FINANCE ACT, 2023

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

PART IV

CUSTOMS AND EXCISE

Section

PART V

CAPITAL GAINS TAX

PART VI

MINES AND MINERALS

Amendment to Chapter VII of Finance Act [Chapter 23:04]

Amendment of Mines and Minerals Act [Chapter 23:04]

PART VII

REVENUE AUTHORITY

PART VIII

EXCHANGE CONTROL ACT [*CHAPTER 22:05*]

PART IX

RESERVE BANK OF ZIMBABWE ACT [*CHAPTER 22:15*]

PART X

PUBLIC ENTITIES CORPORATE GOVERNANCE ACT [*CHAPTER 10:31*]

PART XI

SOVEREIGN WEALTH FUND OF ZIMBABWE ACT [*CHAPTER 22:20*]

ZIMBABWE

ACT

To make further provision for the revenues and public funds of Zimbabwe and to provide for matters connected therewith or incidental thereto.

ENACTED by the Parliament and the President of Zimbabwe.

PART I

PRELIMINARY

1 Short title

This Act may be cited as the Finance Act, 2023.

PART II

INCOME TAX

Amendments to Chapter I of Finance Act [Chapter 23:04]

2 Amendment of section 14 of Cap. 23:04

(1) Section 14 ("Income tax for periods of assessment after 1.4.88") (2)(a) of the Finance Act [*Chapter 23:04*] is amended with effect from the year of assessment beginning on the 1st January, 2024, by the repeal of subparagraphs (i) to (vii) and the substitution of—

"(i) so much as does not exceed nine million dollars;

(ii) so much as exceeds nine million dollars but does not exceed twenty-seven million dollars;

(iii) so much as exceeds twenty-seven million dollars but does not exceed ninety million dollars;

Printed by the Government Printer, Harare

(iv) so much as exceeds ninety million dollars but does not exceed one hundred and eighty million dollars;

(v) so much as exceeds one hundred and eighty million dollars but does not exceed two hundred and seventy million dollars;

(vi) so much as exceeds two hundred and seventy million dollars:":

3 Amendment of Schedule to Chapter I of Cap. 23:04

The Schedule ("Credits and Rates of Income Tax") to Chapter I of the Finance Act [*Chapter 23:04*] is amended with effect from the year of assessment beginning on the 1st January, 2024, in Part II—

(a) by the deletion of the items relating to the level of taxable income earned in Zimbabwe dollars from employment, and the substitution of the following—

"*Section*	Level of taxable income	*Specified percentage* %
14(2)(a)(i)	Up to $9 000 000	0
14(2)(a)(ii)	$9 000 001 to $27 000 000	20
14(2)(a)(iii)	$27 000 001 to $90 000 000	25
14(2)(a)(iv)	$90 000 001 to $180 000 000	30
14(2)(a)(v)	$180 000 001 to $270 000 000	35
14(2)(a)(vii)	$270 000 001 and more	40";

(b) by the repeal of the item relating to section 14(2)(b) (c), (e), (g), (i) and (j) and the substitution of—

"14(2)(b)	Taxable income of individuals from trade or investment	25
14(2)(c)	Taxable income of a company or trust	25
14(2)(e)	Taxable income of licensed investor after the 5th year of his or her operations as such)	25
14(2)(g)	Taxable income of a company or trust derived from mining operations	25
14(2)(i)	Taxable income of industrial park developer after 5 years of operations as such	25
14(2)(j)	Taxable income of operator of tourist facility in approved tourist development zone (after the 5th year of his or her operations as such)	25".

4 New section substituted for section 22G of Cap. 23:04

With effect from the 1st January, 2024, section 22G of the Finance Act [*Chapter 23:04*] is repealed and substituted by—

"22G Intermediated Money Transfer Tax

The intermediated money transfer tax chargeable in terms of—

(a) section 36G(1) of the Taxes Act shall be calculated at the rate of zero comma zero two on every Zimbabwean dollar or part thereof transacted for each transaction on which the tax is payable:

Provided that if a single transaction on which the tax is payable is equivalent to or exceeds the equivalent in ZW dollars of five hundred thousand United States dollars (at the prevailing interbank rate) a flat intermediated money transfer tax of the equivalent in Zimbabwean dollars of ten thousand one hundred and fifty United States (at the prevailing interbank rate) shall be chargeable on such transaction;

or

(b) section 36G(1) of the Taxes Act shall be calculated at the rate of zero comma zero one on every United States dollar or part thereof for each transaction on which the tax is payable:

Provided that if a single transaction on which the tax is payable is equivalent to or exceeds five hundred thousand United States dollars a flat intermediated money transfer tax of ten thousand one hundred and fifty United States shall be chargeable on such transaction;

or

(c) section 36G(1) of the Taxes Act shall be calculated at the rate of zero comma zero one United States dollars on every outbound foreign payment or part thereof for each transaction on which the tax is payable;

(d) section 36G(2) of the Taxes Act shall be calculated at the rate of zero comma zero zero five United States dollars on every Zimbabwe gold-backed digital token (ZIG) or part thereof transacted for each transaction on which the tax is payable.".

5 New section substituted for section 22H of Cap. 23:04

With effect from the 1st January, 2024, section 22H of the Finance Act [*Chapter 23:04*] is repealed and the following is substituted—

"22H Strategic reserve levy

The strategic reserve levy chargeable in terms of section 36H of the Taxes Act shall be calculated at the rate of 0,177 United States cents per litre of petrol, and at the rate of 0,157 United States cents per litre of diesel.".

6 New sections inserted in Cap. 23:04

With effect from the year of assessment beginning on the 1st January, 2024, the Finance Act [*Chapter 23:04*] is amended by the insertion of the following sections—

"22O Wealth tax

The Wealth Tax chargeable in terms of section 36O of the Taxes Act shall be calculated at the rate of one per centum of the value of a dwelling other than a principal private residence, if such value exceeds two hundred and fifty thousand United States dollars:

Provided that the maximum liability for Wealth Tax on any one taxable dwelling shall be fifty thousand United States dollars per annum.

22P Levy on gross value of lithium, black granite, quarry stones and uncut and cut dimensional stone

The levy on gross value of lithium, black granite, quarry stones and uncut and cut dimensional stone chargeable in terms of section 36P of the

Taxes Act shall be one *per centum* of the gross value of the sale within Zimbabwe or on export of lithium, black granite, quarry stones and uncut and cut dimensional stone.".

Amendments to Income Tax Act [Chapter 23:06]

7 New section 12B inserted in Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2024, Part III of the Income Tax Act [*Chapter 23:06*] is amended by the insertion after section 12A of the following section—

"12B Domestic Minimum Top-Up Tax

(1) In this section—

"corporate tax" means any tax, by whatever name called, that is levied on the income or capital of any entity;

"domestic minimum top-up tax" means the tax payable in terms of subsection (2) (c) or (d);

"foreign entity", for the purposes of this section means a company, trust or other juristic person resident, incorporated or domiciled outside Zimbabwe, including—

(a) any locally incorporated subsidiary company of a foreign entity;

(b) any locally registered company of a foreign entity;

(c) any locally resident agent, arm or branch of a foreign entity.

(2) The following applies for the purpose of arriving at the "effective" rate of corporate tax—

(a) compare the actual corporate tax charged on the income of the entity (arrived at by calculating the corporate tax chargeable on its taxable income) and the amount of corporate tax that would have been charged on its income before deductions in terms of section 15;

(b) whatever the proportion that the amount arrived at by the second calculation bears to the total amount of income of the entity before deductions in terms of section 15 is the effective rate.

(3) Where—

(a) a foreign entity earns any of its income from any business, trade, investment or other activity carried on within Zimbabwe; and

(b) the country in which the foreign entity is resident pays—

(i) no corporate tax; or

(ii) corporate tax at an effective rate of less than fifteen *per centum* of its income from any source within or outside the country of its residence;

then, despite any double taxation agreement subsisting between Zimbabwe and that country which has the effect of—

(c) rendering the foreign entity concerned not liable to tax in Zimbabwe;

(d) rendering the foreign entity concerned liable to tax in Zimbabwe at the rate of less than fifteen *per centum* of its taxable income earned in Zimbabwe;

then such foreign entity shall be liable, with effect from the 1st January, 2024, and any subsequent year of assessment, to pay—

(e) in the case of a foreign entity mentioned in paragraph (c) domestic minimum top-up tax at the rate of fifteen *per centum* of its taxable income earned in Zimbabwe during the year of assessment; or

(f) in the case of a foreign entity mentioned in paragraph (d)—

(i) domestic minimum top-up tax on its taxable income earned in Zimbabwe during the year of assessment, at the rate of fifteen *per centum* minus the percentage rate of corporate tax it pays in its country of residence; or

(ii) the amount of the tax chargeable under this Act by application of section 92 ("Reduction of tax payable as a result of double taxation agreements");

whichever is the greater amount.

