

THE EXPORT TAX ACT, 1974

ARRANGEMENT OF SECTION

| Section | Title |
|---------|----------------------------------------------------|
| | 1. Short title and commencement. |
| | 2. Interpretation. |
| | 3. Imposition of tax. |
| | 4. Tax may be recovered by suit. |
| | 5. Penalty for non-payment of tax. |
| | 6. Summary recovery of tax and penalty. |
| | 7. Provisions relating to crop authorities. |
| | 8. Power to amend Schedule. |
| | 9. Exemptions and refunds. |
| | 10. Collection by person other than Commissioner. |
| I 1. | Regulations. |
| | 12. Offences. |
| | 13. Where offence is committed by body of persons. |
| | 14. Powers of proper officers. |
| | 15. Commissioner may compound offence. |
| | 16. Repeal. |

SCHEDULE

THE UNITED REPUBLIC OF TANZANIA



No. 17 OF 1974

I ASSENT,

Julius K. Nyerere
 President

20TH AUGUST, 1974

An Act to repeal and replace the Export Tax Ordinance

[13TH JUNE, 1974]

ENACTED by the **Parliament of the United Republic** of Tanzania.

1. This Act may be cited as the Export Tax Act, 1974 and shall be deemed to have come into operation on the thirteenth day of June, 1974.

Short title
and com-
mencement

2. In this Act unless the context otherwise requires-
 "the Commissioner" means the Principal Secretary to the Treasury;
 "crop authority" means any parastatal organization dealing in agricultural produce or any by-product of any agricultural produce;
 "due date" means the date on which export tax on any commodity is payable;
 "export" means export out of Tanganyika;
 "Minister" means the Minister for the time being responsible for finance;
 "parastatal organization" means-

Interpreta-
tion

- (a) a body corporate established by or under any Act or Ordinance other than the Companies Ordinance;
- (b) any company registered under the Companies Ordinance not less than fifty per centum of the issued share capital of which is owned by the Government or a parastatal organization or, where the company is limited by guarantee, a company in respect of which the amount that the Government or the parastatal organization which is a member of such company has undertaken to contribute in the event of the company being wound up is not less than fifty per centum of the aggregate amount which all the members have undertaken to contribute; and references in this paragraph to a parastatal organization include references to any such company;

Cap. 212

"proper officer" means-

- (a) the Commissioner;
- (b) any public officer appointed by the Commissioner to be a proper officer for the purposes of this Act;
- (c) any officer of the East African Customs and Excise Department of the Community;

"the tax" means the export tax imposed by this Act;

"taxable commodity" means any commodity in respect of which export tax is payable under this Act.

Imposition
of export tax

3,-(I) Subject to the provisions of this Act there shall be charged, levied and collected by the Commissioner a tax known as export tax, on the export from Tanganyika of any of the commodities specified in the first column of the Schedule to this Act.

(2) The tax on any commodity specified in the Schedule to this Act shall be at such rate as is specified in relation thereto in the second column of the said Schedule.

(3) The tax on any taxable commodity shall be due and become payable by the exporter prior to the removal of the commodity from Tanganyika:

Provided that, where in the case of any agricultural produce, provision is made in the Schedule to this Act for payment of the tax by a crop authority on the sale for export of any taxable commodity by such authority to a buyer in Tanganyika, the tax shall become due and payable on such sale and shall be payable on or before the tenth day of the month immediately following the month in which the sale takes place.

(4) Where in relation to any consignment of taxable commodity the Commissioner is satisfied that tax has been paid by a crop authority in accordance with the provision to subsection (3) no further export tax shall be chargeable on the export of the same consignment.

(5) Any provision in the Schedule to this Act regulating the construction of any expression used therein shall have the same effect as if such provision were set out in section 2.

Tax may be
recovered
by suit

4. Any tax, penalty or other sum payable under this Act shall be a debt due to the Government and may be recovered as a civil debt by a suit at the instance of the Commissioner or any proper officer authorized by the Commissioner in that behalf.

Penalty for
non-payment
of tax

5.-(I) Subject to the provisions of subsection (3) if any amount of tax remains unpaid on the due date-

- (a) additional tax equal to five per centum of that unpaid amount shall thereupon become and be payable by way of penalty. and
- (b) if such amount remains unpaid for more than thirty days after the due date the additional tax prescribed by paragraph (a) shall be increased by five per centum for the second and every

succeeding period of thirty days after the due date, or any part of such second or succeeding period, during which such amount remains unpaid, and the increased additional tax by way of penalty shall become and be payable accordingly.

