

## Calculations for Customs Duty

### Scenario Example: Agriculture Sector

**Company Name:** GreenFields Ltd.

**Business Type:** Agricultural company specializing in the cultivation of high-value vegetables and fruits.

**Location:** Tanzania

**Import Activity:** GreenFields Ltd. imports agricultural machinery and equipment to enhance its farming operations. Specifically, they are importing:

- Tractors
- Irrigation systems
- Harvesting equipment

### Customs Duty Calculation

#### 1. Determine the Import Classification

The imported items fall under the category of **machinery and equipment** used for agriculture. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Raw materials, capital goods, agricultural inputs:** 0% duty

Since the machinery is directly related to agriculture, it is considered as **capital goods**.

#### 2. Check for Additional Levies

In addition to customs duty, GreenFields Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

#### 3. Example Calculation

**Assumptions:**

- **Cost of Tractors:** TZS 120,000,000
- **Cost of Irrigation Systems:** TZS 72,000,000
- **Cost of Harvesting Equipment:** TZS 48,000,000
- **Total CIF Value:** TZS 240,000,000
- **FOB Value:** TZS 228,000,000

**Calculations:**

1. **Customs Duty:**

- As the machinery falls under the capital goods category for agriculture, the duty is 0%.
- **Customs Duty Amount:** 0% of TZS 240,000,000 = TZS 0

2. **Railways Development Levy:**

- 1.5% of CIF value
- **Levy Amount:** 1.5% of TZS 240,000,000 = TZS 3,600,000

3. **Destination Inspection Fee:**

- 0.6% of FOB value
- **Fee Amount:** 0.6% of TZS 228,000,000 = TZS 1,368,000

**Total Import Costs:**

- **Customs Duty:** TZS 0
- **Railways Development Levy:** TZS 3,600,000
- **Destination Inspection Fee:** TZS 1,368,000
- **Total Additional Costs:** TZS 3,600,000 + TZS 1,368,000 = TZS 4,968,000

**Summary:** GreenFields Ltd. will pay a total of TZS 4,968,000 in additional import costs for the machinery and equipment, with no customs duty due to the exemption for agricultural capital goods.

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## **Scenario Example: Mining and Quarrying Sector**

**Company Name:** RockMiner Ltd.

**Business Type:** Mining company specializing in the extraction of precious metals.

**Location:** Tanzania

**Import Activity:** RockMiner Ltd. imports specialized mining machinery and equipment to support its mining operations. Specifically, they are importing:

- Excavators
- Drilling rigs
- Crushing machines

## **Customs Duty Calculation**

### **1. Determine the Import Classification**

The imported items fall under the category of **machinery and equipment** used for mining. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Machinery and spare parts imported by licensed mining companies and used in mining activities:** 0% duty

Since the machinery is used in mining activities and RockMiner Ltd. is a licensed mining company, these items are exempt from customs duty.

## 2. Check for Additional Levies

In addition to customs duty, RockMiner Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

**Assumptions:**

- **Cost of Excavators:** TZS 200,000,000
- **Cost of Drilling Rigs:** TZS 150,000,000
- **Cost of Crushing Machines:** TZS 100,000,000
- **Total CIF Value:** TZS 450,000,000
- **FOB Value:** TZS 428,000,000

**Calculations:**

1. **Customs Duty:**
  - As the machinery falls under the category exempt for mining companies, the duty is 0%.
  - **Customs Duty Amount:** 0% of TZS 450,000,000 = TZS 0
2. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 450,000,000 = TZS 6,750,000
3. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 428,000,000 = TZS 2,568,000

**Total Import Costs:**

- **Customs Duty:** TZS 0
- **Railways Development Levy:** TZS 6,750,000
- **Destination Inspection Fee:** TZS 2,568,000
- **Total Additional Costs:** TZS 6,750,000 + TZS 2,568,000 = TZS 9,318,000

**Summary:** RockMiner Ltd. will pay a total of TZS 9,318,000 in additional import costs for the machinery and equipment, with no customs duty due to the exemption for mining machinery.

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## Scenario Example: Manufacturing Sector

**Company Name:** MakerTech Ltd.

**Business Type:** Manufacturing company producing high-quality electronic components.

**Location:** Tanzania

**Import Activity:** MakerTech Ltd. imports machinery and raw materials for its manufacturing processes. Specifically, they are importing:

- Automated assembly machines
- Raw materials for component production (e.g., electronic chips, resistors, capacitors)

### Customs Duty Calculation

#### 1. Determine the Import Classification

The imported items fall under the category of **machinery and raw materials** used for manufacturing. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Raw materials:** 0% duty
- **Machinery for manufacturing:** 0% duty

Since the machinery and raw materials are used in manufacturing, they are classified as **capital goods** and **raw materials** respectively, and are exempt from customs duty.

#### 2. Check for Additional Levies

In addition to customs duty, MakerTech Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

#### 3. Example Calculation

**Assumptions:**

- **Cost of Automated Assembly Machines:** TZS 300,000,000
- **Cost of Raw Materials:** TZS 100,000,000
- **Total CIF Value:** TZS 400,000,000
- **FOB Value:** TZS 380,000,000

**Calculations:**

##### 1. Customs Duty:

- As the items fall under the category of exempt capital goods and raw materials, the duty is 0%.
- **Customs Duty Amount:** 0% of TZS 400,000,000 = TZS 0

2. **Railways Development Levy:**

- 1.5% of CIF value
- **Levy Amount:** 1.5% of TZS 400,000,000 = TZS 6,000,000

3. **Destination Inspection Fee:**

- 0.6% of FOB value
- **Fee Amount:** 0.6% of TZS 380,000,000 = TZS 2,280,000

**Total Import Costs:**

- **Customs Duty:** TZS 0
- **Railways Development Levy:** TZS 6,000,000
- **Destination Inspection Fee:** TZS 2,280,000
- **Total Additional Costs:** TZS 6,000,000 + TZS 2,280,000 = TZS 8,280,000

**Summary:** MakerTech Ltd. will pay a total of TZS 8,280,000 in additional import costs for the machinery and raw materials, with no customs duty due to the exemption for manufacturing-related items.