(4) Where the tax law of the country in which a foreign entity resides taxes the taxable income that it earns in Zimbabwe as if it were taxable income earned in that country, then such foreign entity shall be liable, with effect from the 1st January, 2024, and any subsequent year of assessment, to pay—

(a) domestic minimum top-up tax on its taxable income earned in Zimbabwe during the year of assessment, at the rate of fifteen *per centum* minus the percentage rate of corporate tax it pays in its country of residence; or

(b) the amount of the tax chargeable under this Act by application of section 93 ("Relief from double taxation in cases where no double taxation agreements have been made");

whichever is the greater amount.

(5) The Minister may make regulations under section 90 prescribing anything which in his or her opinion is necessary or convenient to be prescribed by regulations for carrying out or giving effect to this section.".

8 New section substituted for section 36G of Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2024, the Income Tax Act [*Chapter 23:06*] is amended by repeal of section 36G and the substitution of—

"36G Intermediated money transfer tax

(1) In this section—

"Zimbabwe gold-backed digital token" or "ZIG" is a digital investment asset issued by the Reserve Bank of Zimbabwe in terms of section 7(d)(i) and 47(3) of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*], one unit of which represents one milligram of gold of ninety-nine *per centum* purity.

(2) There shall be charged, levied and collected throughout Zimbabwe for the benefit of the Consolidated Revenue Fund an

intermediated money transfer tax in accordance with the Thirtieth Schedule at the rate fixed from time to time in the charging Act.".

(3) A different rate of intermediated money transfer tax may be fixed in the charging Act in respect of transfer of Zimbabwe gold-backed digital tokens.".

9 New sections 36O and 36P inserted in Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2024, Part IV of the Income Tax Act [*Chapter 23:06*] is amended by the insertion after section 36M of the following section—

"36O Wealth tax

(1) In this section—

"dwelling" means a building, or any part of a building, which is used wholly or mainly for the purpose of residential accommodation;

"prescribed" means prescribed by regulations referred to in subsection (5);

"value", in relation to a dwelling, means the value of the dwelling as assessed during the last general valuation made of properties under the terms of the law in force in the local authority concerned;

"principal private dwelling", in relation to an individual, means—

(a) a dwelling which is that individual's sole or main residence in the year of assessment concerned; and

(b) is on a piece of land registered as a separate entity in a Deeds Registry, which—

(i) is owned by the individual concerned; and

(ii) surrounds or is adjacent to the dwelling referred to in paragraph (a); and

(iii) is used by the individual concerned primarily for private or domestic purposes in association with the dwelling referred to in paragraph (a);

"taxable dwelling" means any dwelling the rateable value of which exceeds two hundred and fifty thousand United States dollars in the year of assessment concerned.

(2) There shall be charged, levied and collected throughout Zimbabwe for the benefit of the Consolidated Revenue Fund a Wealth Tax paid by the owner of any taxable dwelling, that is to say any dwelling that is not his or her principal private dwelling.

(3) Subject to the regulations referred to in subsection (5) the collection of the Wealth Tax shall, until such time as the Zimbabwe Revenue Authority is capable of collecting the tax itself, be delegated to the local authority in which a taxable dwelling is located or to such collection agent as the authority, with the approval of the Minister, may appoint by a notice in the *Gazette* either generally or for any particular local authority.

(a) who is of or above the age of seventy years in the year of assessment concerned; and

(b) whose dwelling is his or her principal private dwelling.

(3) Each local authority in which a taxable dwelling is located shall be the collection agent on behalf of the Zimbabwe Revenue Authority for the Wealth Tax, and shall transmit (without deduction, except for such commission as shall be prescribed) every payment of Wealth Tax to the Zimbabwe Revenue Authority within the time and manner prescribed.

(4) Payment of Wealth Tax shall be made by the owner of any rateable dwelling at any time during the year of assessment at which he she pays any rates due upon him or her as the owner of rateable property within the local authority area, in proof of payment of which he or she shall be issued with a separate receipt.

(5) The Minister may make regulations under section 90 prescribing anything which in his or her opinion is necessary or convenient to be prescribed by regulations for carrying out or giving effect to this section.

36P Levy on gross value of lithium, black granite, quarry stones and uncut and cut dimensional stone

(1) There shall be charged, levied and collected throughout Zimbabwe for the benefit of the Consolidated Revenue Fund a levy on the gross value of the sale within Zimbabwe or on export of lithium, black granite, quarry stones and uncut and cut dimensional stone at the rate fixed from time to time in the Charging Act.

(2) The Minister may make regulations under section 90 prescribing anything which in his or her opinion is necessary or convenient to be prescribed by regulations for carrying out or giving effect to this section.

(3) In accordance with section 18 of the Public Finance Management Act [*Chapter 22:19*] the Minister shall constitute a fund to which levies in terms of subsection (1) shall be appropriated, for the purpose of disbursing it to any area where the lithium, black granite, quarry stones and uncut and cut dimensional stone was mined or uncut or cut dimensional stone in respect of which levy was paid was quarried.".

10 Amendment of section 53 of Cap. 23:06

Section 53 ("Representative taxpayers")(1) of the Income Tax Act [*Chapter 23:06*] is amended by the insertion of the following definitions—

"asset" includes digital asset;

"professional custodian" means a financial institution, designated business or professional service, or other person, that operates custodial services for its customers or clients or facilitates the deposit of its clients' or customers' cash or other assets in a safety deposit box;

"custodial services" means the safekeeping and management of customer currency and digital assets through the exercise of fiduciary and trust powers as a custodian, and includes fund administration and the execution of customer instructions;

"designated business or professional service" means a person specified in paragraph (a), (b), (c), (d), (e), (f), (g), (g1), or (h) (k) of the definition of "designated non-financial business or profession" in section 13 of the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*] (No. 4 of 2013);

"digital asset" means any identifiable and discoverable asset that is created and stored digitally, and provides value to the owner by virtue of being tradeable as a commodity;

"financial institution" has the meaning given to it in paragraph 1(1) of the Thirtieth Schedule;

"receptacle" includes a virtual receptacle for digital assets by whatever name called".

11 Amendment of section 58 of Cap. 23:06

Section 58 ("Power to appoint agent")(2) of the Income Tax Act [*Chapter 23:06*] is amended by the repeal of the definition of "person" and the substitution of—

""person" includes—

(a) a financial institution; and

(b) a partnership; and

(c) designated business or professional service; and

(c) any officer in the Public Service;".

12 New sections substituted for section 60 of Cap. 23:06

Section 60 of the Income Tax Act [*Chapter 23:06*] is repealed and substituted by the following sections—

"60 Power to require information

(1) For the purposes of sections 58 and 59, but subject to this section, the Commissioner may require any person (as defined in section 58) by means of a written disclosure notice served on him or her to give Commissioner without delay any information in respect of any moneys, funds or other assets which may be held by that person, or due by that person, to the person or persons mentioned in the disclosure notice.

(2) This section applies also to moneys, funds or other assets that a representative taxpayer holds on behalf of another person as a professional custodian, subject to the following provisions—

(a) a disclosure notice compels the professional custodian only to disclose that the person or persons named in the disclosure notice has in his or her name a safety deposit box or other receptacle located on the premises of the professional custodian, without, however, compelling the professional custodian to open any safety deposit box or other receptacle wherein such person's moneys, funds or other assets may be secured;

(b) a professional custodian served with a disclosure notice cannot invoke any secrecy or confidentiality provision in any statute or any other law, or any secrecy or confidentiality provision contained in any contract for the provision of custodial services or for the safeguarding of property in a safety deposit box, as grounds for refusing to comply with its obligations under this section:

Provided that a professional custodian complying with its obligations under this paragraph shall be immunised against any civil or criminal action for the breach of any secrecy or confidentiality provision in any statute or any

other law, or for the breach of any secrecy or confidentiality provision contained in any contract for the provision of custodial services or for the safeguarding of property in a safety deposit box;

(c) access to the contents of a safety deposit box or other receptacle mentioned in paragraph (a) may only be obtained by virtue of a warrant issued in terms of section 60A.

