

THE UNITED REPUBLIC OF TANZANIA



No. 41 OF 1966

I ASSENT,

*Julius K. Nyerere*  
President

4TH AUGUST, 1966

**An Act to impose and alter certain Taxes, Duties, and Fees and to amend certain enactments relating to Taxes Duties and Fees and the Management of the Public Revenues, and for connected purposes**

[16TH JUNE, 1966]

ENACTED by the Parliament of the United Republic of Tanzania.

1. This Act may be cited as the Finance Act, 1966.

Short title

**PART I**

**EXCISE DUTIES**

2. This Part shall be read as one with the Excise Tariff Ordinance and shall be deemed to have come into operation on the sixteenth day of June, 1966

construction and commencement Cap. 332

3. The First Schedule to the Excise Tariff Ordinance is hereby amended as follows:-

increases in excise duty on various additions to schedule of excisable goods

(a) by substituting for the entries in the column headed Rates Of goods and Excise Duty opposite to the following items the following respective new entries:

	Shs.	Cts.
(i) item 2 (which relates to sugar): "Per hundred weight ... .."	23	52";
00 item 5 (which relates to matches):		
44(i) : Per gross containers ... ..	5	00
(ii): Per 7,200 matches ... ..	5	00";
(iii) item 8 (which relates to mineral waters and similar beverages): "Per imperial gallon ... and	1	60";

(b) by adding immediately below item 8, the following new item

ITEM	GOODS	RATES OF EXCISE DUTY
9.	Biscuits, other than biscuits made by bakeries for direct retail sale without being put up in closed packages	... Per pound Cents 25;
10.	Soap, soap powders, soap extracts and substitutes therefor	... Per 100 lb. Shillings 25",

and excise duties are hereby varied or imposed, as the case may be, in accordance with the foregoing provisions of this section.

## PART II

### CUSTOMS DUTIES

Construction and commencement 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 sixteenth day of June, 1966.

Increases in the customs duties and amendments to the tariff

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

(a) by substituting for the entries in the column headed Import Duty opposite to the following items the following respective new entries:-

(i) item 3A (which relates to biscuits): "Per lb. Shs. 1/25 (or 37-1 per cent *ad valorem*, whichever is the greater)";

(ii) item 24 (which relates to sugar): "Per 100 lb. Shs. 21 / -";

(iii) item 58 (n) (i) (which relates to certain round bars and rods for concrete re-inforcing):

(a) where the value per ton is Shs. 700/- or more ... .. per ton Shs. 175/-

(b) where the value per ton is less than Shs. 700/- ... .. per ton Shs. 175 / - plus that amount by which the value per ton is less than Shs. 700/- per ton";

(iv) item 61 (e) (which relates to certain motor vehicles such as vans and light lorries): "*Ad valorem* 30 per cent";

(v) item 98 (which relates to petroleum, crude or partly refined for further refining): "Per imperial gallon at 62 degrees F., Shs. 2/05";

(vi) item 99 (b) (which relates to motor spirit, gasolene and similar goods other than aviation spirit)-' "Per imperial gallon at 62 degrees F, Shs. 2/05":

(vii) item 104 (a) (which relates to colouring matter for foodstuffs, beverages, cosmetics and toilet preparations ): "*Ad valorem* 371 per cent";

(viii) item ,105 (which relates to soap, soap powders and "tracts and soap substitutes not elsewhere specified):

"Per 100 lb. Shs. 80/- (or 371 per cent ad valorem, whichever is the greater)";

(ix) item 113 (c) (which relates to dyes, other than annatto, for colouring foodstuffs, beverages, cosmetics or toilet preparations): "Ad valorem 371 per cent";

(b) by deleting item 9 and substituting therefor the following new item: -

ITEM No.	ARTICLE	IMPORT DUTY	SUSPENDED DUTY
9.-(a)	Coffee, raw ... ..	Free.	
	(b) Coffee, extracts, essences, concentrates and similar preparations with a basis of those extracts, essences or concentrates ... ..	Ad valorem 30 per cent	Ad valorem 71 per cent. ;

(c) by deleting item II and substituting therefor the following new item: -

ITEM No.	ARTICLE	IMPORT DUTY	SUMMED DUTY
11.	Extracts, essences preservatives and flavouring matter for use in the manufacture of foodstuffs and beverages ... ..	Ad valorem 374 per cent.	

