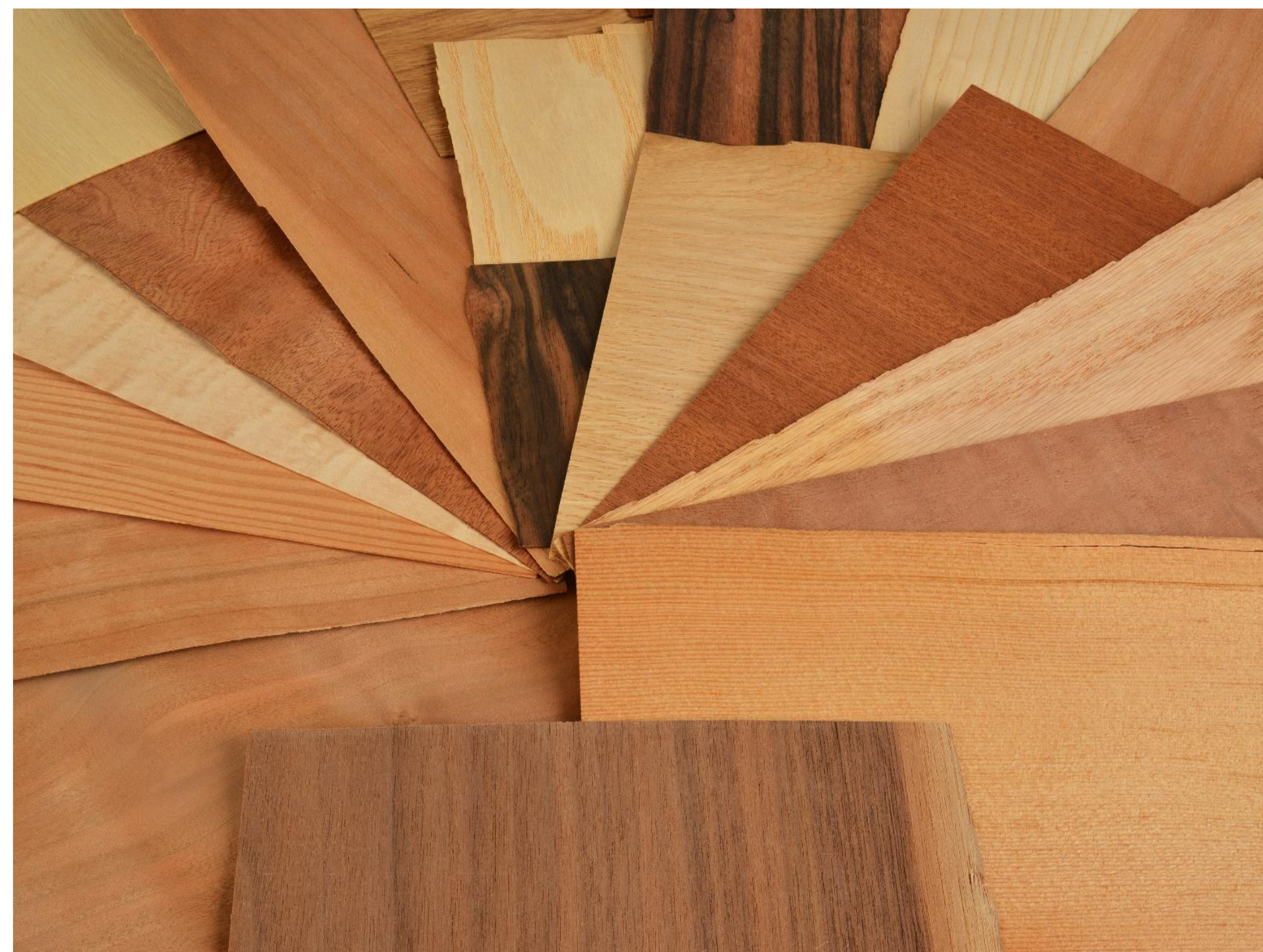
Other introduced amendments include:

- To includes goods originating from East African Community Partner States that meets EAC Rules of Origin into industrial development levy for the purpose of protecting local manufacturers, enhancing competition and increase Government revenue.

Export Tax Proposals

Introduced proposal include:

- To introducing export levy of 30% or TShs. 150 per Kilogram whichever is higher on veneer with HS Code 44.08.