(3) On the basis of a disclosure made by a financial institution in terms of subsection (2), the Commissioner may request the Director of the Financial Intelligence Unit to issue a temporary freezing order in terms of section 41A of the Bank Use Promotion Act [*Chapter 24:24*] in relation to money, funds and other assets believed to have been deposited by the target of the temporary freezing order in a safety deposit box with a banking or other financial institution instead of in an account referred to in paragraph (a), (b) or (c) of the definition of "account" in section 2 of the Bank Use Promotion Act [*Chapter 24: 24*].

60A Special warrant for access to money, funds and other assets in possession of professional custodians

(1) In this section—

"tax debtor" means a person—

(a) in respect of whom or which any tax under this Act has been assessed to be payable; and

(b) whose appeal or objection in relation to such assessment has not been timeously pursued, or if pursed has been withdrawn, abandoned or dismissed.

(2) If, on the basis of information obtained from a professional custodian under section 60 or by any other means, the Commissioner-General believes that any tax debtor possesses or has title to moneys, funds or assets held by professional custodian, the Commissioner-General, or an officer of the Authority authorised thereto by the Commissioner-General, may, at any time, on written application subscribed by the Commissioner-General to any judge, magistrate or justice of the peace (other than a police officer), obtain a special warrant compelling the tax debtor to afford access to the Commissioner-General or any officer of the Authority named in the warrant to such moneys, funds or assets and to take such moneys, funds or assets into the custody of the Authority.

(3) An application for a special warrant must—

(a) name the tax debtor who is the subject of the warrant, together with his or her address and contact details, and the assessed extent of his or her liability for tax; and

(b) be supported by an affidavit sworn by or on behalf of the Commissioner-General affirming that, from information available to him or her, he or she has reasonable grounds of suspicion against that tax debtor for having committed any offence in terms of section 81, 82, 84, 85 or 86 of the Income Tax Act [*Chapter 23:06*].

(4) By virtue of a special warrant, an officer of the Authority may, at any time, do any or all of the following on any premises upon which the special warrant is executed—

(a) require the tax debtor to open any safety deposit box or other receptacle (whether or not owned or on the premises of a professional custodian) in which cash, negotiable instruments, share certificates, title documents, precious metals or precious stone may be secured;

(b) require the tax debtor to provide any electronic or other key needed to open any safety deposit box or other receptacle, or to decrypt into an intelligible form any encrypted information needed to gain access to any property of the tax debtor;

(c) make such examination and inquiry as the officer considers appropriate into the affairs of any tax debtor;

(d) require any person who is employed in or at the premises of the tax debtor to produce any book, account, notice, record, list or other document relating to the affairs of the tax debtor;

(e) require from any person an explanation of any entry made in any book, account, notice, record, list or other document found upon any person or premises referred to in paragraph (d);

(f) examine and make copies of any book, account, notice, record, list or other document relating to the affairs of a tax debtor;

(g) take possession of any book, account, notice, record, list or other document relating to the affairs of the tax debtor, or of the contents of any safety deposit box or receptacle;

Provided that—

(i) such book, account, notice, record, list or other document, or of the contents of any safety deposit box or receptacle, shall be retained only so long as may be necessary for the purpose of any examination, investigation, trial or inquiry arising out of any contravention of section 81, 82, 84, 85 or 86 of this Act, or section 10 or 11 of the Bank Use Promotion Act;

(ii) the officer of the Authority taking any items into possession shall issue to the person or institution having custody of the same a full written receipt for such items setting forth an adequate description of the nature, quantity and, if ascertainable, value of the same, and specifying any identification numbers or marks with which any such items may be labelled.

(5) A tax debtor who fails to give the access or make any disclosure required by virtue of a special warrant shall be guilty of an offence and liable to a fine not exceeding level fourteen or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment.

(6) An officer of the Authority executing a special warrant shall—

(a) notify the officer commanding the police district in which the inspector intends to make the search, entry or seizure; and

(b) be accompanied by a police officer assigned to him or her or by the police officer referred to in paragraph (a):

Provided that where an officer of the Authority has reason for believing that any delay involved in obtaining the accompaniment of a police officer would defeat the object of the search, entry or seizure, he or she may make such search, entry or seizure without such police officer.

(7) The Authority (in the person of an officer of the Authority designated by the Commissioner-General for the purpose, the Prosecutor-General (or a public prosecutor designated by the Prosecutor-General for the purpose) and the liable person or liable persons may, if any items are seized pursuant to subsection (6)(f) in contemplation of a prosecution for an offence against section 83(1)(b) of the Income Tax Act [*Chapter 23:06*], or section 10 or 11 of the Bank Use Promotion Act, may enter into a written agreement (called a "non-prosecution agreement") whereunder the Prosecutor-General agrees not to institute criminal proceedings against any liable person on condition that the liable person (whether or not he or she admits guilt for any offence) agrees to the offsetting against the agreed cash value of items in question of the revenue owed by him or her in virtue of an imputed liability order, together with the an agreed amount in satisfaction or mitigation of the costs incurred by the Authority in recovering and securing the safe custody of the items in question.

(8) The non-prosecution agreement shall be in writing and signed by or the designated officer of the Authority, the Prosecutor-General (or a public prosecutor designated by the Prosecutor-General for the purpose), and the liable person or liable persons, and a copy authenticated by the Authority shall be served by the Authority on each of the other parties to the agreement.".

13 Amendment of section 80 of Cap. 23:06

Section 80 ("Withholding of amounts payable under contracts with State or statutory corporations")(1) of the of the Income Tax Act [*Chapter 23:06*] is amended in the definition of "payee" by repeal of paragraph (c) and the substitution of—

"(c) any person making any delivery or deliveries of grain to the Grain Marketing Board established under the Grain Marketing Act [*Chapter18:14*], or other commercial buyers, if such person is paid an amount for such delivery or an aggregate amount for such deliveries in the year of assessment not exceeding five thousand United States dollars or its equivalent in Zimbabwe dollars (and if he or she is paid more, this paragraph does not apply to so much of the amount or aggregate amounts as exceed five thousand United States dollars); or".

14 Amendment of Third Schedule to Cap. 23:06

The Third Schedule ("Exemptions from Income Tax") to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 4—

(a) by the insertion of the following paragraph before paragraph (a)—

"(1a) salary and emoluments paid to a person who is entitled to an exemption in respect of such receipts or acc salary and emoluments in terms of any agreement entered into by the Government of Zimbabwe with any other government, which agreement has been adopted by the Government of Zimbabwe on the recommendation of the Public Agreements Advisory Committee in accordance with the International Treaties Act [*Chapter 3:05*] (No. 2 of 2020);";

(b) by the repeal of subparagraph (iv) of paragraph (a);

(c) with effect from the 1st November, 2023, by the deletion in paragraph (o) of "five hundred thousand dollars" and the substitution of "seven million five hundred thousand dollars;

(b) with effect from the 1st November, 2023, in paragraph 4(o) by the deletion of "five hundred thousand dollars" and the substitution of "seven million five hundred thousand dollars".

15 Amendment of Seventeenth Schedule to Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2024, the Seventeenth Schedule ("Non-Residents' Tax on Fees") to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 1 ("Interpretation")(1) in the definition of "fees" by the repeal of paragraph (f) and the substitution of—

"(f) any project which is the subject of any agreement entered into by the Government of Zimbabwe with any other government or international organization, which agreement—

(i) has been adopted by the Government of Zimbabwe on the recommendation of the Public Agreements Advisory Committee in accordance with the International Treaties Act [*Chapter 3:05*] (No. 2 of 2020); and

(ii) entitles any person to exemption from tax in respect of such amount; or".