(d) by deleting sub-paragraph (ii) of paragraph (c) of item 45 and substituting the following new sub-paragraph: -

ARTICLE	IMPORT DUTY	SUSPENDED DUTY
(ii) black steel nuts and washers ...	Ad valorem 30 per cent	

(e) by inserting immediately after the word "tools" in paragraph (g) of item 56 the following: -

" excluding paint, distemper varnish, tar and similar brushes";

(f) by deleting item 57 and substituting therefor the following new item: -

ITEM NO.	ARTICLE	IMPORT DUTY	SUSPENDED DUTY
57.	Machinery, apparatus, appliances and instruments (not including domestic or toilet machines, or appliances elsewhere provided for) and electrical material used in connection therewith, for the generation, measurement, transformation storage, transmission, distribution of, or lighting by, gas or electric power, and parts thereof, but not including electroliers, gas-oiliers, lamps, lampshades or reflectors, portable batteries or electrical appliances for use in connection with vehicles :-		
	(a) insulated (including enamelled or canodised) electric -wire, cable, bars, strip and the like (including co-axial cable), whether or not fitted with connectors-		

ITEM NO	ARTICLE	IMPORT DUTY	SUSPENDED DUTY
	(I) having conductors of plain, high, conductivity copper or Aluminum wires, insulated or sheathed with polyethylene or polyvinylchloride or both, whether or not steel wire armoured of which any individual core exceeds one sixteenth of an inch in diameter and of which the overall greatest cross-sectional width does not exceed 11 inches ...	Free.	Ad valorem 15 per cent.
	(ii) Other ... ..	Free	
	(b) other ... ..	Free	

(g) by adding immediately below item 57 the following new item: -

"ITEM No.	ARTICLE	IMPORT DUTY	SUSPENDED DUTY
57A.	Electric filament lamps and electric discharge lamps (including infra-red and ultra-violet lamps), arc-lamps, electrically ignited photographic flash bulbs-		
	(a) filament lamps designed to operate on voltages of 100 to 250 volts of 200 watts or less, but not including tubular, miniature or coloured indicator lamps ...	Ad valorem 30 per cent (or if the specific duty is chargeable- Free.	Ad valorem 71 per cent (or each cent where this exceeds the sum of the import duty and ad valorem suspended duty imposed).
	N other ... ..	Ad valorem 30 per cent.	

(h) by deleting the words "refuse disposal and" in paragraph (a) of item 61;

(i) by deleting item 66 and substituting therefor the following new item: -

ITEM NO.	ARTICLE	IMPORT DUTY	SUSPENDED DUTY
66.	Pipes, piping, tubes and fittings therefor of metal or plastic, including meters, culverts, grids, man-hole covers, man-hole steps, and fittings therefor-		
	(a) plain. and- Inspection bends of Sizes two to four inches inspection 1-joints of sizes two to four inches, sockets, with or without car-hole of sizes two to four gulley, P-traps of size four inches gulley traps of size one and a half inches ... ..	Ad valorem 15 per cent	
	(b) man-hole covers of weight 56 lb to 448 lb ...	Ad valorem 15 per cent	
	(c) other ...	Free	

(j) by deleting the word and comma "wire, in paragraph (a) of item 73;

(k) by inserting immediately after the word "vehicles" in paragraph (b) of item 73 the following: -  
66 or wire elsewhere provided for";'

(l) by deleting item 75 and substituting therefor the following new item: -

ITEM No.	ARTICLE	IMPORT DUTY	SUSPENDED DUTY
75.	Wire n.e.s., including brazing, welding and spray wire, and wire or plastic gauze or netting--		
	(a) plain, bare, drawn copper wire of single or multiple strands ...	Free.	Ad valorem 15 per cent.
	(b) other ...	Free.	