Excise Duty Proposal

Item	Current Rate	Proposed Rate	Scheme
Licensing fees to manufacturers and importers of excisable goods	TShs. 300,000	NIL	Decrease
Imported undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher	TShs. 7,000	TShs. 5,000	Decrease
Locally Produced ethyl alcohol	TShs. 5,000	TShs. 4,000	Decrease
Locally manufactured energy drinks with HS Code 2202.99.00	TShs. 561	TShs. 134.2	Decrease
Imported crisps under HS Codes 1905.90.90; 2005.20.00 and 2008.99.00	N/A	TShs. 100/Kg	New
Locally manufactured crisps under HS Codes 1905.90.90; 2005.20.00 and 2008.99.00	N/A	TShs. 50/kg	New
Imported ice cream and other edible ice, whether or not containing cocoa	N/A	10%	New
Locally manufactured ice cream classified under HS Code 2105.00.00	N/A	5%	New
Imported sausages and similar products classified under HS Code 1601.00.00	N/A	10%	New
Locally manufactured sausages and similar products classified under HS Code 1601.00.00	N/A	5%	New
Imported soap classified under HS Codes 3401.11.00; 3401.19.00; 3402.50.00 and 3402.90.00	N/A	10%	New
Imported matches under heading 36.05	N/A	TShs. 400/Kg	New
Imported and local supply of imitation jewellery with heading 71.17.	N/A	10%	New
Imported margarine with heading 15.17	N/A	TShs. 500/Kg	New
Imported used tableware, kitchenware and other related products, of plastic, Wood, iron and aluminium under HS Codes 3924.10.00; 3924.90.00; 7323.91.00; 7323.92.00; 7323.93.00; 7323.94.00; 7323.99.00; 7418.10.00; 7615.10.10; 7615.10.90; heading 44.19; and 82.15.	N/A	20%	New
Imported and locally manufactured fireworks with HS Code 3604.10.00	N/A	25%	New
Imported and locally manufactured parts of electronic cigarettes with HS Code 8543.90.00 and electronic cigarettes consumable liquids with HS Code 2404.12.00.	N/A	30%	New
Carbon-based excise of carbon produced from coal and natural gas.	N/A	TShs. 22,000 (Approx. \$8)/Metric Ton	New
Pay per view	5%	10%	Increase

Excise Duty Proposals

Item	Current Rate	Proposed Rate	Scheme
Imported furnitures under heading 94.03	20%	25%	Increase
Natural gas	TShs. 0.45/Cubic Feet	TShs. 0.55/Cubic Feet	Increase
Other service providers of money transfer and payment system who employs independent systems other than financial or telecommunication systems.	N/A	10%	New
Beer under heading 22.03;	TShs765 for locally made & 803.25 for imported per litre	TShs 785 for locally made & 823.25 for imported per litre	Increase by 20 shillings
Wine and other fermented beverages under headings 22.04; 22.05; 22.06	TShs 200, TShs 2,466.45 & TShs 450	Tshs 230, TShs 2,496.45 & TShs 480	Increase by 30 shillings
Spirits, liquors and other spirituous beverages under heading 22.08	TShs 3,315, TShs 450, TShs 3,655.05	TShs 3,365, TShs 500, TShs 3,705.05	Increase by 50 shillings

- Other introduced amendments include:
- To include manufacturers of wine under heading 22.05 who use ethanol as a raw material in the excise duty offsetting mechanism; and
 - To exempt excise duty on un-denatured ethyl alcohol under HS Code 2207.10.00 used in manufacturing of goods other than alcohol, such as food flavor. The exemption will be granted upon recommendations and approval of the responsible Minister in the respective use



Custom Duty Proposals

Manufacturing Industry

Item	Current Rate	Proposed Rate	Scheme
Flat-rolled products of iron or non-alloy steel under HS Codes 7210.49.00; 7210.61.00; 7210.69.00; 7210.70.00; and 7210.90.00.	25% or US\$ 200/MT whichever is higher	25% or US\$ 350/MT whichever is higher for one year	Stay
Flat-rolled products of iron or non-alloy steel under HS Codes 7212.40.00 and 7212.50.00	35%	25% or US\$ 350/MT whichever is higher for one year	Stay
Unbleached kraft paper and paperboard under HS Code 4804.51.00	10%	25% for one year	Stay
Refined vegetable oils under HS Codes 1507.90.00; 1508.90.00; 15.09; 15.10; 1511.90.30; 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 and 1515.90.00	35%	35% or US\$ 300/MT whichever is higher for one year	Stay
Fibreboard of wood or other ligneous materials such as medium density fibreboard (MDF) under Heading 44.11	25%	35% for one year	Stay
Plywood, veneered panels and similar laminated wood under Heading 44.12	25%	35% for one year	Stay
Worked monumental or building stone under Heading 68.02	25%	35% for one year	Stay
Ceramic tiles under HS Codes 6907.21.00; 6907.22.00; 6907.23.00; 6907.30.00; and 6907.40.00.	35%	35% or US\$ 3/Sqm whichever is higher for one year	Stay
Bars and rods of iron or non-alloy steel under Heading 72.14	35%	35% or US\$ 250/MT whichever is higher for one year	Stay
Inputs such as metalized paper, phenolic impregnated film paper under HS Code 4811.90.00 used to manufacture labels, thermal paper rolls for cash registers, POS & EFD Machines and plywood.	10%	25% for one year	Duty Remission
Inputs under HS Codes 2713.20.00; 5603.14.00; 2710.19.59; 3920.10.10 and 6802.99.00 used by local manufacturer of waterproofing membranes.	10% or 35%	0% or 10% for one year	Duty Remission