16 Amendment of Nineteenth Schedule to Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2024, the Nineteenth Schedule ("Non-Residents' Tax on Royalties") to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 1 ("Interpretation")(1) in the definition of "royalties" by the repeal of paragraph (b) and the substitution of—

"(b) any project which is the subject of any agreement entered into by the Government of Zimbabwe with any other government or international organization, which agreement—

(i) has been adopted by the Government of Zimbabwe on the recommendation of the Public Agreements Advisory Committee in accordance with the International Treaties Act [*Chapter 3:05*] (No. 2 of 2020); and

(ii) entitles any person to exemption from tax in respect of such amount; or".

17 Amendment of Thirtieth Schedule to Cap. 23:06

The Thirtieth Schedule ("Intermediated Money Transfer Tax") to the Income Tax Act [*Chapter 23:06*] is amended—

(a) in paragraph 1 ("Interpretation") (1)—

(i) in the definition of "transaction on which tax is payable" by the repeal of paragraph (cc) and the substitution of the following subparagraphs—

"(cc) the transfers of money to growers of wheat, maize and small grains for the purchase of wheat, maize and small grains by the Grain Marketing Board or persons who have been approved as commercial buyers by the Agricultural Marketing Authority and prescribed as such for the purpose of this exemption;

(dd) the transfers to any person listed in Schedule 1 to the Global Compensation Deed who receives any amount paid by way of compensation for the expropriation of agricultural land.";

(ii) by the insertion of the following definitions—

"chargeable foreign currency payment" does not include a payment outside Zimbabwe for the purchase of fuel and electricity;

"outbound foreign payment" means a chargeable foreign currency payment using foreign currency obtained—

(a) from the Dutch Auction Foreign Currency Market operated by the Reserve Bank on a weekly basis; or

(b) from the interbank market operated by financial institutions;

to another person outside Zimbabwe;'";

(b) in paragraph 2 by the insertion of the following subparagraph after subparagraph (2)—

"(2a) Whenever a financial institution mediates outbound foreign payments in accordance with these regulations at the rate of one per centum of the amount of the outbound foreign currency payment, the financial institution shall withhold and remit to the Commissioner an intermediated money transfer tax on each such transaction.";

(c) by the insertion of the following paragraph after paragraph 7—

"*Adaptation of this Schedule to intermediated transfers of ZIGs*

8. (1) The Minister may by regulations made under section 90 adapt the provisions of this Schedule to the intermediated transfer of Zimbabwe gold-backed digital tokens (ZIGs).

(2) If any provision contained in regulations referred to in subsection (2) that amend this Schedule is not confirmed by a Bill which—

(a) passes its second reading stage in Parliament on one of the twenty-eight days on which Parliament sits next after the coming into operation of the regulations; and

(b) becomes law not later than six months after the date of such second reading;

that provision shall become void as from the date specified in the regulations as that on which the provision is amended.".

PART III

VALUE ADDED TAX

Amendments to Chapter IV of Finance Act [*Chapter 23:04*]

18 Amendment of Part II of Schedule to Chapter IV of Cap. 23:04

Part II ("Value Added Tax on Betting and Gaming") of the Schedule to Chapter IV of the Finance Act [*Chapter 23:04*] is amended by the repeal of items 7, 8, 9 and 10 and the substitution of—

"7. Gaming revenue received by the holder of a casino licence in terms of the Lotteries and Gaming Act [*Chapter 10:26*], other than a temporary casino licence.	7. Fifteen *per centum* of the gaming revenue received in each quarter during the currency of the licence.
8. Banker's revenue received by a banker in terms of the Lotteries and Gaming Act [*Chapter 10:26*], other than a banker referred to in item 10.	8. Fifteen *per centum* of the banker's revenue received.
9. Gaming revenue received by the holder of a temporary casino licence in terms of the Lotteries and Gaming Act [*Chapter 10:26*].	9. Fifteen *per centum* of the gaming revenue received during the validity of the licence.
10. Banker's revenue received by a banker in terms of the Lotteries and Gaming Act [*Chapter 10:26*], under an agreement with the holder of a temporary casino licence in terms of that Act.	10. Fifteen *per centum* of the banker's revenue received in terms of the agreement with the holder of the temporary casino licence.".

Amendments to Value Added Tax Act [*Chapter 23:12*]

19 Amendment of section 8 of Cap. 23:12

The Value Added Tax Act [*Chapter 23:12*] is amended in section 8 ("Time of supply") by the insertion of the following subsection after subsection (1)—

"(1a) For the purposes of this Act, a supply of imported services shall, except as is otherwise provided for in this Act, be deemed to take place—

(a) at the time an invoice is issued by the supplier or the recipient in respect of that supply; or

(b) at the time any payment of consideration is received by the supplier in respect of that supply; or

(c) at the time the service is performed;

whichever time is earlier.".

20 Amendment of section 23 of Cap. 23:12

With effect from the 1st January, 2024, the Value Added Tax Act [*Chapter 23:12*] is amended in section 23 ("Registration of persons making supplies in the course of trade")(1) by the repeal of paragraph (a) and the substitution of—

"(a) at the end of any month where the total value of taxable supplies made by that person in the period of twelve months ending at the end of that

month in the course of carrying on of business, has exceeded twenty-five thousand United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order), or the prescribed amount;".

21 New section 63A inserted in of Cap. 23:12

The Value Added Act [*Chapter 23:12*] is amended by the insertion of the following section after section 63—

"63A Offences and penalties in regard to fiscalisation

(1) Words or phrases defined in the Schedule bear the same meaning when used in this section.

(2) Any person—

(a) registered or required to be registered as an operator under this Act who fails to issue a fiscal tax invoice or receipt to any buyer of its goods or services or (if such issuance is refused by the buyer for any reason), to retain a copy of the same for a period of at least twenty-four months from the date of the purchase, shall be guilty of an offence and liable on conviction to a fine not exceeding level 7 or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment; or

(b) registered or required to be registered as an operator under this Act who fails to produce to an officer of the Authority on demand a fiscal tax invoice or receipt in proof of the purchase of any its goods or services at any time within a period of twelve months from the date of the demand, shall be guilty of an offence and liable on conviction to a fine not exceeding level 7 or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment;

(c) who manufactures, sells or offers to sell, or distributes fiscal memory devices to any person, not being a supplier of such devices who is approved by the Authority in terms of regulations made in terms of section 78, shall be guilty of an offence and liable on conviction to a fine not exceeding level fourteen or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment;

(d) registered or required to be registered as an operator under this Act deliberately tampers with an electronic fiscal device with the result that it fails faithfully to record any transactions subject to tax under this Act, shall be guilty of an offence and liable on conviction to a fine not exceeding level fourteen or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment.".

22 New sections 81A and 81B and Schedule inserted in of Cap. 23:12

The Value Added Act [*Chapter 23:12*] is amended—

(a) by the insertion of the following sections after section 81—

"81A Measures to protect value chain integrity and transparency, and to counter unfair competition by informal traders

(1) In this section—

"compliant", with reference to an informal trader, means compliant in every respect with regulations referred to in subsection (6);

"consumer facility" means the purchase of goods by a person other than a registered operator from a wholesaler under the conditions specified in subsection (3);

"informal trader" means an individual who carries on a trade for his or her own account but is not a registered operator without limiting the generality of the term, includes—

(a) a hawker or street vendor; and

(b) a person who sells articles at a place commonly known as a "people's market" or a "flea market"; and

(c) the operator of a tuck shop, that, one who sells good on premises, including residential premises, not licensable by the local authority for the sale of goods on a regular basis;

(d) any intermediary for any informal trader or informal traders generally who buys goods from a manufacturer or wholesaler and sells them to informal traders;

"manufacturer" means a person who assembles or processes any commodity for distribution by wholesalers;

"retail trade" means the sale of any commodity in small quantities for consumption or use by the purchaser, & the expressions "retail transaction", "retailer" & "retail dealer" shall be construed accordingly;

"retailer" means any person engaged in the retail trade;

"wholesaler" means any person engaged in the wholesale trade, that is to say, the sale of any commodities in large quantities or in bulk to a purchaser who intends to make a profit on the resale of the commodities or to consume them.

(2) Subject to this section, no person, other than a wholesaler which is a registered operator, and who produces to the manufacturer proof of registration as such together with a current tax clearance certificate, may purchase goods from a manufacturer.

