

TANGANYIKA



No. 34 OF 1963

I ASSENT,

Julius K. Nyerere
President

4TH JULY, 1963

An Act to impose and alter certain Taxes and Duties and to amend certain enactments relating to Taxes, Duties and Fees

[5TH JULY, 1963]

ENACTED by the Parliament of Tanganyika.

1. This Act may be cited as the Finance Act, 1963.

Short title

PART I

TRADES LICENSING

2. This Part shall be read as one with the Trades Licensing Ordinance.

Construction of Part I Cap. 208

3. The Trades Licensing Ordinance is hereby amended as follows:—

Amendment of Cap. 208

(a) by adding, immediately below section 6, the following new section—

“Penalty

6A. Any person who, being required by this Ordinance to take out a licence, fails to take out the same before the first day of June, or where he first commences a business for which a licence is so required, within sixty days of his first commencing such business, shall be liable to pay, in addition to the licence fee, a penalty equal to one half of the licence fee in respect of which he is in default:

Provided that such liability shall not accrue if the person liable satisfies the licensing authority that the default was due to causes beyond his control.”;

(b) by repealing subsection (2) of section 11;

(c) in subsection (2) of section 12, by deleting the words “administrative officer” and by substituting therefor the words “internal revenue officer”;

(d) by repealing subsection (2) of section 13; and

(e) in section 31, by deleting the words “administrative officers” and by substituting therefor the words “internal revenue officers”.

PART II
CUSTOMS DUTIES

Construction and commencement of Part II Cap. 346

4. This Part shall be read as one with the Customs Tariff Ordinance and shall be deemed to have come into operation on the twelfth day of June, 1963.

Amendment of First Schedule to Cap. 346

5. The First Schedule to the Customs Tariff Ordinance is hereby amended as follows:—

- (a) by deleting items 13, 70, 91, 125, 142 and 143;
- (b) by renumbering items 10A, 11, 12, 69A, 125A, 142A, and 142B as items 11, 12, 13, 70, 125, 142 and 143;
- (c) by substituting for the entries in the column headed Import Duty opposite to the following items, the following respective new entries:—
 - (i) item 74: “*Ad valorem* 25 per cent”;
 - (ii) item 80: “*Ad valorem* 25 per cent”;
 - (iii) item 81 (e): “*Ad valorem* 25 per cent”;
 - (iv) item 88 (b): “*Ad valorem* 25 per cent”;
 - (v) item 88 (c): “*Ad valorem* 25 per cent”;
 - (vi) item 95: “*Ad valorem* 12½ per cent”;
 - (vii) item 103 (d): “Per Imperial gallon Sh. 1/-”;
 - (viii) item 104 (b): “*Ad valorem* 33¼ per cent”;
 - (ix) item 120 (2) (a): “Per lb. Shs. 1/25”;
 - (x) item 127: “*Ad valorem* 25 per cent”;
- (d) by deleting item 47 and by substituting therefor the following new item:—

“ARTICLE	IMPORT DUTY	SUSPENDED DUTY
47. Builders' requisites and material of metal or plastic—		
(a) Windows and doors	<i>Ad valorem</i> 25 per cent.	
(b) Gutterings and ridgings	<i>Ad valorem</i> 25 per cent.	
(c) Casement stays, door handles, door closers, finger plates, latches, rim and mortice locks, and lock furniture and similar door and window furniture, but not including padlocks	<i>Ad valorem</i> 12½ per cent.	
(d) Sanitary and lavatory appliances; lavatory basins, sinks, water closets, urinals, baths, water heating systems and appliances, cisterns and taps, plugs (including plugs made of rubber) traps, overflows and similar fittings therefor	<i>Ad valorem</i> 12½ per cent.	
(e) Lifts including the gates	<i>Ad valorem</i> 25 per cent.	
(f) Expanded metal, down pipes and ventilators	<i>Ad valorem</i> 12½ per cent.”;	
(e) by deleting item 72 and by substituting therefor the following new item:—		

“ARTICLE	IMPORT DUTY	SUSPENDED DUTY
72. Tanks, vats and similar vessels complete or in sections—		
(1) of a capacity of 30 gallons or more, designed for an operating pressure of less than 100 lb. per square inch—		

"ARTICLE	IMPORT DUTY	SUSPENDED DUTY
(a) of stainless steel—		
(i) of a thickness not exceeding 0.25 inches	<i>Ad valorem</i> 12½ per cent.	
(ii) of a thickness exceeding 0.25 inches	Free.	
(b) of aluminium or alloy thereof—		
(i) of a thickness not exceeding 0.75 inches	<i>Ad valorem</i> 12½ per cent.	
(ii) of a thickness exceeding 0.75 inches	Free.	
(2) Other	Free."	
(f) by deleting paragraph (a) of item 81, and by substituting therefor the following new paragraph—		
"ARTICLE	IMPORT DUTY	SUSPENDED DUTY
(a) Portland and similar cement for building purposes	Per 100 lb. Shs. 1/10.	Per 100 lb. Cents 65";
(g) by deleting sub-paragraphs (i) and (ii) of paragraph (a) of sub-item 120 (1), and by substituting therefor the following new sub-paragraphs—		
"ARTICLE	IMPORT DUTY	SUSPENDED DUTY
(i) Pneumatic, including the weight of the immediate wrapper, of a kind and size specified by the Minister by notice in the <i>Gazette</i>	Per lb. Shs. 1/25	Per lb. Cents 41.
(ii) Pneumatic, including the weight of the immediate wrapper, other	Per lb. Shs. 1/25.	
(iii) Solid, complete or in lengths	Per lb. Cents 30	";
(h) by deleting item 151 and by substituting therefor the following new item—		
"ARTICLE	IMPORT DUTY	SUSPENDED DUTY
151. Artificial flies for fishing	<i>Ad valorem</i> 33½ per cent.	";