Custom Duty Proposals

Item	Current Rate	Proposed Rate	Scheme
Cocoa powder, not containing added sugar or other sweetening matter under HS Code 1805.00.00.	0%	10% for one year	Stay
Iron and steel products under HS Code 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.	10%	10% or USD 125/MT whichever is higher for one year	Stay
Inputs under HS Codes 3920.61.10, 7019.19.00, 7019.11.00, 6006.90.00, 7019.12.00, 3920.10.10, 4016.93.00, and 3907.91.00 used to manufacture glass reinforced plastic pipes	10% or 25%	0% for one year	Duty Remission
Iron and steel reinforcement bars and hollow profiles under HS Codes 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.	25% or USD 200/MT whichever is higher	25% or USD 250/MT whichever is higher for one year	Stay
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 under HS Codes 3916.10.00; 3916.20.00; and 3916.90.00.	0%	10% for one year	Stay
Imported wheat grain under HS Codes 1001.99.10 and 1001.99.90	35%	10% for one year	Duty Remission
Refined Bleached Deodorized (RBD) Palm Stearin under HS Code 1511.90.40 used by domestic manufacturers of soaps	10%	0% for one year	Duty Remission
Safety matches under HS Code 3605.00.00.	25%	25% or US\$ 1.35/kg whichever is higher for one year	Stay
Gypsum powder under HS Code 2520.20.00	0%	10% for one year	Stay
New pneumatic tyres of rubber, of a kind used on motorcycles under HS Code 4011.40.00.	10%	25% for one year	Stay
Organic surface-active agents under HS Codes 3402.31.00; 3402.39.00; and 3402.49.00 used by manufacturers of detergents and liquid soaps.	10%	0% for one year	Duty Remission
Flat-rolled products under HS Codes 7212.20.00	10%	10% or US\$125/MT whichever is higher for one year	Stay

Custom Duty Proposals

Item	Current Rate	Proposed Rate	Scheme
Baby diapers under HS Code 9619.00.90.	25%	35% for one year	Stay
Inputs under HS Codes 4804.39.00; 4805.11.00; 4805.19.00; 4805.24.00; and 4805.25.00 used to manufacture corrugated boxes	10% or 25%	0% for one year	Duty Remission
Inputs under HS Code 3401.20.10 used to manufacture soap	35%	10% for one year	Duty Remission
Inputs under HS Codes 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 used to manufacture electrical cables	10% or 25%	0% for one year	Duty Remission
Polyester/ Nylon Twine under HS Code 5607.50.00	10%	25% for one year	Stay
Imported Vitenge under HS Codes 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	50%	35% for one year	Stay
Imported cotton grey fabric under HS Codes 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	25%	25% or 0.25 US\$ per meter whichever is higher for one year	Stay
Imported items under HS Code 4811.90.00 (Other paper, paperboard, cellulose wadding and webs of cellulose fibres)	10%	25% for one year	Stay
Nails, tacks, drawing pins, corrugated nails staples and similar articles of iron or steel, whether or not with heads of other materials under HS Code 7317.00.00	35%	35% or US\$ 350 per metric ton whichever is higher for one year	Stay
Inputs/raw materials used to manufacture capital goods/equipment for various sectors under headings 73.07; 83.11; 85.44; 68.06; 74.19; 72.08; 73.12; 73.15; 73.18; 84.82; 84.83; 72.22; 73.04; 84.81; 84.84; 73.25; 40.10; and 76.06	10%, 25% or 35%	0% for one year	Duty Remission
Inputs under HS Codes 7409.11.00; 7409.19.00; 7410.11.00; 7410.12.00; 7409.21.00; 8001.10.00; and 3810.90.00 used to manufacture radiators	10%, 25% or 35%	0% for one year	Duty Remission
Inputs under HS Codes 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 used to manufacture wiring harnesses for vehicles and motorcycles.	10% or 25%	0% for one year	Duty Remission