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## **Scenario Example: Electricity, Gas, Steam, and Air Conditioning Supply Sector**

**Company Name:** EnergyPlus Ltd.

**Business Type:** Company providing electricity and gas supply services.

**Location:** Tanzania

**Import Activity:** EnergyPlus Ltd. imports equipment for its energy supply operations. Specifically, they are importing:

- Gas turbines
- Steam boilers
- Air conditioning units

## **Customs Duty Calculation**

### **1. Determine the Import Classification**

The imported items fall under the category of **machinery and equipment** used for electricity, gas, steam, and air conditioning supply. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Machinery and equipment for energy supply:** 0% duty (assuming approval from competent authority or specific provisions apply)

## 2. Check for Additional Levies

In addition to customs duty, EnergyPlus Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

### Assumptions:

- **Cost of Gas Turbines:** TZS 500,000,000
- **Cost of Steam Boilers:** TZS 300,000,000
- **Cost of Air Conditioning Units:** TZS 200,000,000
- **Total CIF Value:** TZS 1,000,000,000
- **FOB Value:** TZS 950,000,000

### Calculations:

1. **Customs Duty:**
  - As the equipment is used in the energy supply sector and is potentially exempt (subject to specific provisions or approvals), the duty is 0%.
  - **Customs Duty Amount:** 0% of TZS 1,000,000,000 = TZS 0
2. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 1,000,000,000 = TZS 15,000,000
3. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 950,000,000 = TZS 5,700,000

### Total Import Costs:

- **Customs Duty:** TZS 0
- **Railways Development Levy:** TZS 15,000,000
- **Destination Inspection Fee:** TZS 5,700,000
- **Total Additional Costs:** TZS 15,000,000 + TZS 5,700,000 = TZS 20,700,000

**Summary:** EnergyPlus Ltd. will pay a total of TZS 20,700,000 in additional import costs for the equipment, with no customs duty due to the exemption for machinery used in the energy supply sector.

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## Scenario Example: Water Supply, Sewerage, Waste Management, and Remediation Activities Sector

**Company Name:** AquaClean Ltd.

**Business Type:** Company specializing in water treatment and waste management services.

**Location:** Tanzania

**Import Activity:** AquaClean Ltd. imports equipment and machinery essential for their water treatment and waste management operations. Specifically, they are importing:

- Water filtration systems
- Wastewater treatment plants
- Solid waste shredders

## Customs Duty Calculation

### 1. Determine the Import Classification

The imported items fall under the category of **machinery and equipment** used for water supply, sewerage, waste management, and remediation activities. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Machinery and equipment for water treatment and waste management:**  
Generally, machinery for these purposes can be exempt from customs duty, but confirmation with specific provisions or approvals is required.

### 2. Check for Additional Levies

In addition to customs duty, AquaClean Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

**Assumptions:**

- **Cost of Water Filtration Systems:** TZS 150,000,000
- **Cost of Wastewater Treatment Plants:** TZS 200,000,000
- **Cost of Solid Waste Shredders:** TZS 100,000,000
- **Total CIF Value:** TZS 450,000,000
- **FOB Value:** TZS 428,000,000

**Calculations:**

#### 1. Customs Duty:

- As the equipment is used for water treatment and waste management, it may be exempt (subject to specific provisions or approvals). Assuming exemption applies:
- **Customs Duty Amount:** 0% of TZS 450,000,000 = TZS 0

#### 2. Railways Development Levy:

- 1.5% of CIF value
- **Levy Amount:** 1.5% of TZS 450,000,000 = TZS 6,750,000

### 3. Destination Inspection Fee:

- 0.6% of FOB value
- **Fee Amount:** 0.6% of TZS 428,000,000 = TZS 2,568,000

### Total Import Costs:

- **Customs Duty:** TZS 0
- **Railways Development Levy:** TZS 6,750,000
- **Destination Inspection Fee:** TZS 2,568,000
- **Total Additional Costs:** TZS 6,750,000 + TZS 2,568,000 = TZS 9,318,000

**Summary:** AquaClean Ltd. will pay a total of TZS 9,318,000 in additional import costs for the equipment, with no customs duty due to the potential exemption for machinery used in water treatment and waste management.

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## Scenario Example: Construction Sector

**Company Name:** BuildMaster Ltd.

**Business Type:** Construction company specializing in large infrastructure projects, including roads and bridges.

**Location:** Tanzania

**Import Activity:** BuildMaster Ltd. imports construction machinery and equipment for their projects. Specifically, they are importing:

- Cranes
- Bulldozers
- Concrete mixers

## Customs Duty Calculation

### 1. Determine the Import Classification

The imported items fall under the category of **machinery and equipment** used for construction. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Construction machinery:** Typically, construction machinery is subject to a standard import duty unless specific exemptions apply.

### 2. Check for Additional Levies

In addition to customs duty, BuildMaster Ltd. needs to account for:



- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

#### Assumptions:

- **Cost of Cranes:** TZS 400,000,000
- **Cost of Bulldozers:** TZS 300,000,000
- **Cost of Concrete Mixers:** TZS 150,000,000
- **Total CIF Value:** TZS 850,000,000
- **FOB Value:** TZS 810,000,000

#### Calculations:

1. **Customs Duty:**
  - The typical import duty rate for construction machinery is not specified here, but if we assume it is not exempt and has a standard rate of 10% for illustrative purposes:
  - **Customs Duty Amount:** 10% of TZS 850,000,000 = TZS 85,000,000
2. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 850,000,000 = TZS 12,750,000
3. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 810,000,000 = TZS 4,860,000

#### Total Import Costs:

- **Customs Duty:** TZS 85,000,000
- **Railways Development Levy:** TZS 12,750,000
- **Destination Inspection Fee:** TZS 4,860,000
- **Total Additional Costs:** TZS 85,000,000 + TZS 12,750,000 + TZS 4,860,000 = TZS 102,610,000

**Summary:** BuildMaster Ltd. will pay a total of TZS 102,610,000 in additional import costs for the construction machinery, including customs duty, railways development levy, and destination inspection fee. If specific exemptions for construction machinery apply, the customs duty could be lower or waived.

40 mini

create a detailed scenario example of a business company that operates in the next sector, after the scenario, show how customs duty structure under the Southern Africa Developing Countries (SADC) or the East African Community (EAC) will be calculated under the Tanzanian tax laws, include any applicable custom duty for any possible Semi-finished goods, Finished consumer goods and Specified products  
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### Scenario Example: Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles Sector

**Company Name:** AutoWorld Ltd.

**Business Type:** Company specializing in the wholesale and retail trade of automotive parts and accessories, including repair services for motor vehicles and motorcycles.

**Location:** Tanzania

**Import Activity:** AutoWorld Ltd. imports various automotive parts and accessories to stock their retail stores and workshops. Specifically, they are importing:

- Replacement car parts (e.g., brake pads, filters)
- Motorcycle parts (e.g., engines, wheels)
- Automotive tools and equipment

## Customs Duty Calculation

### 1. Determine the Import Classification

The imported items fall under the category of **automotive parts and accessories** for wholesale and retail trade. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Semi-finished goods:** 10%
- **Finished consumer goods:** 25%
- **Specified products:** 35%

For automotive parts and accessories, we need to determine if they are classified as semi-finished goods, finished consumer goods, or specified products.

### 2. Check for Additional Levies

In addition to customs duty, AutoWorld Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

**Assumptions:**

- **Cost of Replacement Car Parts:** TZS 200,000,000
- **Cost of Motorcycle Parts:** TZS 150,000,000
- **Cost of Automotive Tools and Equipment:** TZS 100,000,000
- **Total CIF Value:** TZS 450,000,000
- **FOB Value:** TZS 428,000,000

**Classification:**

1. **Replacement Car Parts:** Typically classified as finished consumer goods.
2. **Motorcycle Parts:** Often classified as semi-finished goods.

