

Taxes on water supply, sewerage, waste management, and remediation activities sectors

Here are 30 taxes, levies, duties, and customs that businesses in the water supply, sewerage, waste management, and remediation activities sectors in Tanzania are obliged to pay, along with their descriptions, the laws that provide for them, the rates at which they are charged, and examples of how they are calculated.

## 1. Corporate Income Tax

**Description:** Tax on the profits of a corporation. **Law:** Income Tax Act, 2004. **Rate:** 30%.

**Calculation Example:** If a company earns a profit of TZS 100,000,000, the tax is TZS 30,000,000 (30% of 100,000,000).

## 2. Value Added Tax (VAT)

**Description:** A consumption tax placed on a product whenever value is added. **Law:** Value Added Tax Act, 2014. **Rate:** 18%. **Calculation Example:** If a service costs TZS 1,000,000, VAT is TZS 180,000 (18% of 1,000,000).

## 3. Withholding Tax on Dividends

**Description:** Tax withheld on dividends paid to shareholders. **Law:** Income Tax Act, 2004.

**Rate:** 10%. **Calculation Example:** If dividends are TZS 500,000, the withholding tax is TZS 50,000 (10% of 500,000).

## 4. Withholding Tax on Interest

**Description:** Tax withheld on interest paid on loans. **Law:** Income Tax Act, 2004. **Rate:**

10%. **Calculation Example:** If interest paid is TZS 1,000,000, the withholding tax is TZS 100,000 (10% of 1,000,000).

## 5. Withholding Tax on Royalties

**Description:** Tax withheld on royalties paid. **Law:** Income Tax Act, 2004. **Rate:** 15%.

**Calculation Example:** If royalties are TZS 200,000, the withholding tax is TZS 30,000 (15% of 200,000).

## 6. Skills and Development Levy (SDL)

**Description:** A levy to finance the Skills Development Fund. **Law:** Vocational Education and Training Act, 1994. **Rate:** 4% of the gross wage. **Calculation Example:** If the monthly wage bill is TZS 10,000,000, the SDL is TZS 400,000 (4% of 10,000,000).

## 7. Workers' Compensation Fund (WCF) Contribution

**Description:** A contribution for employee compensation in case of workplace injuries. **Law:** Workers Compensation Act, 2008. **Rate:** 1% of the gross wage. **Calculation Example:** If the monthly wage bill is TZS 10,000,000, the WCF contribution is TZS 100,000 (1% of 10,000,000).

## 8. Property Tax

**Description:** Tax on the ownership of property. **Law:** Local Government Finance Act, 1982. **Rate:** Depends on property value and location. **Calculation Example:** If property is valued at TZS 100,000,000, the tax could be TZS 1,000,000 (assuming a rate of 1%).

## 9. Stamp Duty

**Description:** Tax on legal documents. **Law:** Stamp Duty Act, 1972. **Rate:** Varies. **Calculation Example:** For a contract worth TZS 10,000,000, the stamp duty could be TZS 50,000.

## 10. Excise Duty

**Description:** Tax on specific goods, such as alcohol and tobacco. **Law:** Excise (Management and Tariff) Act, 1952. **Rate:** Varies by product. **Calculation Example:** For a product with an excise duty of 30%, if the cost is TZS 1,000,000, the duty is TZS 300,000.

## 11. Import Duty

**Description:** Tax on goods brought into the country. **Law:** East African Community Customs Management Act, 2004. **Rate:** Varies by product. **Calculation Example:** For goods worth TZS 10,000,000 with a duty rate of 25%, the duty is TZS 2,500,000.

## 12. Export Duty

**Description:** Tax on goods exported from the country. **Law:** East African Community Customs Management Act, 2004. **Rate:** Varies by product. **Calculation Example:** For goods worth TZS 10,000,000 with a duty rate of 10%, the duty is TZS 1,000,000.

## 13. Motor Vehicle License Fee

**Description:** Fee for vehicle registration and road usage. **Law:** Road Traffic Act, 1973. **Rate:** Varies by vehicle type. **Calculation Example:** For a truck, the fee might be TZS 200,000 annually.

## 14. Fuel Levy

**Description:** Levy on petroleum products. **Law:** Finance Act. **Rate:** Varies. **Calculation Example:** If the levy is TZS 50 per liter and 1,000 liters are purchased, the levy is TZS 50,000.