(3) Subject to this section, no person, other than a retailer who or which is a registered operator, and who produces to the wholesaler proof of registration as such

together with a current tax clearance certificate, may purchase goods from a wholesaler.

(4) A person other than one referred to in subsection (3) may purchase goods from a wholesaler under the following conditions—

(a) such person may purchase goods from the same wholesaler at intervals of not less than thirty days, up to a limit per purchase not exceeding one thousand United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of the purchase);

(b) such person must produce a receipt of goods purchased from the same wholesaler that is dated no earlier than thirty days from the date of the last purchase from the wholesaler;

(c) if the purchase is the first purchase by such person from that wholesaler in any calendar year, or if the person concerned cannot produce a receipt in proof of a previous purchase from the same wholesaler, such person can only purchase goods not exceeding twenty United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of the purchase); however the production of such receipt for the next purchase;

(d) the wholesaler shall retain all copies of receipt produced in proof of previous purchases in terms of this subsection for a period of at least three years, or may scan and store such data in digital format in a manner approved by the Commissioner;

(e) the Commissioner shall at any time have access on demand to any data gathered by a wholesaler in terms of paragraph (d) to determine whether any person availing himself or herself of the consumer facility is using goods purchased by virtue of it for the purposes of informal trade.

(5) A wholesaler who was not operating a consumer facility before the 1st January, 2024, shall not avail such a facility after that date without the leave of the Commissioner in writing.

(6) On such date as regulations made in terms of subsection (8) become operative, there shall be charged by every wholesaler and manufacturer for the benefit of the Consolidated Revenue Fund a surcharge of thirty per centum.

(a) on the value goods purchased by every informal trader using a consumer facility; and

(b) on the value goods purchased by individuals using a consumer facility, who are not informal traders or registered operators, but exceed the thresholds for the purchase of such goods specified in subsection (3)(a) and (c).

(7) The Commissioner shall build up and keep up to date a database of informal traders using a consumer facility at any time during the previous period of twelve months.

(8) The Minister may by regulations made under section 78 prescribe anything which it is necessary, desirable or expedient to prescribe for the purposes of this section.

(9) In particular, regulations—

(a) shall provide—

(i) that a compliant informal trader acting as an intermediary is liable for only half the surcharge, and the informal trader to whom he or she sells goods purchased by virtue of a consumer facility is liable for the other half, if the intermediary can produce a copy of a full receipt for such goods sold to the informal trader;

(ii) for a system of registration of compliant informal traders, including the assignment to them of trader identification numbers;

(a) shall provide that an informal trader acting as an intermediary is liable for only half the surcharge, and the informal trader to whom he or she sells goods purchased by virtue of a consumer facility is liable for the other half, if the intermediary can produce a copy of a full receipt for such goods sold to the informal trader;

(b) may provide a threshold for the value of goods sold by a compliant informal trader in any year using a consumer facility, below which such trader will not become liable for the surcharge.

81B Civil penalty orders

The provisions of the Schedule apply to any infringement of this Act in respect of which it is provided that a civil penalty is payable.";

(b) by the insertion of the following schedule—

"SCHEDULE (Section 83A)

CIVIL PENALTY ORDERS

ARRANGEMENT OF PARAGRAPHS

Section

1. Interpretation in Schedule.
2. Power of Commissioner to issue civil penalty orders and categories thereof.
3. Variation of certain penalties and limitation of multiple of penalties.
4. Service and enforcement of civil penalties and destination of proceeds thereof.
5. Limitation on issuance and enforcement of civil penalty orders.
6. Additional due process requirements before service of certain civil penalty orders.
7. Judicial review of civil penalty orders.
8. Evidentiary provisions in connection with civil penalty orders.
9. Designated officers.

Interpretation in Schedule

1. In this Schedule, unless the context otherwise requires—

"approved", in relation to a fiscal memory device, means such a device whose use is approved by the Authority, having been sold for registered operators to use by or on behalf of a supplier approved by the Authority;

"approved fiscal memory device" means an approved electronic device used to record sales of taxable supplies;

"citation clause", in relation to a civil penalty order, is the part of the order in which the Reserve Bank names the defaulter and cites the provision of this Act in respect of which the default was made or is alleged, together with (if necessary) a brief statement of the facts constituting the default;

"designated officer" means an employee or the Reserve Bank or other person designated and authorised by the Governor of the Reserve Bank to undertake duties in connection with the implementation of this Schedule;

"fiscal tax invoice or receipt" means a tax invoice or receipt printed from an approved fiscal device used by a registered operator;

"fiscalised electronic register" means an electronic sales register having such features as may be prescribed;

"penalty clause", in relation to a civil penalty order, is the part of the order that fixes the penalty to be paid by the defaulter, and "fixed penalty clause" and "cumulative penalty clause" shall be construed accordingly;

"remediation clause" in relation to a civil penalty order, is the part of the order that stipulates the remedial action to be taken by the defaulter;

"tax invoice" means a fiscal tax invoice provided by a registered operator, and printed by a fiscalised electronic register or fiscal memory device used by a registered operator for the purpose of section 20.

Power of Commissioner to issue civil penalty orders

2. (1) Where default is made in complying with any provision of this Act or of regulations or order made under this Act for which a civil penalty is specified to be leviable, the Commissioner may, in addition to, and without derogating from, any criminal or non-criminal penalty that may be imposed by this Act or any other law for the conduct constituting the default, serve upon the defaulter a civil penalty order specified in subparagraph (2), (4), (6) or (8) or any combination of such orders as the provision in question may allow.

(2) A natural or legal person registered or required to be registered as an operator under this Act shall be guilty of a civil default if he, she or it, being required to do so by this Act or any regulations made thereunder, fails to acquire and install an electronic fiscal device for the recording of all transactions subject to tax under this Act.

(3) In the event of default in complying with subparagraph (2), the civil penalty shall provide for—

(a) the suspension of the operation of the civil penalty order for a period of 48 hours from the date of its service to enable the alleged defaulter to show cause to the designated officer why the order should not have been issued, that is to say, to show that the order was issued in error:

Provided that—

(i) if no such cause is shown within that period the order shall be deemed to have been issued with effect from the beginning of such period

(ii) if within that period it is shown that the order was issued in error the designated officer shall withdraw the order and make the appropriate notation of withdrawal in the civil penalty register;

(b) a fixed penalty of one thousand United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order); and

(c) the suspension of the penalty imposed under paragraph (b) conditionally upon the defaulter taking the appropriate remedial action, that is to say, installing the electronic fiscal device for the recording of all transactions subject to tax under this Act, no later than ninety-six hours after the civil penalty is served on the defaulter;

(d) a cumulative penalty over a period not exceeding ninety days—

(i) of twenty-five United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day (beginning on the day after the day in which the 96-hour period for complying with the civil penalty order expired) during which the defaulter fails to take the appropriate remedial action; and

(ii) if the fixed penalty referred to in paragraph (b) becomes payable because the defaulter fails timeously to take the appropriate remedial action, twenty-five United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day (beginning on the day after the day in which the 96-hour period for complying with the civil penalty order expired) during which the defaulter fails to pay the fixed penalty or any outstanding amount thereof.

(4) A natural or legal person registered or required to be registered as an operator under this Act shall be guilty of a civil default if he, she or it, being required by the Commissioner to interface with Fiscalisation Data Management System, fails to do so within 96 hours from the service upon him, her or it of a civil penalty order to do so.

(5) In the event of default in complying with subparagraph (4), the civil penalty order shall provide for—

(a) the suspension of the operation of the civil penalty order for a period of 48 hours from the date of its service to enable the alleged defaulter to show cause to the designated officer why the order should not have been issued, that is to say, to show that the order was issued in error:

Provided that—

(i) if no such cause is shown within that period the order shall be deemed to have been issued with effect from the beginning of such period;

(ii) if within that period it is shown that the order was issued in error the designated officer shall withdraw the order and make the appropriate notation of withdrawal in the civil penalty register;

(b) a cumulative penalty over a period not exceeding ninety days —

(i) of twenty-five United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day (beginning on the day after the day in which the 96-hour period for complying with the civil penalty order expired) during which the defaulter fails to take the appropriate remedial action; and

(ii) if the fixed penalty referred to in subparagraph (i) becomes payable because the defaulter fails timeously to take the appropriate remedial action, twenty-five United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day during which the defaulter fails to pay the first-mentioned cumulative penalty or any outstanding amount thereof (the maximum period of ninety days for the payment of the first-and second-mentioned cumulative penalties shall run concurrently).