(2) Any sum payable by way of penalty under this section shall, for the purposes of this Act, be deemed to be tax and shall be collected and recoverable accordingly.

(3) The Commissioner or any proper officer authorized by him in that behalf may, in his discretion, remit the whole or part of any penalty payable under this section

6.(I) Without prejudice to any other method for recovery of the tax or penalties due under this Act, where any amount of tax or penalty is due from any person the Commissioner or any proper officer authorized by him in that behalf may file in a court of a resident magistrate having jurisdiction over the area in which the person from whom such amount is due resides or carries on business, a certificate stating-

- (a) the name and address of the person from whom such amount is due; and
- (b) the amount due,

and upon such certificate being lodged in such court such certificate shall be deemed to be a plaint duly lodged under Order XXXV of the Civil Procedure Code, 1966 and the court shall proceed in the matter in accordance with provisions of that Order, and in the event of a judgment being given in favour of the plaintiff the court shall pass a decree for payment by the defendant to the Government of the amount found due together with interest thereon at five per centum per month from the date on which the certificate was filed until payment.

Summary
recovery of
tax and
penalty

Acts 1969
No. 49

(2) The provisions of subsection (1) shall apply notwithstanding that the amount involved exceeds the pecuniary jurisdiction of a court of a resident magistrate.

(3) Every certificate filed in a court of a resident magistrate pursuant to the provisions of subsection (1) shall be *prima facie* evidence of the truth of the statements contained in such certificate.

7. Every sale of any taxable commodity by a crop authority shall be deemed for the purposes of this Act to be a sale for export unless such authority satisfies the Commissioner that the taxable commodity is not intended for export.

Provisions
relating to
crop
authorities

8.-(I) The Minister may, by order published in the Gazette, add to, amend, repeal or replace the Schedule to this Act.

Power to
amend
schedule

(2) Every order made under subsection (1) shall be submitted for the approval, to be signified by resolution, of the National Assembly within fifteen days of the order being made or, if the National Assembly is not meeting, during its next meeting.

(3) If any such order is not approved by the National Assembly within the time specified in subsection (2) or is disapproved by the National Assembly the order shall thereupon either expire forthwith or cease to have effect, as the case may be, but without prejudice to anything previously done or suffered to be done under the order.

(4) Notwithstanding subsection (3), where in compliance with an order under subsection (1) which is subsequently not approved or is disapproved by the National Assembly any person who has paid export tax or has paid export tax at an increased rate as a result of such order, there shall be paid to such person an appropriate refund having regard to the law in force immediately prior to the coming into force of the order; and where in compliance with an order as aforesaid any person has paid export tax at a reduced rate or has not been obliged to pay export tax as a result of such order, such person shall be liable to make good the deficiency by paying the difference between the amount of export tax already paid by him and the amount which he would have been liable to pay had the order not been made.

Exemptions
and refunds

9. If in the opinion of the Minister it is in the public interest so to do, he may, by order published in the *Gazette*-

- (a) authorize the refund of any export tax on any commodity where similar tax has been paid on such commodity in any country or countries specified in the order;
- (b) exempt from export tax any commodity exported to any country.

Collection
by person
other than
Commis-
sioner

10. Notwithstanding the other provisions of this Act the Minister may make an arrangement for the collection of the export tax on any taxable commodity by some person other than the Commissioner and may approve arrangements for the payment of the tax to such person before or after the export of the commodity, but nothing in any such arrangement shall exempt the exporter from any liability to pay the tax on such commodity unless the tax is paid in accordance with such arrangement.

Regulations

11.(1) The Minister may make regulations for the better carrying out of the purposes and provisions of this Act and, without prejudice to the generality of the foregoing, may make regulations-

- (a) requiring persons engaged in the business of exporting or selling for export any taxable commodity to submit such particulars and returns as may be prescribed;
- (b) providing for anything or matter which may be prescribed or provided for by regulations.

(2) The Minister may annex to the breach of any regulation made under subsection (1) a penalty of a fine not exceeding fifteen thousand shillings or of imprisonment for a term not exceeding two years or both such fine and such imprisonment.

12. Any person who-

Offences

- (a) fails to pay the tax due under this Act Within fifteen days from the date on or before which the same is required to be paid;
- (b) with intent to evade payment of any tax or penalty due under this Act-
 - (i) makes any false statement to a proper officer; or
 - (ii) fails or omits to give any information or submit any return required to be given or submitted by this Act or by regulations made hereunder, or gives any such information or submits any such return which is false in any material particular;
 - (iii) does or fails to do any act or thing,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding twenty thousand shillings or to imprisonment for a term not exceeding three years or to both such fine and imprisonment.