PART III

INCOME TAX

6. This Part shall be read as one with the Income Tax (Rates and Allowances) Ordinance. Construction of Part III Cap. 411

7. In its application to assessments for the year of income commencing on the first day of January, 1962 and for each subsequent year of income, the Income Tax (Rates and Allowances) Ordinance shall have effect, and shall be read and construed, as if there were substituted for Heads B, C and CC, and for paragraph (a) of Head E of the Second Schedule thereto the following new Heads and paragraph respectively: — Replacement of Heads B, C and CC, and paragraph (a) of Head E of Second Schedule to Cap. 411 in respect of assessments for 1962 and thereafter

HEAD B—STANDARD RATE

(Section 59 of the Act)

Four shillings in respect of each pound of chargeable income, save in the case of—

- (a) the chargeable income of a controlled company, when the rate shall be seven shillings and fifty cents in respect of each pound of chargeable income;
- (b) the chargeable income of a trustee, when the rate shall be five shillings and fifty cents in respect of each pound of chargeable income.

HEAD C—UNDISTRIBUTED INCOME TAX RATE
(Section 60 of the Act)

Tax shall be charged at a rate equal to the difference between the standard rate applicable to a controlled company and the maximum resident individual rate.

HEAD CC—CORPORATION TAX RATE
(Section 60A of the Act)

Three shillings and fifty cents in respect of each pound of chargeable income which is charged to corporation tax, save in the case of that part of the chargeable income of an insurance company which relates to its life insurance business when the rate shall be three shillings in respect of each pound of such part of such chargeable income.

HEAD E—NON-RESIDENT STANDARD RATE
(Section 62 of the Act)

Tax shall be charged at the following rate—

- (a) where the East African income is equal to the total income in relation to Tanganyika (as determined under subsection (2) of section 63 of the Act), at four shillings in respect of each pound of chargeable income, save in the case of—
- (i) the chargeable income of a controlled company, when the rate shall be seven shillings and fifty cents in respect of each pound of chargeable income;
- (ii) the chargeable income of a trustee, when the rate shall be five shillings and fifty cents in respect of each pound of chargeable income.

Replacement
of Third
Schedule
to Cap. 411

8.—(1) The Income Tax (Rates and Allowances) Ordinance is hereby amended by deleting the Third Schedule and by substituting therefor the following new Schedule:—

“THIRD SCHEDULE

RATE AT WHICH TAX TO BE DEDUCTED

Sections of
Act 64, 65,
66 and 67

1. The standard rate shall be—
- (a) in the case of a dividend paid by a company which is not a controlled company, four shillings in respect of each pound;
- (b) in the case of a dividend paid by a controlled company, seven shillings and fifty cents in respect of each pound, save in the case of a dividend paid by a controlled company which is paid out of income derived from the mining of specified minerals when the rate shall be four shillings in respect of each pound;
- (c) in the case of debenture interest, mortgage interest and interest paid by a local authority, five shillings and fifty cents in respect of each pound.

For the purposes of this paragraph a company shall, at the date on which any dividend is paid be deemed to be a controlled company, where it would, if there were no change in circumstances after the date of payment, be a controlled company in relation to the accounting period out of the profits of which the dividend is paid.

2. The individual interest rate shall be two shillings in respect of each pound.”

(2) The Third Schedule to the Ordinance, as set out in subsection (1) of this section, shall apply—

- (a) in the cases referred to in subparagraph (a) of paragraph 1 thereof, for the deduction of tax on and after the twelfth day of June, 1963;
- (b) in the cases referred to in subparagraph (b) of paragraph 1 thereof, for the deduction of tax from dividends which are to be deducted under subparagraph (ii) of paragraph (A) of subsection (2) of section 38 of the Act in ascertaining the distributable income of the year of income commencing on the first day of January, 1962, and any later year of income,

and such provisions of the said Third Schedule shall be deemed to have come into operation accordingly.

(3) Where prior to the enactment of this Act any tax has been deducted from any such dividend to which paragraph (b) of subsection (2) of this section refers at a rate lower than that provided for in subparagraph (b) of paragraph 1 of the Third Schedule, as set out in subsection (1) of this section, the difference may be deducted from the next payment of any dividend or otherwise recovered from the shareholder to whom such dividend was paid.

PART IV

POOL BETTING

9. This Part shall be read as one with the Pools Ordinance, 1961.

Construction of Part IV Ord. 1961 No. 23

10. Subsection (1) of section 2 of the Pools Ordinance, 1961, is hereby amended by deleting the words "a pool operated on the system known as a fixed odds betting pool" in the definition "pool" therein, and by substituting therefor the words "a competition on the system known as fixed odds betting".

Amendment of definition "pool"

PART V

VALIDATION

11. The Traffic (Amendment) (No. 2) Rules, 1963 shall be deemed to have come into operation on the first day of January, 1962, and, accordingly the charging and collecting by a Licensing Authority of a fee of five shillings on the transfer of the registration of a motor vehicle on and after that date shall be deemed to have been authorized by law to the same extent as if such Rules had been in operation.

Validation of collection of certain fees relating to transfer of registration of motor vehicles

Passed in the National Assembly on the twenty-fifth day of June, 1963.


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Clerk of the National Assembly