(m) by inserting immediately after the word "making" in item 10, 9 the following: -

"but excluding household and bakers' yeast";

(n) by adding immediately below item 125 the following new item: -

ITEM No.	ARTICLE	IMPORT DUTY	SUSPENDED DUTY
125A.	Paint, distemper, varnish tar and similar brushes, flat or round, but not including artists' brushes-		
	(a) flat-		
	(i) not exceeding 2* inches in width ...	Per dozen Shs. 51- (or 30 per cent <i>ad valorem</i> , whichever is the greater).	
	(ii) exceeding 21 inches in width ...	Per dozen Shs. 12/- (or 30 per cent <i>ad valorem</i> , whichever is the greater).	
	(b) other ...	<i>Ad valorem</i> 30 per cent.	

(nn) by deleting the word and comma "radio grams," in item 143;

(o) by deleting item 143A and substituting therefor the following new item: -

ITEM No.	ARTICLE	IMPORT DUTY	SUSPENDED DUTY
143A.	(a) Radio and television receiving sets and radio grams complete including those for use in motor vehicles and n.e.s.	<i>Ad valorem</i> 50 per cent (or each Shs. 50/- whichever * greater).	
	(b) Radio and television receiver parts and accessories excluding batteries and n.e.s	<i>Ad valorem</i> 30 per cent.	<i>Ad valorem</i> 7½ per cent".

(p) in item 165, by inserting in the column headed Suspended Duty opposite to paragraph (a) the following entry:-

- 'Ad valorem 15 per cent'.'



- (j) Paragraph (1) (which relates to the business of a shipping company or agency)-
- |      |     |     |     |     |     |     |                 |
|------|-----|-----|-----|-----|-----|-----|-----------------|
| (i)  | ... | ... | ... | ... | ... | ... | 'Shs. 3,000/-"; |
| (ii) | ... | ... | ... | ... | ... | ... | 'Shs. 400/-";   |
- (k) Paragraph (in) (which relates to business concerned with coastal shipping) ... .. 'Shs. 400/-";
- (l) Paragraph (11) (which relates to the business of a lighter age or stevedoring company),
- |               |     |     |     |     |     |                 |
|---------------|-----|-----|-----|-----|-----|-----------------|
| Dar es Salaam | ... | ... | ... | ... | ... | "Shs. 1,600/-"; |
| Tanga         | ... | ... | ... | ... | ... | "Shs. 1,600/-"; |
| Lindi         | ... | ... | ... | ... | ... | "Shs. .600/-";  |
| Mtwara        | ... | ... | ... | ... | ... | 'Shs. 1,000/-"; |
- (m) paragraph (p) (which relates to the business of a building contractor) ... .. "Shs. 600/-";
- (n) paragraph (t) (which relates to the business of a butcher) ... .. "Shs. 200/-";
- (o) Paragraph (w) (which relates to the business of a commercial traveller) ... .. "Shs. 800/-"  
 Proviso ... .. "shs. 120/-";
- (p) Paragraph W (which relates to the business Of Printer- Publisher. travel agent or the operator of a sisal factory) ... .. 'Shs. 600/-";
- (q) paragraph (za) (which relates to the business of a garage proprietor)-
- |      |     |     |     |     |     |     |               |
|------|-----|-----|-----|-----|-----|-----|---------------|
| (i)  | ... | ... | ... | ... | ... | ... | "Shs. 100/-"; |
| (ii) | ... | ... | ... | ... | ... | ... | "Shs. 400/-"; |
- (r) paragraph (aa) (which relates to any other business ... .. 'Shs. 100/-";  
 The annual fees substituted by subsection (1) shall be charged for trading licences issued or renewed on or after the sixteenth day of June, 1966.

#### PART IV DEVELOPMENT LEVY

8.-(1) This Part shall be read as one with the Development Levy Act. 1965.

(2) Sections 9, 10, 11, 12, 13 and 14 shall come into operation on the first day of September, 1966.

(3) Sections 15, 16, 17, 18, 19 and 20 shall be deemed to have come into Operation on the, sixteenth day of June. 1966.

9. Section 3, of the Development Levy Act, 1965 shall be repealed and replaced by the following new section;-

" Disposition of develop-ment levy . 3. All sums collected by way of development, levy under this Act (including any penalty and any sums recovered from a collection authority on account of its failure to collect any development levy) shall be 'paid into the Consolidated Fund."