13. Where any offence under this Act or under any regulations made under this Act is committed by a body of persons then, as well as such body of persons, any person who, at the time of the commission of the offence was concerned, as a director, a partner or an officer, with the management of the affairs of such body of persons, shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly, unless he proves to the satisfaction of the court that he had no knowledge and could not by the exercise of reasonable diligence have had knowledge of the commission of the offence.

Where offence is committed by body of person

14. Any proper officer may, for the purposes of the prevention of the evasion of tax, the recovery and collection of tax and the investigation and prosecution of offences under this Act, exercise the powers conferred on a proper officer appointed under the Sales Tax Act, 1969 for the like purposes in respect of sales tax and offences under that Act, and shall have the like protection against legal proceedings in the exercise of those powers.

Powers of proper officers

15.-(1) The Commissioner may, where he is satisfied that any person has committed an offence under this Act, or any regulations made under this Act, by order, compound such offence by requiring such person to make payment of a sum of money.

Commissioner may compound offence

Provided that-

- (a) such sum of money shall not be less than one hundred shillings or more than the aggregate of five thousand shillings and the whole of the amount of any tax or penalty due from such person;
- (b) the power conferred by this section shall only be exercised where the person admits in writing that he has committed the offence;
- (c) the Commissioner shall give to the person from whom he receives such sum of money, a receipt therefor,

(2) Where an offence is Compounded in accordance with the provisions of subsection (1) and any proceedings are brought against the offender for the same offence, it shall be a good defence for such offender if he proves to the satisfaction of the court that the offence with which he is charged has been compounded under subsection (1).

Cap. 20

(3) Where any person is aggrieved by any order made under subsection (1), he may, within thirty days of such order being made appeal thereagainst to the High Court and the provisions of Part X of the Criminal Procedure Code shall apply mutatis mutandis to every such appeal as if it were an appeal against sentence passed by a district court in the exercise of its original jurisdiction.

Repeal
Cap. 196

16. The Export Tax ordinance is repealed.

SCHEDULE

| ITEM | FIRST COLUMN | SECOND COLUMN |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| I | Coffee (other than soluble coffee) | |
| | (a) Mild Arabica: | |
| | (i) Where the Price at which it is sold by the Tanganyika Coffee Board does not exceed Shs. 5,000/- per tonne | Shs. 500/- per tonne |
| | (ii) Where the Price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 5,000/- Per tonne but does not exceed Shs 6,000/- Per tonne | Shs. 500/- per tonne, and in addition thereto in respect of each tonne 25 per cent of the price in excess of Shs. 5,000/ |
| | (iii) Where the Price at which it is sold by the Tanganyika Coffee Board exceeds shs. 6,000/- per tonne but does not exceed Shs. 7,000/- Per tonne | Shs. 750/- per tonne and in addition thereto in respect of each tonne, 40 per cent of the price in excess of Shs. 6,000/- |
| | (iv) Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 7,000/, tonne but does not exceed Shs 8,000/- per tonne | Shs. 1,150/- per tonne, and in addition thereto in respect of each tonne, 50 Per cent Of the price in excess of Shs. 7,000./-. |
| | (v) Where the Price at which it is sold by the Tanganyika Coffee Board exceeds Shs- 8,000/- per tonne | Shs. 1,650/- Per tonne, and in addition thereto in respect of each tonne, 60 per cent of the price in excess of Shs. 8,000/- |
| | (b) Hard Arabica: | |
| | (1) Where the Price at which it is old by the Tanganyika Coffee Board does not exceed Shs 5,000/- per tonne.... .. | Shs. 500/-per tonne |

| ITEM | FIRST COLUMN | SECOND COLUMN |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| (ii) | Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 5,000/- per tonne, but does not exceed Shs. 6,000/- per tonne | Shs. 500/- per tonne, and in addition thereto in respect of each tonne, 25 per cent of the price in excess of Shs 5,000/-. |
| (iii) | Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 6,000/- per tonne but does not exceed Shs. 7,000/- per tonne | Shs. 750/- per tonne, and in addition thereto in respect of each tonne, 40 per cent of the price in excess of Shs. 6,000/. |
| (iv) | Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 7,000/- per tonne but does not exceed Shs 8,000/- per tonne | Shs. 1,150/- per tonne, and in addition thereto in respect of each tonne, 50 per cent of the price in excess of Shs. |
| (v) | Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 8,000/- per tonne | Shs. 1,650/- per tonne, and in addition thereto in respect of each tonne, 60 per cent of the price in excess of Shs. 8,000/-. |
| (c) Robusta: | | |
| (i) | where the price at which it is sold by the Tanganyika Coffee Board does not exceed Shs. 4,000/- per tonne | Shs. 400/- per tonne. |
| (ii) | Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 4,000/- per tonne but does not exceed Shs. 5,000/- per tonne, | Shs. 400/- per tonne, and in addition thereto in respect of each tonne, 10 per cent of the price in excess of Shs. 4,000/-. |
| (iii) | Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 5,000/- per tonne but does not exceed Shs, 6,000/- per tonne, | Shs. 500/- per tonne, and in addition thereto in respect of each tonne, 25 per cent of the price in excess of Shs. 5,000/. |
| (iv) | Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 6,000/- per tonne but does not exceed Shs 7,000/- per tonne | Shs. 750/- per tonne, and in addition thereto in respect of each tonne 40 per cent of the price in excess of Shs 6,000/-. |