3. **Automotive Tools and Equipment:** Can be classified based on their use, but let's assume they are considered as semi-finished goods.

#### **Customs Duty Calculation:**

1. **Replacement Car Parts (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 200,000,000 = TZS 50,000,000
2. **Motorcycle Parts (Semi-Finished Goods):**
  - **Customs Duty Rate:** 10%
  - **Duty Amount:** 10% of TZS 150,000,000 = TZS 15,000,000
3. **Automotive Tools and Equipment (Semi-Finished Goods):**
  - **Customs Duty Rate:** 10%
  - **Duty Amount:** 10% of TZS 100,000,000 = TZS 10,000,000

#### **Total Customs Duty:**

- **Replacement Car Parts:** TZS 50,000,000
- **Motorcycle Parts:** TZS 15,000,000
- **Automotive Tools and Equipment:** TZS 10,000,000
- **Total Customs Duty:** TZS 50,000,000 + TZS 15,000,000 + TZS 10,000,000 = TZS 75,000,000

#### **Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 450,000,000 = TZS 6,750,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 428,000,000 = TZS 2,568,000

#### **Total Import Costs:**

- **Customs Duty:** TZS 75,000,000
- **Railways Development Levy:** TZS 6,750,000
- **Destination Inspection Fee:** TZS 2,568,000
- **Total Additional Costs:** TZS 75,000,000 + TZS 6,750,000 + TZS 2,568,000 = TZS 84,318,000

**Summary:** AutoWorld Ltd. will pay a total of TZS 84,318,000 in additional import costs for automotive parts and accessories, including customs duty, railways development levy, and destination inspection fee.

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#### **Scenario Example: Transportation and Storage Sector**

**Company Name:** TransLogistics Ltd.

**Business Type:** Company specializing in transportation and logistics services, including warehousing and freight forwarding.

**Location:** Tanzania

**Import Activity:** TransLogistics Ltd. imports various types of transportation and logistics equipment. Specifically, they are importing:

- Cargo trucks
- Forklifts
- Warehouse shelving systems

## Customs Duty Calculation

### 1. Determine the Import Classification

The imported items fall under the category of **transportation and storage equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Machinery for transportation:** Typically, transportation machinery may have a standard import duty unless specific exemptions apply.

### 2. Check for Additional Levies

In addition to customs duty, TransLogistics Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

**Assumptions:**

- **Cost of Cargo Trucks:** TZS 600,000,000
- **Cost of Forklifts:** TZS 200,000,000
- **Cost of Warehouse Shelving Systems:** TZS 100,000,000
- **Total CIF Value:** TZS 900,000,000
- **FOB Value:** TZS 855,000,000

**Classification:**

1. **Cargo Trucks:** Usually classified as finished consumer goods if they are fully assembled and ready for use.
2. **Forklifts:** Can be classified as semi-finished goods or specific machinery depending on the configuration.
3. **Warehouse Shelving Systems:** Often classified as semi-finished goods or specific industrial equipment.

### Customs Duty Calculation:

1. **Cargo Trucks (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 600,000,000 = TZS 150,000,000
2. **Forklifts (Semi-Finished Goods):**
  - **Customs Duty Rate:** 10%
  - **Duty Amount:** 10% of TZS 200,000,000 = TZS 20,000,000
3. **Warehouse Shelving Systems (Semi-Finished Goods):**
  - **Customs Duty Rate:** 10%
  - **Duty Amount:** 10% of TZS 100,000,000 = TZS 10,000,000

### Total Customs Duty:

- **Cargo Trucks:** TZS 150,000,000
- **Forklifts:** TZS 20,000,000
- **Warehouse Shelving Systems:** TZS 10,000,000
- **Total Customs Duty:** TZS 150,000,000 + TZS 20,000,000 + TZS 10,000,000 = TZS 180,000,000

### Additional Levies:

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 900,000,000 = TZS 13,500,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 855,000,000 = TZS 5,130,000

### Total Import Costs:

- **Customs Duty:** TZS 180,000,000
- **Railways Development Levy:** TZS 13,500,000
- **Destination Inspection Fee:** TZS 5,130,000
- **Total Additional Costs:** TZS 180,000,000 + TZS 13,500,000 + TZS 5,130,000 = TZS 198,630,000

**Summary:** TransLogistics Ltd. will pay a total of TZS 198,630,000 in additional import costs for the transportation and logistics equipment, including customs duty, railways development levy, and destination inspection fee.

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### Scenario Example: Accommodation and Food Service Activities Sector

**Company Name:** HospitalityPlus Ltd.

**Business Type:** Company operating a chain of hotels and restaurants.

**Location:** Tanzania

**Import Activity:** HospitalityPlus Ltd. imports various equipment and supplies for their hotels and restaurants. Specifically, they are importing:

- Commercial kitchen appliances (e.g., ovens, refrigerators)
- Hotel furniture (e.g., beds, chairs)
- Restaurant utensils (e.g., cutlery, plates)

## Customs Duty Calculation

### 1. Determine the Import Classification

The imported items fall under the category of **hotel and restaurant equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Commercial Kitchen Appliances:** Often classified as finished consumer goods.
- **Hotel Furniture:** Typically classified as finished consumer goods.
- **Restaurant Utensils:** Generally classified as finished consumer goods.

### 2. Check for Additional Levies

In addition to customs duty, HospitalityPlus Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

**Assumptions:**

- **Cost of Commercial Kitchen Appliances:** TZS 250,000,000
- **Cost of Hotel Furniture:** TZS 150,000,000
- **Cost of Restaurant Utensils:** TZS 100,000,000
- **Total CIF Value:** TZS 500,000,000
- **FOB Value:** TZS 475,000,000

**Classification:**

1. **Commercial Kitchen Appliances:** Finished consumer goods.
2. **Hotel Furniture:** Finished consumer goods.
3. **Restaurant Utensils:** Finished consumer goods.

**Customs Duty Calculation:**

1. **Commercial Kitchen Appliances (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 250,000,000 = TZS 62,500,000
2. **Hotel Furniture (Finished Consumer Goods):**

- **Customs Duty Rate:** 25%
- **Duty Amount:** 25% of TZS 150,000,000 = TZS 37,500,000
- 3. **Restaurant Utensils (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 100,000,000 = TZS 25,000,000

**Total Customs Duty:**

- **Commercial Kitchen Appliances:** TZS 62,500,000
- **Hotel Furniture:** TZS 37,500,000
- **Restaurant Utensils:** TZS 25,000,000
- **Total Customs Duty:** TZS 62,500,000 + TZS 37,500,000 + TZS 25,000,000 = TZS 125,000,000

**Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 500,000,000 = TZS 7,500,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 475,000,000 = TZS 2,850,000

**Total Import Costs:**

- **Customs Duty:** TZS 125,000,000
- **Railways Development Levy:** TZS 7,500,000
- **Destination Inspection Fee:** TZS 2,850,000
- **Total Additional Costs:** TZS 125,000,000 + TZS 7,500,000 + TZS 2,850,000 = TZS 135,350,000

**Summary:** HospitalityPlus Ltd. will pay a total of TZS 135,350,000 in additional import costs for the hotel and restaurant equipment, including customs duty, railways development levy, and destination inspection fee.