Construction and commence-ment Acts 1965 No. 42

Repeal and replacement of section 3 Acts 1965 No. 42

Amendment  
of definitions  
in section 4

10. Section 4 of the Development Levy Act, 1965 is hereby amended in subsections(1) as follows:-

(a) in the definition "chargeable employee":-

- (i) by deleting -the words "two hundred shillings" and substituting therefor the words "two hundred and eighty-nine shillings"; and
- (ii) by deleting the words "on the first day of September, 1965" and substituting therefor the words " at the commencement of a financial year", and

(b) by deleting the definition "financial year " and substituting therefor the following-

"financial year" means the year beginning on the first day of September, 1965, and ending on the thirty-first day of August, 1966 and any succeeding period of twelve months commencing on the first day of September and ending on the thirty-first day of August in the next ensuing year;

Provided that where the Minister declares any stipend or periodic payment to be periodical payments for the purpose of this Part, he may, declare any other period of twelve months beginning not later than the first day of October in any year to be the financial year for the purpose of such periodical payments;" and,

in subsection (3), by deleting the words "the United Republic" and substituting the words "or in receipt of a salary from the United Republic or is an employee of the Bank of Tanzania."

Repeal and  
replacement  
of sections 5

11. Section 5 of the Development Levy Act, 1965 is hereby **repealed and replaced by the following new section:-**

"Rate of  
development  
levy on  
income

S. Subject to the provisions of this Part, there shall be charged, levied and collected on the income of every ordinarily resident in Tanganyika during any part of a financial year a levy (hereinafter referred to as the development levy) calculated as follows: -

- (a) in the case of chargeable income amounting to not less than shillings 289/- but less than shillings 300/- per month at the rate of cents 75 for every complete shilling by which the monthly chargeable income exceeds shillings 288/-;
- (b) in the case of income amounting to not less than shillings 300/- but not exceeding shillings 480/- per month at the rate of three per cent of the chargeable **income**;
- (c) in the case of chargeable income in -excess of Shillings 480/- but not exceeding Shillings 500/- per month, at the rate of 3 per cent, of the chargeable income and cents 37-5 for every complete shilling by which the monthly chargeable income exceeds Shillings 480/-;



(d) in the case of a chargeable income exceeding Shillings 500/- per month, at the rate of 4-5 per cent of the chargeable income,".

12. Section 7 of the Development Levy Act, 1965 is hereby amended as follows-

Amendment of sections 7 regarding returns

(a) in subsection (1), by deleting the first four lines of paragraph (a) and substituting therefor the following: -

" (a) to every person ordinarily resident in Tanganyika at any time during a financial year whose income during the calendar year last expiring before the commencement of that financial year was, or during the financial year may reasonably be expected to be Shs. 3,460 or more",

(b) in subsection (2), by deleting the comma and figures ", 1965" in paragraph (a);

(c) in subsection (3)-

(i) by deleting the words "the calendar year 1964" in paragraph (a) and substituting therefor the words "the calendar year last expiring before the commencement of the relevant financial year ",

(ii) by deleting the word "first" where it appears in line five of paragraph (b) and substituting therefor the word "last".

13. Section 8 of the Development Levy Act, 1965 is hereby amended in subsection (2) by deleting the words and figures "year 1965" and substituting therefor the words "year expiring on the 31st December of the financial year"

Amendment of section 8 of Act regarding notional income

14. Section 15 of the Development Levy Act, 1965 is hereby amended by deleting subsection (1) and substituting therefor the following new subsection: -

Amendment of section 15 of Act regarding exemptions

"(1) There shall be exempted from the development levy in any financial year-

(a) every person who has not attained the age of eighteen years before the commencement of that financial year;

(b) every person whose chargeable income in that financial year is less than three thousand four hundred and sixty-eight shillings:

Provided that nothing in paragraph (b) of this subsection shall exempt any person who a chargeable employee within the meaning of this' Act from the development levy deducted from periodical payments 'in accordance with section 6.