| ITEM | FIRST COLUMN | SECOND COLUMN |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| | (v) Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 7,000/- per tonne but does not exceed Shs. 8,000/- per tonne | Shs. 1,150/- per tonne, and in addition thereto in respect of each tonne 50 per cent of the price in excess of Shs. 7000/- |
| | (vi) Where the price at which it is sold by the Tanganyika coffee Board exceeds Shs. 8,000/- per tonne | Shs. 1,650/- per tonne, and in addition their to in respect of each tonne 60 per cent of the price in excess of Shs. 8,000/- |
| | (d) Cherry Buni. and TEX - | |
| | (i) Where the price at which it is sold by the Tanganyika Coffee Board does not exceed Shs. 2,500/- per tonne | Shs. 250/- per tonne. |
| | (ii) Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 2,500/- per tonne but does not exceed Shs. 3,000/- per tonne | Shs. 250/- per tonne and in addition thereto in respect of each tonne, 25 per cent of the price in excess of Shs. 2,500/-. |
| | (iii) Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 3,000/- per tonne but does not exceed Shs. 3,500/- per tonne | Shs. 375/- per tonne and in addition thereto in respect of each tonne, 40 per cent of the price in excess of Shs. |
| | (iv) Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 3,500/- per tonne but does not exceed Shs. 4,000/- per tonne | Shs. 575/- per tonne and in addition thereto in respect of each tonne 50 per cent of the price in excess of Shs. 3,500/-. |
| | (v) Where the price at which it is sold by the Tanganyika Coffee Board exceeds Shs. 4,000/- per tonne | Shs. 825/- per tonne and in addition thereto in respect of each tonne, 60 per cent of the price in excess of Shs. 4,000/-. |
| 2 | Beeswax | Shs. 492/50 per tonne. |
| 3 | Goatskins-suspension dried | Shs. 39/50 per 100 kgs. net weight and 9 o rata for every part thereof |
| 4 | (i) Sheepskins-suspension dried (except in the case of woolskins where a parcel of such woolskins has 100 pieces weighing the minimum of 145 kgs.) | Shs. 59155 per 100 kgs. net weight and pro rata for every part thereof. |

| ITEM | FIRST COLUMN | SECOND COLUMN |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| | (ii) Wool sheepskins for every parcel of 100 pieces weighing the minimum of 145 kgs-) | One-third of the rate specified in 4 . |
| 5 | Hides and Calfskins-suspension dried | Shs. 41/60 per 100 kgs net weight and <i>pro rata</i> for every part thereof |
| 6 | Hides and Calfskins-wet salted (for every parcel of 100 pieces weighing the minimum of 145 kgs.) | One-half of the rate specified in item 5. |
| 7 | Goatskin-wet salted | Shs. 51/80 per 100 kgs net weight and <i>pro rata</i> for every part thereof |
| 9 | Goatskins-dried | Shs. 103/65 per 100 kgs. net weight and <i>pro rata</i> for every part thereof |
| 9 | Sheepskins--wet salted | Shs. 19/75 per 100 kgs. net weight and <i>pro rata</i> for every part thereof |
| 10 | Raw Crocodile skins | Shs. 10/- per skin. |
| 11 | Tea, that is to say, the leaf of the tea plant <i>Cammelia</i> , Tea (link), Tea <i>Sinesis</i> (L), and made tea | Cts. 15 per kilo, net weight and <i>pro rata</i> for every part thereof. |
| 12 | Meat and meat products tinned, bottled or preserved other than by cold process | 3 per centum. of the value of the commodity f.o.b., or if exported f.o.r |
| 13 | Timber: that is to say Blackwood (<i>Dalbergia</i> , <i>Metanoxylon</i>), Mtambara (<i>Cephalopha</i> <i>Usambarensis</i>), Mninga (<i>Pterocarpus angolensis</i>), Mvule (<i>Chlorophora</i> , <i>excesa</i>) | 5 per centum of the value of the timber f.o.b., or if exported by land f.o.r. |
| 14 | Cardamoms | 5 per centum of the value of the commodity f.o.b., or as the case may be, f.o.r. |
| 15 | Pyrethrum Extract | Shs. 2/20 per kilo. |
| 16 | Cotton Lint | Cts. -/20 per kilo or 10% of the auction price, or where sold otherwise than by auction, 10% of these selling price |
| 17 | Copra | 5 per centum. of the value of the commodity f.o.b., or if exported by land f.o.r. |
| 18 | Cashewnuts in shell | 10 per centum of the value of the commodity f.o.b., or, as the case may be f.o.r. |

