THE UNITED REPUBLIC OF TANZANIA

No. 6 OF 1987

I ASSENT,

....
President
18 JULY, 1987

An Act to amend certain written financial laws to alter certain taxes and to provide for other related matters

[..................................]

ENACTED by the Parliament of the United Republic of Tanzania.

PART I

PRELIMINARY PROVISIONS

1. This Act may be cited as the Finance Act, 1987. Short title

2. Save where it is expressly provided to the contrary in respect of the commencement of any Part of this Act, this Act shall be deemed to have come into operation on the eighth day of April, 1987. Commencement

PART II

AMENDMENT OF THE CUSTOMS TARIFF ACT, 1976

3. This Part shall be read as one with the Customs Tariff Act, 1976, in this Part referred to as "the principal Act". Construction

4. Part A of the First Schedule to the principal Act is hereby amended in Chapters 15, 22, 24, 33, 34, 50, 51, 52, 53, 54, 55, 56, 57, 60, 62, 69, 85 and 87, by substituting, save where the passage "*(same)*" appears, for the entries in the column headed "Tariff Heading" and the entries in the column headed "Import Duty" opposite the following Tariff numbers the following respective new entries:— Amendment of the First Schedule

"Tariff No.	Tariff Heading	Import Duty
15.07	(same):	
	A. (same)	50%
	B. (same)	50%
	C. (same)	50%
	D. (same)	50%
15.08	(same)	50%
22.01	(same):	
	A. (same)	75%
	B. (same)	75%
22.02	(same)	75%
22.03	(same)	Shs. 30/- per litre
22.05	(same):	
	A. (same):	
	(1) (same)	150%
	(2) (same)	150%
	B. (same):	
	(1) (same)	150%
	(2) (same)	150%
22.06	(same):	
	A. (same)	150%
	B. (same)	150%
22.07	(same)	150%
22.09	(same):	
	A. (same)	Per proof litre Shs. 100/-
	B. (same)	Per litre Shs. 100/-
24.02	(same):	
	A. (same)	(same).
	B. (same)	150%
	C. (same)	(same).
	D. (same)	(same).
	E. (same)	(same).
33.06	(same):	
	B. (same)	125%
34.01	(same)	75%
34.02	(same)	75%
50.09/10	(same)	120% or Shs. 50/- per sq. metre whichever is higher.
51.04	(same):	
	A. (same):	
	(i) (same)	(same).
	(ii) (same)	60% or Shs. 25/- per sq. metre whichever is higher.
	B. (same)	60% or Shs. 25/- per sq. metre whichever is higher.
	C. (same)	60% or Shs. 35/- per sq. metre whichever is higher.
52.02	(same)	60% or Shs. 35/- per sq. metre whichever is higher.

"*Tariff No.*	*Tariff Heading*	*Import Duty*
53.11/ 13	*(same)*	60% or Shs. 40/- per sq. metre whichever is higher.
54.05	*(same)*:	
	A. *(same)*	60% or Shs. 30/- per sq. metre whichever is higher.
	B. *(same)*	60% or Shs. 30/- per sq. metre whichever is higher.
55.07/ 09	*(same)*:	
	A. *(same)*:	
	(i) *(same)*	*(same)*.
	(ii) *(same)*	60% or Shs. 25/- per sq. metre whichever is higher.
	B. *(same)*	Free
	C. *(same)*	60% or Shs. 30/- per sq. metre whichever is higher.
	D. *(same)*	60% or Shs. 25/- per sq. metre whichever is higher.
	E. *(same)*	60% or Shs. 35/- per sq. metre whichever is higher.
56.07	*(same)*:	
	A. *(same)*	60% or Shs. 25/- per sq. metre whichever is higher.
	B. *(same)*	60% or Shs. 25/- per sq. metre whichever is higher.
	C. *(same)*	60% or Shs. 40/- per sq. metre whichever is higher.
57.09/ 12	*(same)*	60% or Shs. 30 per sq. metre whichever is higher.
60.01	*(same)*	60% or Shs. 40/- per sq. metre whichever is higher.
62.02	*(same)*:	
	A. *(same)*:	
	(1) *(same)*	75% or Shs. 35/- per sq. metre whichever is higher.
	(2) *(same)*	75% or Shs. 35/- per sq. metre whichever is higher.

"*Tariff No.*	*Tariff Heading*	*Import Duty*
	(3) *(same)*	75% or Shs. 35/- per sq. metre whichever is higher.
	(4) *(same)*	75% or Shs. 35/- per sq. metre whichever is higher.
	(5) *(same)*	75% or Shs. 35/- per sq. metre whichever is higher.
	C. Matress covers	75% or Shs. 35/- per sq. metre whichever is higher.
69.11	*(same)*	40%
69.12	*(same)*	40%
85.20	*(same)*:	
	A. *(same)*	40%
	B. *(same)*	40%
87.01	*(same)*:	
	A. Agricultural Tractors	Free.
	B. Other	20%."