(6) A natural or legal person registered or required to be registered as an operator under this Act shall be guilty of a civil default if he, she or it, deliberately tampers with an electronic fiscal device with the result that it fails faithfully to record any transactions subject to tax under this Act (for which purpose an allegation to that effect must be supported by an affidavit sworn by or on behalf of a supplier of a electronic fiscal device that the device in question was deliberately tampered with for that purpose, and such affidavit must be attached to the civil penalty order served upon the defaulter).

(7) In the event of default in complying with subparagraph (6), the civil penalty order shall provide for—

(a) the suspension of the operation of the civil penalty order for a period of 48 hours from the date of its service to enable the alleged defaulter to show cause to the designated officer why the order should not have been issued, that is to say, to show that the order was issued in error:

Provided that if—

(i) no such cause is shown within that period the order shall be deemed to have been issued with effect from the beginning of such period;

(ii) within that period it is shown that the order was issued in error the designated officer shall withdraw the order and make the appropriate notation of withdrawal in the civil penalty register;

(iii) the designated officer is satisfied that the electronic fiscal device was not or cannot be shown to have been deliberately falsified, the designated officer may instead issue a civil penalty order in terms of subsection (8), which shall have effect from the date of its service;

and

(b) a fixed penalty of one thousand United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order); and

(c) the rectification or replacement of the falsified electronic fiscal device and the installing of the rectified or replaced electronic fiscal device no later than ninety-six hours after the civil penalty is served on the defaulter; and

(d) a cumulative penalty over a period not exceeding ninety days —

(i) of fifty United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day (beginning on the day after the day in which the 96-hour period for complying with the civil penalty order expired) during which the defaulter fails to take the appropriate remedial action; and

(ii) for as long as the fixed penalty or any part of it referred to in paragraph (b) remains unpaid, of fifty United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day (beginning on the day after the day of the service of the civil penalty order) during which

the defaulter fails to pay the fixed penalty or any outstanding amount thereof;

(8) A natural or legal person registered or required to be registered as an operator under this Act shall be guilty of a civil default if (in the absence of evidence of tampering as described in subparagraph (6)) he, she or it, fails to rectify or replace a faulty electronic fiscal device (that is to say, one that does not faithfully to record any transactions subject to tax under this Act) within 96 hours from the service upon him, her or it of a civil penalty order to do so.

(9) In the event of default in complying with subparagraph (8), the civil penalty order shall provide for—

(a) the suspension of the operation of the civil penalty order for a period of 48 hours from the date of its service to enable the alleged defaulter to show cause to the designated officer why the order should not have been issued, that is to say, to show that the order was issued in error:

Provided that—

(i) if no such cause is shown within that period the order shall be deemed to have been issued with effect from the beginning of such period;

(ii) if within that period it is shown that the order was issued in error the designated officer shall withdraw the order and make the appropriate notation of withdrawal in the civil penalty register;

(b) a cumulative penalty over a period not exceeding ninety days —

(i) of twenty-five United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day (beginning on the day after the day in which the 96-hour period for complying with the civil penalty order expired) during which the defaulter fails to take the appropriate remedial action; and

(ii) if the fixed penalty referred to in subparagraph (i) becomes payable because the defaulter fails timeously to take the appropriate remedial action, twenty-five United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day during which the defaulter fails to pay the first-mentioned cumulative penalty or any outstanding amount thereof (the maximum period of ninety days for the payment of the first- and second-mentioned cumulative penalties shall run concurrently).

(4) A natural or legal person registered or required to be registered as an operator under this Act shall be guilty of a civil default if he, she or it, being required by the Commissioner to interface with

Fiscalisation Data Management System, fails to do so within 96 hours from the service upon him, her or it of a civil penalty order to do so.

(5) In the event of default in complying with subparagraph (4), the civil penalty order shall provide for—

(a) the suspension of the operation of the civil penalty order for a period of 48 hours from the date of its service to enable the alleged defaulter to show cause to the designated officer why the order should not have been issued, that is to say, to show that the order was issued in error:

Provided that—

(i) if no such cause is shown within that period the order shall be deemed to have been issued with effect from the beginning of such period;

(ii) if within that period it is shown that the order was issued in error the designated officer shall withdraw the order and make the appropriate notation of withdrawal in the civil penalty register;

(b) a cumulative penalty over a period not exceeding ninety days —

(i) of twenty-five United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day (beginning on the day after the day in which the 96-hour period for complying with the civil penalty order expired) during which the defaulter fails to take the appropriate remedial action; and

(ii) if the fixed penalty referred to in subparagraph (i) becomes payable because the defaulter fails timeously to take the appropriate remedial action, twenty-five United States dollars (or its equivalent in Zimbabwe dollars at the auction rate of exchange that prevailed on the date of service of the order) for each day during which the defaulter fails to pay the first-mentioned cumulative penalty or any outstanding amount thereof (the maximum period of ninety days for the payment of the first- and second-mentioned cumulative penalties shall run concurrently).

Variation of certain penalties and limitation of multiple of penalties

3. A single civil penalty order may be served in respect of two or more defaults committed by the defaulter within a single period not exceeding six months, but if the aggregate of such defaults results in the defaulter becoming liable (either immediately or within seven days from the service of the civil penalty order) to a penalty or combined penalties in excess of the equivalent of fifty thousand United States dollars, the Commissioner may select one or any combination of those defaults which will not result in the defaulter becoming so liable, while

reserving the right to serve a second or further additional civil penalty orders in respect of the defaults not so selected if the defaulter does not comply with the first civil penalty order.

Service and enforcement of civil penalties and destination of proceeds thereof

4. (1) References to the Commissioner serving upon a defaulter any civil penalty order in terms of this Act (or serving upon an alleged defaulter a show cause notice referred to in paragraph 6 ("Additional due process requirements before service of certain civil penalty orders"), are to be interpreted as requiring the Commissioner to deliver such order (or such notice) in writing to the defaulter (or alleged defaulter) concerned in any of the following ways—

(a) by registered post addressed to the defaulter's (or alleged defaulter's) principal office in Zimbabwe or other place of business of the defaulter (or alleged defaulter); or

(b) by hand delivery to the director, manager, secretary or accounting officer of the defaulter (or alleged defaulter) in person (through a designated officer, or a police officer), or to a responsible individual at the place of business of the defaulter; or

(c) by delivery through a commercial courier service to the defaulter's (or alleged defaulter's) principal office in Zimbabwe or other place of business of the defaulter (or alleged defaulter); or

(d) by electronic mail or telefacsimile at the electronic mail or telefacsimile address furnished by the defaulter (or alleged defaulter) to the Commissioner:

Provided that in this case a copy of the order or notice shall also be sent to the electronic mail or telefacsimile address of the defaulter's (or alleged defaulter's) legal practitioner in Zimbabwe.

(2) The Commissioner shall not extend the period specified in a civil penalty order for compliance therewith except upon good cause shown to him or her by the defaulter, and any extension of time so granted shall be noted by the Commissioner in the civil penalty enforcement register referred to in paragraph 8 ("Evidentiary provisions in connection with civil penalty orders").

(3) If in this Act both the defaulting company and every officer of the company who is in default are said to be liable to a civil penalty order, the Commissioner may—

(a) in the same civil penalty order, name the defaulting company and every officer concerned as being so liable separately, or issue separate civil penalty orders in respect of the defaulting company and each of the officers concerned;

(b) may choose to serve the order only upon the defaulting company if, in his or her opinion (which opinion the Commissioner shall note in the civil penalty enforcement register referred to in paragraph 8, there may be a substantial dispute of fact about the identity of the particular officer or officers who may be in default:

Provided that nothing in this section affects the default liability of officers of the company mentioned in subparagraph (8).

(4) The Commissioner may, in the citation clause of a single civil penalty order, cite two or more defaults relating to different provisions of this Act if the defaults in question—

(a) occurred concurrently or within a period not exceeding six months from the first default or defaults to the last default or defaults; or

(b) arose in connection with the same set of facts.