| ITEM | FIRST COLUMN | SECOND COLUMN |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 19 | Sisal (that is to say, processed machined or carded fibre, or tow of the plant Agave Sisalana or other species of Agave or its hybrids): | |
| | (1) Where the f.o.b. price at which it is sold by Tanzania Sisal Authority does not exceed Shs 1,500/- per tonne | NIL |
| | (ii) Where the f.o.b. price at which it is sold by Tanzania Sisal Authority exceeds shs. 1,500/- per tonne but does not exceed Shs. 1,750/- per tonne | in respect of each tonne, 25 per cent of the Price in excess of Shs. 1,500/-. |
| | (iii) Where the f.o.b. price at which it is sold by the Tanzania Sisal Authority exceeds Shs. 1 750/- but does not exceed Shs. 2,000/- per tonne | Shs. 62150 per tonne and in addition thereto, in respect of each tonne 40 per cent of the price in excess of Shs. 1,750/- |
| | (V) where the f.o.b. price at which it is sold by the Tanzania Sisal Authority exceeds Shs. 2,000/- Per tonne but does not exceed Shs- 3,000/- Per tonne | Shs. 162./50 per tonne and in addition thereto, in respect of each tonne, 60 per cent of the price in excess of Shs. 2,000/- |
| | (v) Where the f.o.b. Price at which it is sold by the Tanzania Sisal Authority exceeds Shs- 3,000/- Per tonne but does not exceed Shs. 5,000/- per tonne | Shs. 762/50 per tonne and in addition thereto, in respect of each tonne, 75 per cent of the 3 price in excess of Shs. ,3,000/- |
| | (vi) Where the f.o.b. price at which it is sold by the Tanzania sisal Authority exceeds shs. 5,000/- per tonne | Shs. 2,262/50 Per tonne and in addition thereto in respect of each tonne 85 per cent of the in excess of Shs. 5,000/- |

Notes: (1) For the purpose of Items 3, 4 5 6 7 8 and 9 goatskins, sheepskins and hides shall not include-

- (a) picked, partly tanned or wholly tanned skins and hides;
- (b) cattle masks;
- (c) guiestock, that is to say
 - (i) dried hides (whether suspension or ground dried or dry.-Salted) weighing more than 1.814 kilos when air dried, which have been cut into pieces not greater in size than one-half of the whole hide; or
 - (ii) air dried hides or skins (whether suspension or ground dried) weighing less than 1-814 kilos when air dried, which have been cut, transversely from flank edge into pieces not greater in size than one-half of the whole skin; or

(iii) wet, salted hides which have been cut into pieces not greater in size than than one-half of the whole hide, in respect of which the exporter has satisfied the Commissioner that the same are exported for the purpose of manufacture into glue.

(2) All references to the selling price shall, save where otherwise expressly provided, be construed as the selling price *f.o.b.* or, as the case may be *f.o.r.*

(3) For the avoidance of doubts it is hereby declared that "f.o.b." or "f.o.r." price means the full "f.o.b." or, as the case may be "f.o.r." contract price, or where the contract price is expressed to be "c.i.f." the "f.o.b."; or as the case may be, the "f.o.r." price shall be the difference between the full "c.i.f.", contract price and the aggregate of the external freight, insurance and brokerage paid by the exporter. "f.o.r." price shall apply only to goods exported outside Tanganyika by rail.

(4) References in item 19 to the Tanzania Sisal Authority include references to any subsidiary of that Authority or other person authorized by the Authority to export sisal.

(5) Where two alternative methods of computing tax payable are provided, the computation resulting in the greater amount of tax payable shall be employed.

(6) In the case of coffee, cotton lint, cashewnuts and sisal the tax shall be paid by the relevant crop authority on sale for export by such crop authority.

Passed in the National Assembly on the twenty-fourth day of July, 1974.

MMwindadi

Acting Clerk of the National Assembly