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## **Scenario Example: Information and Communication Sector**

**Company Name:** TechConnect Ltd.

**Business Type:** Company providing information technology and communication services, including selling IT equipment and providing tech support.

**Location:** Tanzania

**Import Activity:** TechConnect Ltd. imports various IT and communication equipment. Specifically, they are importing:

- Servers
- Network routers
- Computers and peripherals

## Customs Duty Calculation

### 1. Determine the Import Classification

The imported items fall under the category of **information technology and communication equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Servers, Network Routers, and Computers:** Typically classified as finished consumer goods or semi-finished goods, depending on their configuration and intended use.

### 2. Check for Additional Levies

In addition to customs duty, TechConnect Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

#### Assumptions:

- **Cost of Servers:** TZS 300,000,000
- **Cost of Network Routers:** TZS 100,000,000
- **Cost of Computers and Peripherals:** TZS 150,000,000
- **Total CIF Value:** TZS 550,000,000
- **FOB Value:** TZS 522,000,000

#### Classification:

1. **Servers:** Typically classified as finished consumer goods.
2. **Network Routers:** Typically classified as finished consumer goods or semi-finished goods.
3. **Computers and Peripherals:** Typically classified as finished consumer goods.

#### Customs Duty Calculation:

1. **Servers (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 300,000,000 = TZS 75,000,000
2. **Network Routers (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 100,000,000 = TZS 25,000,000
3. **Computers and Peripherals (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%



- **Duty Amount:** 25% of TZS 150,000,000 = TZS 37,500,000

**Total Customs Duty:**

- **Servers:** TZS 75,000,000
- **Network Routers:** TZS 25,000,000
- **Computers and Peripherals:** TZS 37,500,000
- **Total Customs Duty:** TZS 75,000,000 + TZS 25,000,000 + TZS 37,500,000 = TZS 137,500,000

**Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 550,000,000 = TZS 8,250,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 522,000,000 = TZS 3,132,000

**Total Import Costs:**

- **Customs Duty:** TZS 137,500,000
- **Railways Development Levy:** TZS 8,250,000
- **Destination Inspection Fee:** TZS 3,132,000
- **Total Additional Costs:** TZS 137,500,000 + TZS 8,250,000 + TZS 3,132,000 = TZS 148,882,000

**Summary:** TechConnect Ltd. will pay a total of TZS 148,882,000 in additional import costs for the IT and communication equipment, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

## **Scenario Example: Financial and Insurance Activities Sector**

**Company Name:** FinSecure Ltd.

**Business Type:** Company specializing in financial services and insurance, including providing banking services, investment management, and insurance products.

**Location:** Tanzania

**Import Activity:** FinSecure Ltd. imports various equipment and software essential for their operations. Specifically, they are importing:

- Banking software and hardware systems
- Office automation equipment (e.g., printers, copiers)
- Secure document storage systems

# Customs Duty Calculation

## 1. Determine the Import Classification

The imported items fall under the category of **financial and office equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Banking Software and Hardware Systems:** Typically classified as finished consumer goods.
- **Office Automation Equipment:** Typically classified as finished consumer goods.
- **Secure Document Storage Systems:** Typically classified as finished consumer goods.

## 2. Check for Additional Levies

In addition to customs duty, FinSecure Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

Assumptions:

- **Cost of Banking Software and Hardware Systems:** TZS 400,000,000
- **Cost of Office Automation Equipment:** TZS 100,000,000
- **Cost of Secure Document Storage Systems:** TZS 50,000,000
- **Total CIF Value:** TZS 550,000,000
- **FOB Value:** TZS 522,000,000

Classification:

1. **Banking Software and Hardware Systems:** Finished consumer goods.
2. **Office Automation Equipment:** Finished consumer goods.
3. **Secure Document Storage Systems:** Finished consumer goods.

Customs Duty Calculation:

1. **Banking Software and Hardware Systems (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 400,000,000 = TZS 100,000,000
2. **Office Automation Equipment (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 100,000,000 = TZS 25,000,000
3. **Secure Document Storage Systems (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 50,000,000 = TZS 12,500,000

**Total Customs Duty:**

- **Banking Software and Hardware Systems:** TZS 100,000,000
- **Office Automation Equipment:** TZS 25,000,000
- **Secure Document Storage Systems:** TZS 12,500,000
- **Total Customs Duty:** TZS 100,000,000 + TZS 25,000,000 + TZS 12,500,000 = TZS 137,500,000

#### **Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 550,000,000 = TZS 8,250,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 522,000,000 = TZS 3,132,000

#### **Total Import Costs:**

- **Customs Duty:** TZS 137,500,000
- **Railways Development Levy:** TZS 8,250,000
- **Destination Inspection Fee:** TZS 3,132,000
- **Total Additional Costs:** TZS 137,500,000 + TZS 8,250,000 + TZS 3,132,000 = TZS 148,882,000

**Summary:** FinSecure Ltd. will pay a total of TZS 148,882,000 in additional import costs for the financial and office equipment, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

### **Scenario Example: Real Estate Activities Sector**

**Company Name:** EstateMaster Ltd.

**Business Type:** Company involved in real estate development and property management, including constructing residential and commercial properties.

**Location:** Tanzania

**Import Activity:** EstateMaster Ltd. imports various construction materials and equipment for their real estate projects. Specifically, they are importing:

- Construction machinery (e.g., excavators, bulldozers)
- Building materials (e.g., cement, steel beams)
- Interior finishing materials (e.g., tiles, fixtures)

### **Customs Duty Calculation**

#### **1. Determine the Import Classification**

The imported items fall under the category of **construction and building materials**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Construction Machinery:** Typically classified as semi-finished goods or specific machinery.
- **Building Materials:** Often classified as raw materials or semi-finished goods.
- **Interior Finishing Materials:** Typically classified as finished consumer goods or semi-finished goods.

## 2. Check for Additional Levies

In addition to customs duty, EstateMaster Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

**Assumptions:**

- **Cost of Construction Machinery:** TZS 500,000,000
- **Cost of Building Materials:** TZS 300,000,000
- **Cost of Interior Finishing Materials:** TZS 100,000,000
- **Total CIF Value:** TZS 900,000,000
- **FOB Value:** TZS 855,000,000

**Classification:**

1. **Construction Machinery:** Typically classified as semi-finished goods.
2. **Building Materials:** Typically classified as semi-finished goods.
3. **Interior Finishing Materials:** Typically classified as finished consumer goods.