Custom Duty Proposals

Item	Current Rate	Proposed Rate	Scheme
Lithium-ion electric accumulators under HS Code 8507.60.00 used in the assembling/manufacturing of vehicle and motorcycles.	25%	0% for one year	Duty Remission
Inputs and raw materials under HS Codes 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; and 8544.49.00 used to manufacture optical fiber cables	10% or 25%	0% for one year	Duty Remission
Float, toughened and multiple-walled insulating units of glass under HS Codes 7005.10.00; 7005.21.00; 7005.29.00; 7005.30.00; 7007.19.00; 7007.29.00 and 7008.00.00	10%	35% for one year	Stay
Flat-rolled products of iron or non-alloy steel under HS Code 7212.60.00	10%	10% or US\$ 300/MT whichever is higher for one year	Stay
Iron and steel flat rods products under HS Codes 7225.91.00; 7225.92.00; and 7225.99.00.	10%	25% or US\$ 300/MT whichever is higher for one year	Stay
Corrugated iron sheets under HS Code 7210.30 and 7210.41.00.	35%	35% or US\$ 500/MT whichever is higher for one year	Stay
Semi-finished flat rolled products under HS Code 7226.99.00.	10%	10% or US\$ 300/MT whichever is higher for one year	Stay
Flat-rolled products of iron or non-alloy steel under HS Code 7210.30.00.	25%	25% or US\$ 250/MT whichever is higher for one year	Stay
Iron and steel cans under HS Codes 7310.10.00 and 7310.29.90	25%	0%	Stay

Custom Duty Proposals

Food & Beverage Industry

Item	Current Rate	Proposed Rate	Scheme
Mineral and aerated waters under HS Code 2201.10.00.	25%	60% for one year	Stay
Packaging materials under HS Codes 7310.21.00; 6305.10.00; 4819.20.90; and 5407.44.00 used for packing processed coffee.	25%	0% for one year	Duty Remission
Packaging materials under HS Codes 4819.20.90; 5407.44.00; and 3923.29.00 used by local manufacturers of tea (blenders).	25%	0% for one year	Duty Remission
Cane sugar under HS Code 1701.14.90 imported under a permit issued by the Tanzania Sugar Board.	100% or US\$ 460/MT whichever is higher	35% for one year	Stay
Inputs under HS Codes 3923.50.90; 4819.20.90; 4819.30.00; 4819.50.00; 4821.90.00; and 7607.19.90 used by domestic manufacturers of yoghurt, powdered or UHT milk.	25% or 35%	0% for one year	Duty Remission
Table salt under HS Code 2501.00.90	35%	50% for one year	Stay
Crude vegetable oils of soya-beans, groundnuts, coconuts, mustard and linseed under HS Codes 1507.10.00; 1508.10.00; 1513.11.00; 1513.21.00; 1514.11.00; 1514.91.00; and 1515.11.00.	0%	10% for one year	Stay
Consumption sugar under HS Code 1701.14.90 as well as sugar for industrial use under HS Code 1701.99.10 imported from the Southern African Development Community (SADC) under permits issued by the Tanzania Sugar Board	0%	25% for one year	Stay

Transport Industry

Item	Current Rate	Proposed Rate	Scheme
Buses for transportation of more than 25 persons under HS Codes 8702.10.99; 8702.20.99 and 8702.90.99 imported for rapid transport project	25%	0% for one year	Stay
CKD for three-wheel motorcycle excluding chassis and its components under HS Code 8704.21.90.	25%	10% for one year	Duty Remission

Custom Duty Proposals

Agriculture Industry

Item	Current Rate	Proposed Rate	Scheme
Raw material under HS Codes 3208.20.10; 3208.20.20; 3208.90.20 and 3210.00.10 used in leather processing	10% or 35%	0% for one year	Duty Remission
Raw materials under HS Codes 2710.99.00; 2528.00.00; and 3505.20.00 used to manufacture different types of fertilizers	10% or 25%	0% for one year	Duty Remission
Packaging materials under HS Codes 6305.10.00; 4819.40.00; 7310.29.90; 6305.33.00; 6305.20.00; 6304.91.90 and 7607.19.90 used by local producers of agricultural seeds.	25%	0% for one year	Duty Remission
Cotton yarn under headings 52.05; 52.06; and 52.07 except HS Code 5205.23.00.	10%	25% for one year	Stay
Horticultural products under HS Codes 0604.20.00; 0604.90.00; 0808.10.00; and 0808.30.00	25%	35% for one year	Stay

Other

Item	Current Rate	Proposed Rate	Scheme
Toys under HS Code 9503.00.00	25%	35%	Stay
Cash registers and other Electronic Fiscal Device (EFD) Machines and Point of Sale (POS) of HS Codes 8470.50.00 and 8470.90.00 imported by the Government or authorized persons	10%	0% for one year	Stay
Worn items of clothing, footwear and articles under HS Code 6309.00.10; 6309.00.20 and 6309.00.90	35% or USD 0.40/Kg whichever is higher	35% for one year	Stay
Smart cards under HS Code 8523.52.00 imported by the National Identification Authority	25%	0% for one year	Stay

Other introduced amendments include:

- Introduce the East African Community Assembling and Manufacturing of Goods Regulations with the implementation set to take effect on 1st July 2026



Do you have any questions or thoughts? Our team looks forward to hear from you.



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