PART III

AMENDMENT OF THE INCOME TAX ACT, 1973

Construction

5. This Part shall be read as one with the Income Tax Act, 1973, in this Part referred to as "the principal Act".

Addition of new section 13B

6. The principal Act is hereby amended by adding after section 13A, the following new section—

"Tax on single trading transaction

"13B.—(1) For the purposes of this section—

"gross proceeds" means the CIF value of the goods imported, including the sales tax and import duty leviable on them at the point of entry into the United Republic;

"single trading transaction" means a transaction or series of transactions not carried out in a regular trading establishment.

(2) Where in any year of income any person imports goods into the United Republic for the purposes of carrying out single trading transactions, he shall bedeemed to be carrying on a trade and the gross sale proceeds shall be chargeable to tax in accordance with this Act.

(3) For the purposes of this section, the due date for tax on a single trading transaction shall be the date on which the sales tax and import duty is due and payable."

7. The Third Schedule to the principal Act is hereby amended by adding after paragraph 6, the following new paragraph. Amendment of Third Schedule

"7. The rate of tax on a single trading transaction shall be 30% of the gross proceeds."

PART IV

AMENDMENT OF THE SALES TAX ACT, 1976

8. This part shall be read as one with the Sales Tax Act, 1976, in this Part referred to as "the principal Act". Construction

9. The First Schedule to the principal Act is hereby amended in Chapters 22, 24, 55 and 61 by substituting, save where the passage "*(same)*" appears, for the entries in the Column headed "Tariff Heading" and the entries in the Column headed "Sales Tax Rate" opposite the following tariff numbers the following respective new entries:— Amendment of First Schedule

"*Tariff No.*	*Tariff Heading*	*Sales Tax Rate*
22.01	*(same)*:	
	A. *(same)*	100%
	B. *(same)*	100%
22.02	*(same)*:	
	A. *(same)*	100%
	B. *(same)*	100%
22.03	*(same)*:	
	A. *(same)*	225%
	B. *(same)*	225%
	C. *(same)*	*(Same)*
22.09	*(same)*:	
	A. *(same)*	300%
	B. *(same)*	300%
	C. *(same)*	300%
24.02	*(same)*:	
	A. *(same)*	*(same)*
	B. *(same)*:	
	(1) *(same)*	150%
	(2) *(same)*	175%
	(3) *(same)*	150%
	(4) *(same)*	175%
	(5) *(same)*	175%
	(6) *(same)*	200%
	(7) *(same)*	200%
	(8) *(same)*	200%
	(9) *(same)*	200%

"*Tariff No.*	*Tariff Heading*	*Sales Tax Rate*
	C. *(same)*:	
	(1) *(same)*	Free
	(2) *(same)*	100%
	D. *(same)*	100%
55.07/09	*(same)*:	
	A. *(same)*	*(same)*
	B. *(same)*	*(same)*
	C. *(same)*	*(same)*
	D. *(same)*	100% plus Shs. 5 per sq. metre
	E. *(same)*:	
	(1) For making school uniforms	25%
	(2) Other	*(same)*
	F. *(same)*	*(same)*
61.02	*(same)*:	
	A. *(same)*:	
	(1) *(same)*:	
	(a) *(same)*	Free
	(b) Khanga, kitenge and the like	100% plus Shs. 20/- per pair
	(c) Other	100%
	(2) *(same)*:	
	(a) *(same)*	Free
	(b) Khanga, kitenge and the like	100% plus Shs. 20/- per pair
	(c) Other	100%
	(3) *(same)*:	
	(a) *(same)*	Free
	(b) Khanga, kitenge and the like	100% plus Shs. 20/- per pair
	(c) Other	*(same)*"

Amendment of Second Schedule

10. The Second Schedule to the principal Act is hereby amended by deleting the description and the sales tax rate in relation to item 1 and substituting the following description and sales tax rate:

"Telephone and Telex Service:

A. Domestic 5%

B. International .... 15%".

PART V

AMENDMENT OF THE STAMP DUTY ACT, 1972

Construction

11. This Part shall be read as one with the Stamp Duty Act, 1972, in this Part referred to as "the principal Act".

12. The Schedule to the principal Act is hereby amended in Article No. 51(c) by deleting the rate of Stamp duty payable in respect of receipts of an amount exceeding Shs. 500/- and substituting the rate "Shs. 15/- for each Shs. 500/- or part thereof". **Amendment of Schedule**

Passed in the National Assembly on twenty-fourth day of April, 1987.

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Clerk of the National Assembly

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