**Customs Duty Calculation:**

1. **Construction Machinery (Semi-Finished Goods):**
  - **Customs Duty Rate:** 10%
  - **Duty Amount:** 10% of TZS 500,000,000 = TZS 50,000,000
2. **Building Materials (Semi-Finished Goods):**
  - **Customs Duty Rate:** 10%
  - **Duty Amount:** 10% of TZS 300,000,000 = TZS 30,000,000
3. **Interior Finishing Materials (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 100,000,000 = TZS 25,000,000

**Total Customs Duty:**

- **Construction Machinery:** TZS 50,000,000
- **Building Materials:** TZS 30,000,000
- **Interior Finishing Materials:** TZS 25,000,000

- **Total Customs Duty:** TZS 50,000,000 + TZS 30,000,000 + TZS 25,000,000 = TZS 105,000,000

#### **Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 900,000,000 = TZS 13,500,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 855,000,000 = TZS 5,130,000

#### **Total Import Costs:**

- **Customs Duty:** TZS 105,000,000
- **Railways Development Levy:** TZS 13,500,000
- **Destination Inspection Fee:** TZS 5,130,000
- **Total Additional Costs:** TZS 105,000,000 + TZS 13,500,000 + TZS 5,130,000 = TZS 123,630,000

**Summary:** EstateMaster Ltd. will pay a total of TZS 123,630,000 in additional import costs for construction materials and equipment, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

### **Scenario Example: Professional, Scientific, and Technical Activities Sector**

**Company Name:** InnovateTech Ltd.

**Business Type:** Company providing professional, scientific, and technical services, including research and development, consulting, and technical support.

**Location:** Tanzania

**Import Activity:** InnovateTech Ltd. imports various specialized equipment and materials for their projects. Specifically, they are importing:

- Laboratory equipment (e.g., spectrometers, microscopes)
- Research software and computing hardware
- Technical instruments (e.g., sensors, analyzers)

### **Customs Duty Calculation**

#### **1. Determine the Import Classification**

The imported items fall under the category of **professional and scientific equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Laboratory Equipment:** Typically classified as semi-finished goods or specific machinery.
- **Research Software and Computing Hardware:** Typically classified as finished consumer goods.
- **Technical Instruments:** Often classified as semi-finished goods or specific machinery.

## 2. Check for Additional Levies

In addition to customs duty, InnovateTech Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

**Assumptions:**

- **Cost of Laboratory Equipment:** TZS 400,000,000
- **Cost of Research Software and Computing Hardware:** TZS 150,000,000
- **Cost of Technical Instruments:** TZS 100,000,000
- **Total CIF Value:** TZS 650,000,000
- **FOB Value:** TZS 617,000,000

**Classification:**

1. **Laboratory Equipment:** Typically classified as semi-finished goods or specific machinery.
2. **Research Software and Computing Hardware:** Typically classified as finished consumer goods.
3. **Technical Instruments:** Typically classified as semi-finished goods or specific machinery.

**Customs Duty Calculation:**

1. **Laboratory Equipment (Semi-Finished Goods):**
  - **Customs Duty Rate:** 10%
  - **Duty Amount:** 10% of TZS 400,000,000 = TZS 40,000,000
2. **Research Software and Computing Hardware (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 150,000,000 = TZS 37,500,000
3. **Technical Instruments (Semi-Finished Goods):**
  - **Customs Duty Rate:** 10%
  - **Duty Amount:** 10% of TZS 100,000,000 = TZS 10,000,000

**Total Customs Duty:**

- **Laboratory Equipment:** TZS 40,000,000
- **Research Software and Computing Hardware:** TZS 37,500,000
- **Technical Instruments:** TZS 10,000,000
- **Total Customs Duty:** TZS 40,000,000 + TZS 37,500,000 + TZS 10,000,000 = TZS 87,500,000

#### **Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 650,000,000 = TZS 9,750,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 617,000,000 = TZS 3,702,000

#### **Total Import Costs:**

- **Customs Duty:** TZS 87,500,000
- **Railways Development Levy:** TZS 9,750,000
- **Destination Inspection Fee:** TZS 3,702,000
- **Total Additional Costs:** TZS 87,500,000 + TZS 9,750,000 + TZS 3,702,000 = TZS 100,952,000

**Summary:** InnovateTech Ltd. will pay a total of TZS 100,952,000 in additional import costs for the professional, scientific, and technical equipment, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

### **Scenario Example: Administrative and Support Service Activities Sector**

**Company Name:** AdminPro Services Ltd.

**Business Type:** Company providing administrative and support services, including office management, staffing solutions, and business process outsourcing.

**Location:** Tanzania

**Import Activity:** AdminPro Services Ltd. imports various office equipment and software to support their operations. Specifically, they are importing:

- Office management software
- Office furniture (e.g., desks, chairs)
- Business communication equipment (e.g., telephone systems)

### **Customs Duty Calculation**

#### **1. Determine the Import Classification**

The imported items fall under the category of **office and communication equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Office Management Software:** Typically classified as finished consumer goods.
- **Office Furniture:** Typically classified as finished consumer goods.
- **Business Communication Equipment:** Typically classified as finished consumer goods.

## 2. Check for Additional Levies

In addition to customs duty, AdminPro Services Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

**Assumptions:**

- **Cost of Office Management Software:** TZS 200,000,000
- **Cost of Office Furniture:** TZS 120,000,000
- **Cost of Business Communication Equipment:** TZS 80,000,000
- **Total CIF Value:** TZS 400,000,000
- **FOB Value:** TZS 380,000,000

**Classification:**

1. **Office Management Software:** Finished consumer goods.
2. **Office Furniture:** Finished consumer goods.
3. **Business Communication Equipment:** Finished consumer goods.

**Customs Duty Calculation:**

1. **Office Management Software (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 200,000,000 = TZS 50,000,000
2. **Office Furniture (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 120,000,000 = TZS 30,000,000
3. **Business Communication Equipment (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 80,000,000 = TZS 20,000,000

**Total Customs Duty:**

- **Office Management Software:** TZS 50,000,000
- **Office Furniture:** TZS 30,000,000
- **Business Communication Equipment:** TZS 20,000,000



- **Total Customs Duty:** TZS 50,000,000 + TZS 30,000,000 + TZS 20,000,000 = TZS 100,000,000

#### **Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 400,000,000 = TZS 6,000,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 380,000,000 = TZS 2,280,000

#### **Total Import Costs:**

- **Customs Duty:** TZS 100,000,000
- **Railways Development Levy:** TZS 6,000,000
- **Destination Inspection Fee:** TZS 2,280,000
- **Total Additional Costs:** TZS 100,000,000 + TZS 6,000,000 + TZS 2,280,000 = TZS 108,280,000

**Summary:** AdminPro Services Ltd. will pay a total of TZS 108,280,000 in additional import costs for the office equipment and software, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

### **Scenario Example: Public Administration and Defence; Compulsory Social Security Sector**

**Company Name:** SecureGov Ltd.

**Business Type:** Company providing public administration support, including defense logistics, security systems, and social security management services.