(5) Where in this Act the same acts or omissions are liable to both criminal and civil penalty proceedings, the Commissioner may serve a civil penalty order at any time before the commencement of the criminal proceedings in relation to that default, that is to say at any time before—

(a) summons is issued to the accused person for the prosecution of the offence; or

(b) a statement of the charge is lodged with the clerk of the magistrates court before which the accused is to be tried, where the offence is to be tried summarily; or

(c) an indictment has been served upon the accused person, where the person is to be tried before the High Court;

as the case may be, but may not serve any civil penalty order after the commencement of the criminal proceedings until after those proceedings are concluded (the criminal proceedings are deemed for this purpose to be concluded even if they are appealed or taken on review). (For the avoidance of doubt it is declared that the acquittal of an alleged defaulter in criminal proceedings does not excuse the defaulter from liability for civil penalty proceedings).

(6) Upon the expiry of the ninety day period within which any civil penalty order of any category must be paid, the defaulter shall be guilty of an offence and liable to a fine not exceeding level 6 or to imprisonment for a period not exceeding one year or to both.

(7) The amount of any civil penalty shall—

(a) be payable to the Authority and shall form part of the funds of the Authority; and

(b) be a debt due to the Authority and shall be sued for in any proceedings in the name of the Authority in any court of competent civil jurisdiction:

Provided that for this purpose, the court of the provincial magistrate for the mining province concerned shall be deemed to have jurisdiction to hear the suit even if the monetary amount sought would otherwise exceed its prescribed jurisdiction.

(8) Proceedings in a court for the recovery of a civil penalty shall be deemed to be proceedings for the recovery of a debt as if the defaulter had acknowledged the debt in writing.

(9) If the defaulter is a company, private business corporation or other body corporate, every officer of the company, corporation

or body corporate, mentioned in the civil penalty order by name or by office, is deemed to be in default and any one of them can, on the basis of joint and several liability, be made by the Commissioner to pay the civil penalty in the event that the company, corporation or body corporate does not pay.

(10) If the Authority in terms of subsection (7)(b) desires to institute proceedings to recover the amounts of two or more civil penalties in any court of competent civil jurisdiction, it may, after notice to all interested parties, bring a single action in relation to the recovery of those penalties if the orders relating to those penalties—

(a) were all served within the period of twelve months preceding the institution of the proceedings; and

(b) were served—

(i) on the same company or private business corporation; or

(ii) in relation to the same default or set of defaults, whether committed by the same company or private business corporation or different companies or private business corporations; or

(iii) on two or more companies or private business corporations whose registered offices are in the same area of jurisdiction of the court before which the proceedings are instituted.

(11) Unless the Authority has earlier recovered in civil court the amount outstanding under a civil penalty order, a court convicting a person of an offence against subparagraph (6), may on its own motion or on the application of the prosecutor and in addition to any penalty which it may impose give summary judgement in favour of the Authority for the amount of any outstanding civil penalty due from the convicted defaulter.

Limitation on issuance and enforcement of civil penalty orders

5. (1) No civil penalty order may be issued more than twelve months from the date when the infringement or alleged infringement occurred or ceased to occur.

(2) Any amount owing under a civil penalty order is a debt owed to the State for the purposes of section 15(b) of the Prescription Act [*Chapter 8:11*].

Additional due process requirements before service of certain civil penalty orders

6. (1) Except in relation to any civil penalty order which the Authority is satisfied that it does not involve any substantive dispute of fact, the Authority must notify the alleged defaulter in writing of the Authority's intention to serve the civil penalty order (which notice shall hereafter be called a "show cause notice") and the Authority's reasons for doing so and shall call upon the alleged defaulter to show cause within the period specified in the notice (which period shall not be less than 48 hours or more than seven days from the date of service of the notice) why the civil penalty order should not be served upon him or her, and, if the alleged defaulter—

(a) makes no representations thereto within the notice period, the Authority shall proceed to serve the civil penalty order, or

(b) makes representations showing that the alleged default in question was not wilful or was due to circumstances beyond the alleged defaulter's control or for any other reason specified in the civil penalty provision in question, the Authority shall not proceed to serve the civil penalty order; or

(c) makes no representations of the kind referred to in paragraph (b) the Authority shall proceed to serve the civil penalty order.

(2) In addition, where it appears to the Authority from written representations received under subparagraph (1) that there may be a material dispute of fact concerning the existence or any salient aspect of the alleged default, the Authority must afford the alleged defaulter an opportunity to be heard by making oral representations before the Authority, for which purpose the Authority shall have the same powers, rights and privileges as are conferred upon a commissioner by the Commissions of Inquiry Act [*Chapter 10:07*], other than the power to order a person to be detained in custody, and sections 9 to 13 and 15 to 19 of that Act shall apply with necessary changes in relation to the hearing and determination before the Authority of the alleged default in question, and to any person summoned to give evidence or giving evidence before the Commissioner or a designated officer.

(3) Any person who is aggrieved by a civil penalty order made after the making of representations in terms of this section may appeal against the order to a judge of the High Court, and the judge may make such order as he or she thinks fit:

Provided that the lodging of the appeal shall not of itself suspend the obligation of the defaulter to comply with the civil penalty order.

Judicial review of civil penalty orders

7. If the Authority does not issue a show cause order under paragraph 6 before issuing and serving a civil penalty order under paragraph 5. the defaulter or alleged defaulter may seek review of the Authority's action by the High Court, but the lodging of the application for review shall not of itself suspend the obligation of the defaulter to comply with the civil penalty order.

Evidentiary provisions in connection with civil penalty orders

8. (1) For the purposes of this Schedule the Authority shall keep a civil penalty enforcement register wherein shall be recorded—

(a) the date of service of every show cause notice, the name and the physical or registered office address of the person upon whom it was served, the civil penalty provision in relation to which the alleged defaulter was alleged to be in default, and whether or not the show cause notice was followed by the service of a civil penalty order:

Provided that a record or an adequate summary of any representations made in response to a show cause notice shall be made by way of an entry or cross-reference

in, or annexure to, the register, and if recorded by way of annexure or cross-reference, the representations must be preserved for a period of at least three years from the date when they were made to the Authority;

(b) the date of service of every civil penalty order, the name and the physical or registered office address of the person upon whom it was served, the civil penalty provision in relation to which the defaulter was in default, and the date on which the civil penalty order was complied with or the penalty thereunder was recovered as the case may be.

(2) A copy of—

(a) any entry in the civil penalty enforcement register, and of any annexure thereto or record cross-referenced therein, authenticated by the Authority as a true copy of the original, shall on its mere production in any civil or criminal proceedings by any person, be prima facie proof of the contents therein; or

(b) any civil penalty order that has been served in terms of this Act, authenticated by the Authority as a true copy of the original, shall on its mere production in any civil or criminal proceedings by any person, be *prima facie* proof of the service of the order on the date stated therein upon the defaulter named therein, and of the contents of the order.

Designated officers

9. (1) Any reference to the Authority in this Schedule shall be construed as a reference to a designated officer.

(2) The Commissioner shall furnish each designated officer with a certificate signed by or on behalf of the Commissioner stating that he or she has been appointed as an designated officer for the purpose of this Schedule.

(3) A designated officer shall, on demand by any person affected by the exercise of the powers conferred upon the Commissioner under this Schedule, exhibit the certificate issued to him or her in terms of subsection (2).".

PART IV

CUSTOMS AND EXCISE

23 New section inserted after section 98K of Cap. 23:02

The Customs and Excise Act [*Chapter 23:02*] is amended in Part XA by the insertion of the following section after section 98K—

"98L Interface of financial institutions' automated payment systems with the Customs and Excise computer system

With effect from the date of operation of regulations made under section 235 bearing on the interface of financial institutions' automated payment systems with the customs and excise computer system established in terms of this Part, every such system of a financial institution will be required to interface with the customs and excise computer system.".

24 Confirmation of tariffs imposed, amended or replaced by Minister under section 225 of Cap. 23:02

Pursuant to section 225 of the Customs and Excise Act [*Chapter 23:02*], the replacements and amendments to the Customs and Excise (Tariff) Notice and Customs and Excise (Surcharge) Notice that were published in the following statutory instruments are hereby confirmed—

(a) Statutory Instrument 203 of 2022; and

(b) Statutory Instrument 221 of 2022; and

(c) Statutory Instrument 7 of 2023; and

(d) Statutory Instrument 87 of 2023; and

(e) Statutory Instrument 90 of 2023; and

(f) Statutory Instrument 239A of 2023.