15. Section 18 of the Development Levy Act, 1965 is hereby repealed.

Repeal of section 18 of Act relating to various crops

Amendment of section 19 of Act relating to flue-cured tobacco

**16.** Section 19 of the Development Levy Act, 1965' is hereby amended in subsection (1) by deleting the words "ten cents" and substituting therefor the words "five cents"

Repeal of sections 20 and 21 relating to fire-cured tobacco and seed cotton  
Amendment of section 22 of Act sisal

**17.** Sections 20 and 21 of the Development Levy Act, 1965 are hereby repealed.

**18.** Section 22 of the Development Levy Act, 1965 is hereby amended by deleting the first five lines of subsection (1) and substituting therefor

relating to the following: -

"There shall be charged, levied and paid on all sisal produced, but not processed, in Tanganyika which is exported from or sold in Tanganyika, a levy (hereinafter referred to as a development levy) at the rate of twenty shillings, per ton (and pro rata for parts of a ton): "

Addition of new section 34A: empowering Minister to exempt

**19.** The Development Levy Act, 1965 is hereby amended by the addition after section 34 of the following new section: -

"Exemptions 34A. The Minister may-

- (a) by order published in the *Gazette*, exempt any category of persons or income from the development levy charged by Part III or Part IV of this Act;
- (b) by writing under his hand, exempt any person or income from the development levy charged by Part III or Part IV of this Act."

Amendment of Schedule

**20.** The Schedule to the Development Levy Act, 1965, is hereby amended by deleting the entries in columns 1, 2 and 3 which relate to cashew nuts, castor seeds, coffee, copra, groundnuts, simsim, sunflower, fire-cured tobacco and seed cotton.

## PART V

### MISCELLANEOUS TAXES, CHARGES AND FEES

Provisions relating to entertainments Tax Acts 1963 No. 33

**21.**-(1) This Section shall be read as one with the Entertainments Tax Act, 1963 and shall be deemed to have come into operation on the sixteenth day of June, 1966.

(2) The Entertainments Tax Act, 1963 is hereby amended by adding immediately below section 6, the following new section:-

"Tax chargeable in respect of each person admitted as a result of one payment for admission

6A. Where, as a result of a payment for admission made by one person, one or more other persons are also admitted to any place of entertainment, the entertainment tax shall be calculated and paid as if a separate payment for admission had been made by each of the persons so admitted."

(3) The Schedule to the Entertainment Tax Act, 1963 is hereby deleted and the following new Schedule substituted therefor-

## SCHEDULE

(Section, 3 (1))

## RATES OF TAX

2/. on every payment for admission to an entertainment which consists of or includes an exhibition of cinematograph film.

Sh. 1/- on every other payment for admission."

22.-(1) The First Schedule to the Income Tax (Allowances, Reliefs and Rates) Act, 1965 is hereby amended by deleting the words and figures "and £48 for each of two children in excess of four, which appear in paragraph 3 of the column headed Amount of Personal Allowance.

Amendment of child allowance provisions in respect of income tax Acts, 1966 No. 15

(2) The Third Schedule to the Income Tax (Allowances, Reliefs and Rates) Act, 1965 is hereby amended in paragraph 3 of the column headed Rates of Tax by deleting the full stop at the end of sub-paragraph (b), substituting therefor a semi-colon and the word "and" and adding the following new sub-paragraph: -

"(c) Co-operative Societies, when the rate shall be five shillings in respect of each twenty shillings of chargeable income"

(3) This section shall apply to assessments, and with respect to tax, for the year of income 1965 and to each subsequent year of income.

23.-(1) The Stamp Ordinance is hereby amended in the First Schedule as follows: -

Amendment for rates of , stamp duty on commercial bills, etc. R.L. Cap. 189

(a) by deleting item 11 and substituting therefor the following new item: -

"II. BILL OF EXCHANGE not being a bond, bank-note or currency note \_\_\_\_\_ Cents 30".