**Location:** Tanzania

**Import Activity:** SecureGov Ltd. imports various specialized equipment and materials necessary for their operations. Specifically, they are importing:

- Security and surveillance equipment (e.g., CCTV cameras, access control systems)
- Defense communication systems (e.g., radios, encrypted communication devices)
- Office equipment for social security management (e.g., high-security filing cabinets)

### **Customs Duty Calculation**

#### **1. Determine the Import Classification**

The imported items fall under the category of **security, defense, and office equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Security and Surveillance Equipment:** Typically classified as finished consumer goods or specific machinery.
- **Defense Communication Systems:** Typically classified as finished consumer goods or specific machinery.
- **Office Equipment for Social Security Management:** Typically classified as finished consumer goods.

## 2. Check for Additional Levies

In addition to customs duty, SecureGov Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

**Assumptions:**

- **Cost of Security and Surveillance Equipment:** TZS 350,000,000
- **Cost of Defense Communication Systems:** TZS 250,000,000
- **Cost of Office Equipment for Social Security Management:** TZS 150,000,000
- **Total CIF Value:** TZS 750,000,000
- **FOB Value:** TZS 715,000,000

**Classification:**

1. **Security and Surveillance Equipment:** Finished consumer goods or specific machinery.
2. **Defense Communication Systems:** Finished consumer goods or specific machinery.
3. **Office Equipment for Social Security Management:** Finished consumer goods.

**Customs Duty Calculation:**

1. **Security and Surveillance Equipment (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 350,000,000 = TZS 87,500,000
2. **Defense Communication Systems (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 250,000,000 = TZS 62,500,000
3. **Office Equipment for Social Security Management (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 150,000,000 = TZS 37,500,000

**Total Customs Duty:**

- **Security and Surveillance Equipment:** TZS 87,500,000

- **Defense Communication Systems:** TZS 62,500,000
- **Office Equipment for Social Security Management:** TZS 37,500,000
- **Total Customs Duty:** TZS 87,500,000 + TZS 62,500,000 + TZS 37,500,000 = TZS 187,500,000

#### **Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 750,000,000 = TZS 11,250,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 715,000,000 = TZS 4,290,000

#### **Total Import Costs:**

- **Customs Duty:** TZS 187,500,000
- **Railways Development Levy:** TZS 11,250,000
- **Destination Inspection Fee:** TZS 4,290,000
- **Total Additional Costs:** TZS 187,500,000 + TZS 11,250,000 + TZS 4,290,000 = TZS 203,040,000

**Summary:** SecureGov Ltd. will pay a total of TZS 203,040,000 in additional import costs for security, defense, and office equipment, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

### **Scenario Example: Education Sector**

**Company Name:** EduWorld Ltd.

**Business Type:** Company providing educational resources and services, including school supplies, educational technology, and classroom furniture.

**Location:** Tanzania

**Import Activity:** EduWorld Ltd. imports various educational materials and equipment for schools. Specifically, they are importing:

- Educational technology (e.g., smartboards, projectors)
- Classroom furniture (e.g., desks, chairs)
- School supplies (e.g., textbooks, stationery)

### **Customs Duty Calculation**

#### **1. Determine the Import Classification**

The imported items fall under the category of **educational and office equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Educational Technology:** Typically classified as finished consumer goods.
- **Classroom Furniture:** Typically classified as finished consumer goods.
- **School Supplies:** Typically classified as finished consumer goods.

## 2. Check for Additional Levies

In addition to customs duty, EduWorld Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

**Assumptions:**

- **Cost of Educational Technology:** TZS 300,000,000
- **Cost of Classroom Furniture:** TZS 200,000,000
- **Cost of School Supplies:** TZS 100,000,000
- **Total CIF Value:** TZS 600,000,000
- **FOB Value:** TZS 570,000,000

**Classification:**

1. **Educational Technology:** Finished consumer goods.
2. **Classroom Furniture:** Finished consumer goods.
3. **School Supplies:** Finished consumer goods.

**Customs Duty Calculation:**

1. **Educational Technology (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 300,000,000 = TZS 75,000,000
2. **Classroom Furniture (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 200,000,000 = TZS 50,000,000
3. **School Supplies (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 100,000,000 = TZS 25,000,000

**Total Customs Duty:**

- **Educational Technology:** TZS 75,000,000
- **Classroom Furniture:** TZS 50,000,000
- **School Supplies:** TZS 25,000,000
- **Total Customs Duty:** TZS 75,000,000 + TZS 50,000,000 + TZS 25,000,000 = TZS 150,000,000

### **Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 600,000,000 = TZS 9,000,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 570,000,000 = TZS 3,420,000

### **Total Import Costs:**

- **Customs Duty:** TZS 150,000,000
- **Railways Development Levy:** TZS 9,000,000
- **Destination Inspection Fee:** TZS 3,420,000
- **Total Additional Costs:** TZS 150,000,000 + TZS 9,000,000 + TZS 3,420,000 = TZS 162,420,000

**Summary:** EduWorld Ltd. will pay a total of TZS 162,420,000 in additional import costs for educational technology, classroom furniture, and school supplies, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

## **Scenario Example: Human Health and Social Work Activities Sector**

**Company Name:** HealthPlus Ltd.

**Business Type:** Company providing healthcare services and social work support, including medical facilities management, medical supplies, and social care services.

**Location:** Tanzania

**Import Activity:** HealthPlus Ltd. imports various medical and healthcare-related equipment and supplies for their facilities. Specifically, they are importing:

- Medical equipment (e.g., diagnostic machines, surgical instruments)
- Pharmaceuticals (e.g., medications, vaccines)
- Medical consumables (e.g., bandages, syringes)

### **Customs Duty Calculation**

#### **1. Determine the Import Classification**

The imported items fall under the category of **medical and healthcare equipment and supplies**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Medical Equipment:** Typically classified as specific machinery.

- **Pharmaceuticals:** Typically classified as raw materials or medicines.
- **Medical Consumables:** Typically classified as raw materials or semi-finished goods.

## 2. Check for Additional Levies

In addition to customs duty, HealthPlus Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

**Assumptions:**

- **Cost of Medical Equipment:** TZS 500,000,000
- **Cost of Pharmaceuticals:** TZS 200,000,000
- **Cost of Medical Consumables:** TZS 100,000,000
- **Total CIF Value:** TZS 800,000,000
- **FOB Value:** TZS 760,000,000

**Classification:**

1. **Medical Equipment:** Typically classified as specific machinery.
2. **Pharmaceuticals:** Typically classified as medicines.
3. **Medical Consumables:** Typically classified as raw materials or semi-finished goods.