## 15. Environmental Levy

**Description:** Levy to support environmental protection initiatives. **Law:** Environmental Management Act, 2004. **Rate:** Varies. **Calculation Example:** If the levy is 1% of revenue and revenue is TZS 100,000,000, the levy is TZS 1,000,000.

## 16. Municipal Service Levy

**Description:** Levy for municipal services. **Law:** Local Government Finance Act, 1982. **Rate:** Varies. **Calculation Example:** If the levy is 0.3% of turnover and turnover is TZS 50,000,000, the levy is TZS 150,000.

## **17. Business License Fee**

**Description:** Fee for the issuance of a business license. **Law:** Business Licensing Act, 1972. **Rate:** Varies by business type. **Calculation Example:** For waste management, the fee could be TZS 500,000 annually.

## **18. Payroll Tax**

**Description:** Tax on employees' salaries. **Law:** Income Tax Act, 2004. **Rate:** Varies. **Calculation Example:** For an employee earning TZS 1,000,000 monthly, the payroll tax could be TZS 200,000.

## **19. Social Security Contributions**

**Description:** Contributions to social security schemes. **Law:** Social Security Regulatory Authority Act, 2008. **Rate:** 20% (10% employee, 10% employer). **Calculation Example:** For a salary of TZS 1,000,000, the contribution is TZS 200,000 (split between employer and employee).

## **20. Health Insurance Fund Contribution**

**Description:** Contribution to the national health insurance fund. **Law:** National Health Insurance Fund Act, 1999. **Rate:** Varies. **Calculation Example:** If the contribution is 3% of salary, for a salary of TZS 1,000,000, it is TZS 30,000.

## **21. Fire and Rescue Service Levy**

**Description:** Levy for fire and rescue services. **Law:** Fire and Rescue Force Act, 2007. **Rate:** Varies. **Calculation Example:** For a commercial property, the levy could be TZS 100,000 annually.

## **22. Market Fee**

**Description:** Fee for using market facilities. **Law:** Local Government Finance Act, 1982. **Rate:** Varies. **Calculation Example:** For a stall in a market, the fee might be TZS 10,000 monthly.

## **23. Customs Processing Fee**

**Description:** Fee for processing customs documentation. **Law:** East African Community Customs Management Act, 2004. **Rate:** Varies. **Calculation Example:** If the fee is TZS 100,000 per consignment.

## **24. Port Charges**

**Description:** Charges for using port facilities. **Law:** Tanzania Ports Authority Act, 2004. **Rate:** Varies. **Calculation Example:** For a container, the charge might be TZS 500,000.

## **25. Transit Fee**

**Description:** Fee for goods transiting through Tanzania. **Law:** East African Community Customs Management Act, 2004. **Rate:** Varies. **Calculation Example:** If the fee is TZS 50,000 per truck.

## **26. Road Toll**

**Description:** Toll for using certain roads. **Law:** Roads Act, 2007. **Rate:** Varies. **Calculation Example:** For a heavy vehicle, the toll could be TZS 20,000 per trip.

## **27. Solid Waste Management Fee**

**Description:** Fee for waste collection and management services. **Law:** Local Government Finance Act, 1982. **Rate:** Varies. **Calculation Example:** For a commercial entity, the fee might be TZS 200,000 annually.

## **28. License Renewal Fee**

**Description:** Fee for renewing business licenses. **Law:** Business Licensing Act, 1972. **Rate:** Varies. **Calculation Example:** For waste management services, the renewal fee could be TZS 300,000 annually.

## **29. Air Pollution Control Fee**

**Description:** Fee for controlling air pollution. **Law:** Environmental Management Act, 2004. **Rate:** Varies. **Calculation Example:** If the fee is 0.5% of revenue and revenue is TZS 50,000,000, the fee is TZS 250,000.

## **30. Water Abstraction Fee**

**Description:** Fee for extracting water resources. **Law:** Water Resources Management Act, 2009. **Rate:** Varies by volume. **Calculation Example:** If the fee is TZS 1 per cubic meter and 100,000 cubic meters are extracted, the fee is TZS 100,000.

These fees and taxes reflect the financial obligations of businesses operating within the specified sectors in Tanzania. Rates and exact calculations may vary based on specific circumstances and updates in the laws.