(b) in item 12 (which relates to bills of lading) by deleting the words "Fifty cents" and substituting therefor the words "Thirty cents";

(c) in item 47 (which relates to promissory notes) by deleting the words "according as it is payable on demand or payable otherwise than on demand as the case may be"; and

(d) in item 48 (which relates to the Protest of a bill or note) by deleting the words "Two shillings" and substituting therefor the words "Thirty cents".

(2) This section shall be deemed to have come into operation on the 16th day of June, 1966.

**PART VI**

## MISCELLANEOUS AMENDMENTS

24. Section 5 of the Customs Tariff Ordinance is hereby amended in subsection (1) by deleting paragraph (c) and substituting therefor the following new paragraph: -

Amendment of section 5 of Customs Tariff Cap. 346

"(c) Such goods, being motor spirit and products ordinarily Ordinance used as such and lubricating oil, as purchased by:-

- (i) an embassy, consulate or diplomatic mission for its official use;
- (ii) a member of a., diplomatic mission or a consular officer who is a career member of the foreign service of a foreign country for his personal use;
- (iii) an international organization specified in the Third Schedule to the Immunities and Privileges. (Extension and Miscellaneous Provisions) Ordinance;

Cap. 450

- (iv) high, officials, namely Secretaries-General, Deputy or Assistant Secretaries -General, Directors-General, Deputy or Assistant Directors-General of an international organization specified in the Third Schedule to the Immunities and Privileges (Extension and Miscellaneous Provisions) Ordinance;
- (v) such other international organizations and their personnel as may from time to time be declared to be entitled by the Minister for Finance by notice published in the *Gazette*:

Provided that any foreign country entitled under this paragraph accords similar privileges to career members of the Tanzania Foreign Service."

Amendment of section 3 of Immunities and Privileges (Extension and Miscellaneous Provisions) Ordinance Cap. 450

**25.** Section 3 of the Immunities and Privileges (Extension and Miscellaneous Provisions) Ordinance is hereby amended as follows: -

„(a) by deleting the words "First Schedule" wherever they appear in subsections (1) and (2) and substituting therefor the words "subsection (3) of section 7 of the Citizenship Act, 1961"; and

(b) by deleting subsection (3).

Deletion of First Schedule of Cap. 450

**26.** The Immunities and Privileges (Extension and Miscellaneous Provisions) Ordinance is hereby amended by deleting the First Schedule.

Dissolution of Land Bank Cap. 459 Acts 1964 No. 38

**27.** The Land Bank shall be deemed to have been dissolved pursuant to subsection (3) of section 27 of the Agricultural Credit Agency Ordinance upon the commencement of the National Co-operative and Development Bank Act, 1964.

Amendment of allowance for funeral expenses in relation to estate duty Acts 1963 No. 32

**28.** Section 18 of the Estate Duty Act, 1963 shall be amended in subsection (1) by deleting the semi-colon and the word "and" at the end of paragraph (a) and substituting a colon and the following proviso:-

"Provided that, if at the time of his death the deceased owns property situate outside Tanganyika, the Commissioner may allow to be deducted in respect of funeral expenses such proportion of the amount paid in respect thereof as the value of the deceased's property situate in Tanganyika bears to the value of the deceased's property situate outside Tanganyika; and".

Section 13 of Cap. 87 amended

**29.** Section 13 of the Post Office Savings Bank Ordinance is hereby amended by deleting the word "Auditor" and substituting therefor the words "Controller and Auditor-General or an auditor appointed by him."

Validation of audit and certification by Auditor General Cap. 87

**30.** The audit and certification by the Auditor-General of the Common Services Organization of the annual accounts and statement of assets and liabilities of the Post Office Savings Bank in respect of any period before the commencement of this Act is hereby declared to be an audit and certification by the Auditor for the purposes of the Post Office Savings Bank Ordinance,

31. The Companies (Tax on Nominal Capital) Ordinance is hereby amended by the addition immediately below section 5 of the following new section: -

Addition of  
new section  
6 of  
Cap. 188

"General  
power to  
remit by  
Minister

6. The Minister for Finance may, by Order publish in the *Gazette*, provide that a company shall be exempt from tax to the extent specified in the Order."

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Passed in the National Assembly on the twenty-first day of July, 1966.

  
J. M. Msekwa  
Clerk to the National Assembly