**Customs Duty Calculation:**

1. **Medical Equipment (Specific Machinery):**
  - **Customs Duty Rate:** 0% (Duty-free under specific categories for medical equipment)
  - **Duty Amount:** 0% of TZS 500,000,000 = TZS 0
2. **Pharmaceuticals (Medicines):**
  - **Customs Duty Rate:** 0% (Duty-free under medicines category)
  - **Duty Amount:** 0% of TZS 200,000,000 = TZS 0
3. **Medical Consumables (Raw Materials/Semi-Finished Goods):**
  - **Customs Duty Rate:** 0% (Duty-free under specific categories for medical consumables)
  - **Duty Amount:** 0% of TZS 100,000,000 = TZS 0

**Total Customs Duty:**

- **Medical Equipment:** TZS 0
- **Pharmaceuticals:** TZS 0
- **Medical Consumables:** TZS 0
- **Total Customs Duty:** TZS 0

**Additional Levies:**

1. **Railways Development Levy:**

- 1.5% of CIF value
- **Levy Amount:** 1.5% of TZS 800,000,000 = TZS 12,000,000
- 2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 760,000,000 = TZS 4,560,000

#### **Total Import Costs:**

- **Customs Duty:** TZS 0
- **Railways Development Levy:** TZS 12,000,000
- **Destination Inspection Fee:** TZS 4,560,000
- **Total Additional Costs:** TZS 12,000,000 + TZS 4,560,000 = TZS 16,560,000

**Summary:** HealthPlus Ltd. will pay a total of TZS 16,560,000 in additional import costs for medical equipment, pharmaceuticals, and medical consumables, including the railways development levy and destination inspection fee.

4o mini  
next  
ChatGPT

### **Scenario Example: Arts, Entertainment, and Recreation Sector**

**Company Name:** CreativeArts Ltd.

**Business Type:** Company specializing in arts and entertainment, including event management, production of artistic works, and recreational services.

**Location:** Tanzania

**Import Activity:** CreativeArts Ltd. imports various items related to their business, including:

- Stage equipment (e.g., lighting, sound systems)
- Artistic supplies (e.g., paints, canvases)
- Recreational equipment (e.g., gym equipment, musical instruments)

### **Customs Duty Calculation**

#### **1. Determine the Import Classification**

The imported items fall under the category of **arts, entertainment, and recreational equipment**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Stage Equipment:** Typically classified as finished consumer goods or specific machinery.
- **Artistic Supplies:** Typically classified as finished consumer goods.
- **Recreational Equipment:** Typically classified as finished consumer goods or specific machinery.

## 2. Check for Additional Levies

In addition to customs duty, CreativeArts Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

## 3. Example Calculation

### Assumptions:

- **Cost of Stage Equipment:** TZS 450,000,000
- **Cost of Artistic Supplies:** TZS 100,000,000
- **Cost of Recreational Equipment:** TZS 150,000,000
- **Total CIF Value:** TZS 700,000,000
- **FOB Value:** TZS 670,000,000

### Classification:

1. **Stage Equipment:** Finished consumer goods or specific machinery.
2. **Artistic Supplies:** Finished consumer goods.
3. **Recreational Equipment:** Finished consumer goods or specific machinery.

### Customs Duty Calculation:

1. **Stage Equipment (Finished Consumer Goods/Specific Machinery):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 450,000,000 = TZS 112,500,000
2. **Artistic Supplies (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 100,000,000 = TZS 25,000,000
3. **Recreational Equipment (Finished Consumer Goods/Specific Machinery):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 150,000,000 = TZS 37,500,000

### Total Customs Duty:

- **Stage Equipment:** TZS 112,500,000
- **Artistic Supplies:** TZS 25,000,000
- **Recreational Equipment:** TZS 37,500,000
- **Total Customs Duty:** TZS 112,500,000 + TZS 25,000,000 + TZS 37,500,000 = TZS 175,000,000

### Additional Levies:

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 700,000,000 = TZS 10,500,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value



- **Fee Amount:** 0.6% of TZS 670,000,000 = TZS 4,020,000

#### **Total Import Costs:**

- **Customs Duty:** TZS 175,000,000
- **Railways Development Levy:** TZS 10,500,000
- **Destination Inspection Fee:** TZS 4,020,000
- **Total Additional Costs:** TZS 175,000,000 + TZS 10,500,000 + TZS 4,020,000 = TZS 189,520,000

**Summary:** CreativeArts Ltd. will pay a total of TZS 189,520,000 in additional import costs for stage equipment, artistic supplies, and recreational equipment, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

### **Scenario Example: Other Service Activities Sector**

**Company Name:** ServiceSolutions Ltd.

**Business Type:** Company providing various services, including business consulting, cleaning services, and maintenance services.

**Location:** Tanzania

**Import Activity:** ServiceSolutions Ltd. imports various tools and equipment necessary for their operations. Specifically, they are importing:

- Cleaning equipment (e.g., industrial vacuums, floor scrubbers)
- Maintenance tools (e.g., power tools, hand tools)
- Office supplies for their consulting services (e.g., computers, office furniture)

### **Customs Duty Calculation**

#### **1. Determine the Import Classification**

The imported items fall under the category of **service-related tools and office supplies**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Cleaning Equipment:** Typically classified as finished consumer goods or specific machinery.
- **Maintenance Tools:** Typically classified as specific machinery or finished consumer goods.
- **Office Supplies:** Typically classified as finished consumer goods.

#### **2. Check for Additional Levies**

In addition to customs duty, ServiceSolutions Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

**Assumptions:**

- **Cost of Cleaning Equipment:** TZS 250,000,000
- **Cost of Maintenance Tools:** TZS 150,000,000
- **Cost of Office Supplies:** TZS 100,000,000
- **Total CIF Value:** TZS 500,000,000
- **FOB Value:** TZS 485,000,000

**Classification:**

1. **Cleaning Equipment:** Finished consumer goods or specific machinery.
2. **Maintenance Tools:** Specific machinery or finished consumer goods.
3. **Office Supplies:** Finished consumer goods.

**Customs Duty Calculation:**

1. **Cleaning Equipment (Finished Consumer Goods/Specific Machinery):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 250,000,000 = TZS 62,500,000
2. **Maintenance Tools (Specific Machinery/Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 150,000,000 = TZS 37,500,000
3. **Office Supplies (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 100,000,000 = TZS 25,000,000

**Total Customs Duty:**

- **Cleaning Equipment:** TZS 62,500,000
- **Maintenance Tools:** TZS 37,500,000
- **Office Supplies:** TZS 25,000,000
- **Total Customs Duty:** TZS 62,500,000 + TZS 37,500,000 + TZS 25,000,000 = TZS 125,000,000

**Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 500,000,000 = TZS 7,500,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 485,000,000 = TZS 2,910,000

### Total Import Costs:

- **Customs Duty:** TZS 125,000,000
- **Railways Development Levy:** TZS 7,500,000
- **Destination Inspection Fee:** TZS 2,910,000
- **Total Additional Costs:** TZS 125,000,000 + TZS 7,500,000 + TZS 2,910,000 = TZS 135,410,000

**Summary:** ServiceSolutions Ltd. will pay a total of TZS 135,410,000 in additional import costs for cleaning equipment, maintenance tools, and office supplies, including customs duty, railways development levy, and destination inspection fee.

