

## **Taxes on Information and Communication sector**

Creating a comprehensive list of 30 taxes, levies, duties, and customs that apply to the Information and Communication sector under the Tanzanian Tax Law Regime requires detailed and specific knowledge of Tanzanian tax laws. Here is an outline of how such a list might be structured based on available information about Tanzanian tax laws and regulations. The actual rates and specific laws can vary and should be confirmed with the Tanzania Revenue Authority or a legal tax professional in Tanzania.

### **1. Value Added Tax (VAT)**

- **Description:** A tax on the value added at each stage of production and distribution.
- **Law:** Value Added Tax Act, 2014.
- **Rate:** 18%.
- **Example:** If a service costs TZS 1,000,000, the VAT would be TZS 180,000 ( $1,000,000 \times 0.18$ ).

### **2. Corporate Income Tax**

- **Description:** Tax on the income of corporate entities.
- **Law:** Income Tax Act, 2004.
- **Rate:** 30%.
- **Example:** If a company has a taxable income of TZS 10,000,000, the tax would be TZS 3,000,000 ( $10,000,000 \times 0.30$ ).

### **3. Withholding Tax on Dividends**

- **Description:** Tax withheld from dividend payments to shareholders.
- **Law:** Income Tax Act, 2004.
- **Rate:** 10% (for residents), 15% (for non-residents).
- **Example:** For TZS 1,000,000 in dividends, the withholding tax would be TZS 100,000 for residents ( $1,000,000 \times 0.10$ ).

### **4. Withholding Tax on Interest**

- **Description:** Tax withheld on interest payments.
- **Law:** Income Tax Act, 2004.
- **Rate:** 10% (for residents), 15% (for non-residents).
- **Example:** For TZS 500,000 in interest, the withholding tax would be TZS 50,000 for residents ( $500,000 \times 0.10$ ).

### **5. Withholding Tax on Royalties**

- **Description:** Tax on payments made for the use of intellectual property.
- **Law:** Income Tax Act, 2004.
- **Rate:** 15%.
- **Example:** For TZS 200,000 in royalties, the withholding tax would be TZS 30,000 ( $200,000 \times 0.15$ ).

## 6. Skills and Development Levy (SDL)

- **Description:** Levy on the gross emoluments of employees.
- **Law:** Vocational Education and Training Act, 1994.
- **Rate:** 4%.
- **Example:** For TZS 1,000,000 in gross salaries, the SDL would be TZS 40,000 ( $1,000,000 \times 0.04$ ).

## 7. Social Security Contributions

- **Description:** Contributions to the National Social Security Fund (NSSF).
- **Law:** NSSF Act, 1997.
- **Rate:** 10% (employer), 10% (employee).
- **Example:** For TZS 1,000,000 salary, the contribution would be TZS 100,000 from the employer and TZS 100,000 from the employee.

## 8. Pay As You Earn (PAYE)

- **Description:** Tax on employees' earnings deducted at source.
- **Law:** Income Tax Act, 2004.
- **Rate:** Progressive rates from 0% to 30%.
- **Example:** For TZS 1,000,000, the tax might range based on the brackets applied.

## 9. Excise Duty

- **Description:** Tax on specific goods and services like telecommunications.
- **Law:** Excise (Management and Tariff) Act, 1952.
- **Rate:** Varies (e.g., 17% for mobile phone services).
- **Example:** For TZS 1,000,000 in mobile services, the duty would be TZS 170,000 ( $1,000,000 \times 0.17$ ).

## 10. Import Duty

- **Description:** Tax on goods imported into Tanzania.
- **Law:** East African Community Customs Management Act, 2004.
- **Rate:** Varies (typically 0% to 25%).
- **Example:** For goods worth TZS 1,000,000, if the rate is 25%, the duty would be TZS 250,000.

## 11. Stamp Duty

- **Description:** Tax on legal documents.
- **Law:** Stamp Duty Act, 1972.
- **Rate:** Varies.
- **Example:** For a contract worth TZS 1,000,000, if the rate is 1%, the duty would be TZS 10,000.

## 12. Export Duty

- **Description:** Tax on goods exported from Tanzania.
- **Law:** East African Community Customs Management Act, 2004.
- **Rate:** Varies by product.
- **Example:** For goods worth TZS 1,000,000, the duty might be TZS 100,000 if the rate is 10%.