4o mini  
next  
ChatGPT

### Scenario Example: Activities of Extraterritorial Organizations and Bodies Sector

**Company Name:** GlobalNGO Ltd.

**Business Type:** Non-governmental organization (NGO) providing international humanitarian aid and development services, including disaster relief, education programs, and health services.

**Location:** Tanzania

**Import Activity:** GlobalNGO Ltd. imports various supplies and equipment for their humanitarian projects. Specifically, they are importing:

- Disaster relief supplies (e.g., tents, blankets)
- Educational materials (e.g., books, teaching aids)
- Medical supplies (e.g., first aid kits, vaccines)

### Customs Duty Calculation

#### 1. Determine the Import Classification

The imported items fall under the category of **humanitarian and development aid supplies**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Disaster Relief Supplies:** Typically classified as finished consumer goods or specific machinery.
- **Educational Materials:** Typically classified as finished consumer goods.
- **Medical Supplies:** Typically classified as medicines or raw materials.

#### 2. Check for Additional Levies

In addition to customs duty, GlobalNGO Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)
- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

**Assumptions:**

- **Cost of Disaster Relief Supplies:** TZS 200,000,000
- **Cost of Educational Materials:** TZS 150,000,000
- **Cost of Medical Supplies:** TZS 250,000,000
- **Total CIF Value:** TZS 600,000,000
- **FOB Value:** TZS 570,000,000

**Classification:**

1. **Disaster Relief Supplies:** Finished consumer goods or specific machinery.
2. **Educational Materials:** Finished consumer goods.
3. **Medical Supplies:** Medicines.

**Customs Duty Calculation:**

1. **Disaster Relief Supplies (Finished Consumer Goods/Specific Machinery):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 200,000,000 = TZS 50,000,000
2. **Educational Materials (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 150,000,000 = TZS 37,500,000
3. **Medical Supplies (Medicines):**
  - **Customs Duty Rate:** 0% (Duty-free under medicines category)
  - **Duty Amount:** 0% of TZS 250,000,000 = TZS 0

**Total Customs Duty:**

- **Disaster Relief Supplies:** TZS 50,000,000
- **Educational Materials:** TZS 37,500,000
- **Medical Supplies:** TZS 0
- **Total Customs Duty:** TZS 50,000,000 + TZS 37,500,000 + TZS 0 = TZS 87,500,000

**Additional Levies:**

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 600,000,000 = TZS 9,000,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 570,000,000 = TZS 3,420,000

**Total Import Costs:**

- **Customs Duty:** TZS 87,500,000
- **Railways Development Levy:** TZS 9,000,000
- **Destination Inspection Fee:** TZS 3,420,000
- **Total Additional Costs:** TZS 87,500,000 + TZS 9,000,000 + TZS 3,420,000 = TZS 99,920,000

**Summary:** GlobalNGO Ltd. will pay a total of TZS 99,920,000 in additional import costs for disaster relief supplies, educational materials, and medical supplies, including customs duty, railways development levy, and destination inspection fee.

4o mini

Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use

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## **Scenario Example: Activities of Households as Employers; Undifferentiated Goods- and Services-Producing Activities of Households for Own Use Sector**

**Company Name:** HomeDIY Ltd.

**Business Type:** Company providing household goods and services for personal use, including home improvement products, DIY tools, and maintenance supplies.

**Location:** Tanzania

**Import Activity:** HomeDIY Ltd. imports various goods for household use. Specifically, they are importing:

- Home improvement products (e.g., paint, fixtures)
- DIY tools (e.g., drills, saws)
- Maintenance supplies (e.g., cleaning agents, repair kits)

## **Customs Duty Calculation**

### **1. Determine the Import Classification**

The imported items fall under the category of **household goods and maintenance supplies**. Based on the East African Community (EAC) Common External Tariff (CET), the duty rates are as follows:

- **Home Improvement Products:** Typically classified as finished consumer goods.
- **DIY Tools:** Typically classified as finished consumer goods or specific machinery.
- **Maintenance Supplies:** Typically classified as finished consumer goods.

### **2. Check for Additional Levies**

In addition to customs duty, HomeDIY Ltd. needs to account for:

- **Railways Development Levy:** 1.5% of the CIF value (Cost, Insurance, and Freight)

- **Destination Inspection Fee:** 0.6% of the FOB value (Free on Board)

### 3. Example Calculation

#### Assumptions:

- **Cost of Home Improvement Products:** TZS 300,000,000
- **Cost of DIY Tools:** TZS 150,000,000
- **Cost of Maintenance Supplies:** TZS 100,000,000
- **Total CIF Value:** TZS 550,000,000
- **FOB Value:** TZS 525,000,000

#### Classification:

1. **Home Improvement Products:** Finished consumer goods.
2. **DIY Tools:** Finished consumer goods or specific machinery.
3. **Maintenance Supplies:** Finished consumer goods.

#### Customs Duty Calculation:

1. **Home Improvement Products (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 300,000,000 = TZS 75,000,000
2. **DIY Tools (Finished Consumer Goods/Specific Machinery):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 150,000,000 = TZS 37,500,000
3. **Maintenance Supplies (Finished Consumer Goods):**
  - **Customs Duty Rate:** 25%
  - **Duty Amount:** 25% of TZS 100,000,000 = TZS 25,000,000

#### Total Customs Duty:

- **Home Improvement Products:** TZS 75,000,000
- **DIY Tools:** TZS 37,500,000
- **Maintenance Supplies:** TZS 25,000,000
- **Total Customs Duty:** TZS 75,000,000 + TZS 37,500,000 + TZS 25,000,000 = TZS 137,500,000

#### Additional Levies:

1. **Railways Development Levy:**
  - 1.5% of CIF value
  - **Levy Amount:** 1.5% of TZS 550,000,000 = TZS 8,250,000
2. **Destination Inspection Fee:**
  - 0.6% of FOB value
  - **Fee Amount:** 0.6% of TZS 525,000,000 = TZS 3,150,000

#### Total Import Costs:

- **Customs Duty:** TZS 137,500,000

- **Railways Development Levy:** TZS 8,250,000
- **Destination Inspection Fee:** TZS 3,150,000
- **Total Additional Costs:** TZS 137,500,000 + TZS 8,250,000 + TZS 3,150,000 = TZS 148,900,000

**Summary:** HomeDIY Ltd. will pay a total of TZS 148,900,000 in additional import costs for home improvement products, DIY tools, and maintenance supplies, including customs duty, railways development levy, and destination inspection fee.