### 13. Local Government Levy

- **Description:** Taxes imposed by local government authorities.
- **Law:** Local Government Finance Act, 1982.
- **Rate:** Varies.
- **Example:** Business premises levy based on area and usage.

### 14. Property Tax

- **Description:** Tax on ownership of property.
- **Law:** Local Government Finance Act, 1982.
- **Rate:** Varies.
- **Example:** A property valued at TZS 10,000,000 might incur TZS 100,000 annually.

### 15. Environmental Levy

- **Description:** Levy on activities affecting the environment.
- **Law:** Environmental Management Act, 2004.
- **Rate:** Varies.
- **Example:** Certain industrial activities might be charged a fixed rate per year.

### 16. Tourism Development Levy

- **Description:** Levy on tourism-related businesses.
- **Law:** Tourism Act, 2008.
- **Rate:** 2% of turnover.
- **Example:** For TZS 1,000,000 in turnover, the levy would be TZS 20,000.

### 17. Motor Vehicle Tax

- **Description:** Annual tax on motor vehicles.
- **Law:** Motor Vehicles (Tax Registration and Transfer) Act, 1972.
- **Rate:** Varies by vehicle type.
- **Example:** A personal car might incur TZS 200,000 annually.

### 18. Fuel Levy

- **Description:** Levy on petroleum products.
- **Law:** Excise (Management and Tariff) Act, 1952.
- **Rate:** Fixed amount per liter.
- **Example:** If the levy is TZS 100 per liter and 100 liters are purchased, the total levy would be TZS 10,000.

## 19. Road Toll

- **Description:** Toll charges on using specific roads.
- **Law:** Roads and Fuel Tolls Act, 1985.
- **Rate:** Varies.
- **Example:** Toll charge of TZS 1,000 per passage on a toll road.

## 20. Export Processing Zones (EPZ) Levy

- **Description:** Levy for companies operating in EPZs.
- **Law:** Export Processing Zones Act, 2002.
- **Rate:** Varies.
- **Example:** A percentage of export value or a fixed annual fee.

## 21. Broadcasting License Fee

- **Description:** Fee for broadcasting services.
- **Law:** Tanzania Communications Regulatory Authority Act, 2003.
- **Rate:** Varies.
- **Example:** Annual license fee depending on the broadcast area and coverage.

## 22. Frequency Spectrum Fee

- **Description:** Fee for using the radio frequency spectrum.
- **Law:** Tanzania Communications Regulatory Authority Act, 2003.
- **Rate:** Varies.
- **Example:** Annual fee based on the bandwidth and frequency range.

## 23. Film License Fee

- **Description:** Fee for producing and distributing films.
- **Law:** The Film and Stage Plays Act, 1976.
- **Rate:** Varies.
- **Example:** Fixed amount per production or distribution license.

## 24. Work Permit Fee

- **Description:** Fee for work permits for expatriates.
- **Law:** Immigration Act, 1995.
- **Rate:** Varies.
- **Example:** A Class B work permit might cost TZS 2,000,000 annually.

## 25. Business License Fee

- **Description:** Fee for business operation licenses.
- **Law:** Business Licensing Act, 1972.
- **Rate:** Varies.
- **Example:** Annual fee based on the type of business and location.

## 26. Customs Processing Fee

- **Description:** Fee for processing customs declarations.
- **Law:** East African Community Customs Management Act, 2004.
- **Rate:** Varies.
- **Example:** A fixed fee per declaration processed.

## 27. Telecommunications Levy

- **Description:** Levy on telecommunications services.
- **Law:** Electronic and Postal Communications Act, 2010.
- **Rate:** Varies.
- **Example:** A percentage of revenue from telecom services.

## 28. Training Levy

- **Description:** Levy for employee training.
- **Law:** Vocational Education and Training Act, 1994.
- **Rate:** 2% of payroll.
- **Example:** For TZS 1,000,000 payroll, the levy would be TZS 20,000.

## 29. Research and Development Levy

- **Description:** Levy on companies for R&D funding.
- **Law:** Research and Development Policy.
- **Rate:** Varies.
- **Example:** A percentage of revenue allocated to R&D activities.

## 30. Digital Services Tax

- **Description:** Tax on digital services provided by non-resident companies.
- **Law:** Finance Act.
- **Rate:** Varies.
- **Example:** Percentage of revenue generated from digital services in Tanzania.

These taxes and levies are subject to change and interpretation, and it's advisable to consult the latest legislation or a tax professional for precise and up-to-date information.