PART IV

CAPITAL GAINS TAX

25 Amendment of section 8 of Cap. 23:01

With effect from the year of assessment beginning on the 1st January, 2024, section 8 ("Interpretation of terms relating to capital gains tax")(2) of the Capital Gains Tax Act [*Chapter 23:01*] is amended by the repeal of paragraph (c) and the substitution of—

"(c) where a specified asset is expropriated such specified asset shall be deemed to have been sold for an amount equal to the amount paid by way of compensation for the expropriation of such specified asset:

Provided that this paragraph does not apply to any person listed in Schedule 1 to the Global Compensation Deed who receives the amount paid by way of compensation for the expropriation of a specified asset;".

26 New section 30B inserted in Cap. 23:01

With effect from the year of assessment beginning on the 1st January, 2024, the Capital Gains Tax Act [*Chapter 23:01*] is amended by the insertion of the following section after section 30A—

"30B Special capital gains tax on entities acquiring mining title or any interest therein

(1) In this section—

""beneficial owner" means—

(a) an individual who or entity which enjoys the benefits of ownership though the property's title is in another name ("the nominee"); or

(b) an individual or entity who through the ownership of any share or stake in an entity or of all or any of the assets of the entity is able to exert a significant or preponderant voice in the affairs of the organisation, including an individual or entity who exerts such control through a nominee who holds such stake, share or assets on behalf of such person;

"controller", in relation to a corporate entity, means a person other than a beneficial owner who, notwithstanding the formal arrangements for the exercise of control over the entity as specified in its constitutive document, exerts a significant or preponderant voice in the affairs of the entity;

"entity", for the purposes of this section means any of the following holding or capable of holding any mining title—

(a) an individual or partnership domiciled outside Zimbabwe; or

(b) a company incorporated or domiciled outside Zimbabwe; or

(c) a locally incorporated subsidiary company of a holding company incorporated or domiciled outside Zimbabwe; or

(d) any other entity whatsoever domiciled outside Zimbabwe that is capable, by the law of the country of its domicile, to hold a mining title or other real right, including a trust, syndicate or joint venture; or

(e) an individual, whether or not he or she is a citizen or permanent resident of Zimbabwe ordinarily resident in Zimbabwe; or

(f) a company or other business entity unless it is incorporated under the Companies and Other Business Entities Act [*Chapter 24:31*], whether or not the majority of its members are citizens or permanent residents of Zimbabwe ordinarily resident in Zimbabwe; or

(g) a partnership, syndicate or joint venture —

(i) made up of individuals, whether or not any of them are citizens of Zimbabwe ordinarily resident in Zimbabwe; or

(ii) made up of two or more companies referred to in paragraph (b); or

(iii) made up of any combination of individuals and companies whether or not its members or partners are citizens of Zimbabwe ordinarily resident in Zimbabwe;

(h) the nominee (being any entity as described in paragraphs (a) to (g)) of a beneficial owner of a mining title (being any entity as described in paragraphs (a) to (g)), including an entity that, being the owner of the mining title or interest therein immediately before the mining title was transferred, agrees to be the nominee for the beneficial owner acquiring the mining title or interests therein;

"mining law" means the Mines and Minerals Act [*Chapter*], or any other law that may be substituted for the same;

"mining right" means a right evidenced by a mining title to prospect or explore for, obtain, extract or produce any mineral, or do

any other thing that the mining title gives the holder thereof the right to do;

"mining title"—

(a) means a claim, block of claims, mining lease or special grant and (depending on the context) includes any document evidencing a mining right that is precedent to obtaining any of the foregoing titles, such as an exclusive prospecting licence or exclusive exploration licence;

(b) includes a share, stake, right or interest in any mining title referred to in paragraph (a);

(c) does not include the hypothecation of a mining title referred to in paragraph (a), or its subjection to an option agreement, except on the date when the hypothecated title is seized for failure to make repayments pursuant to the hypothecation (in which event the title is deemed to be transferred to the entity discharging the hypothecation), or the date when option is exercised.

(2) For the purposes of the definitions of "beneficial owner" and "controller"—

(a) a person exerts a significant or preponderant voice in the affairs of an entity if (singly or in combination)—

(i) that person's decision on any matter or policy concerning the governance of the entity or the exercise of any of its functions is binding on the organisation or the governing body of the entity; or

(ii) that person is able to overrule or veto any decisions of the governing body of the entity; or

(iii) that person directly or indirectly controls twenty-five *per centum* or more of the votes in the governing body;

(b) reference to a "person" exerting a significant or preponderant voice in the affairs of an entity includes a State, or an arm, organ, agency or representative of a State.

(3) There is hereby chargeable a special capital gains tax on the transfer of a mining title, being a tax on the value of any transaction concluded within or outside Zimbabwe whereby any mining title—

(a) has, within the period of ten years before the 1st January, 2024, been transferred to an entity which still held it on the 1st January, 2024;

(b) is, at any time on or after the 1st January, 2024, transferred to an entity:

(4) In amplification of subsection (3)—

(a) the liability to pay the special capital gains tax on the transfer of a mining title of any entity referred to in subsection (3) (a)—

(i) is not affected by the fact that since the 1st January, 2024, the mining title that was the subject of the transfer has ceased to subsist due to its cancellation, forfeiture, surrender or extinction for any other reason;

(ii) is payable on the latest transaction by which the mining title was transferred to last entity holding it before the 1st January, 2024, and if such entity transfers it again at any time after that date, it shall become liable to the special capital gains tax on the transfer of a mining title under subsection (3)(b);

(b) referred to in subsection (3)(b) is not affected by the fact that at any time between the transfer of the mining title that was the subject of the transfer, and the date when payment of the tax became due, the mining title concerned has ceased to subsist due to its cancellation, forfeiture, surrender or extinction for any other reason.

(5) The special capital gains tax on the transfer of a mining title shall be payable—

(a) in United States dollars (or the equivalent in any other foreign currency at the international cross rate of exchange prevailing on the time of the transfer) at the rate of twenty *per centum* of the value of the transaction concerned by the transferee entity (or, in default of the transferee entity, by the owner of the mining title immediately before the mining title was transferred):

Provided that if there is express provision in the mining law for the approval by the Minister responsible for administering the mining law (or by any other person or authority specified in that law) of the transfer of the mining title in question, whether by means of the transfer of the certificate, permit, licence, mining lease, mining grant or other document evidencing title to the transferee, or by means of the transfer of the majority of the shares or the controlling stake in the entity holding such title, then, upon production of proof satisfactory to the Commissioner-General of such approval having been obtained for the transfer in question—

(i) the special capital gains tax on the transfer of a mining title shall be payable at the rate of five *per centum* of the value of the transaction concerned; or

(ii) if the mining title that was the subject of the transfer has ceased to subsist due to its cancellation, forfeiture, surrender or extinction for any other reason, and there is produced to the Commissioner-General by or on behalf of the entity an affidavit to the effect that such extinction was not procured for the purpose of avoiding liability for the special capital gains tax on the transfer of a mining title, no special capital gains tax on the transfer of a mining title shall be payable, despite subsection (4)(a) (i) or (4)(b);

(b) no later than the 1st April, 2024 (in the case of a transaction referred to in subsection (3) (a)), or no later than thirty days after the conclusion of the transaction (in the case of a transaction referred to in subsection (3) (b)):

Provided that the Commissioner-General may, for good cause shown, extend the period for payment of the special capital gains tax on the transfer of a mining title for a period not exceeding six months, or may agree to the payment being staggered at specified intervals over such period;

(c) the payment of special capital gains tax on the transfer of a mining title shall be made to the Authority or deposited with the registrar or other registering official by whatever name called responsible for registering rights, titles and transfers or amendments thereof in terms of any of the Mines and Minerals Act [*Chapter 21:05*] and shall be accompanied by an affidavit sworn by the payer (or by the corporate secretary or similar office-bearer of a corporate entity) setting forth—

(i) the consideration paid or payable for such transfer of the mining title;

(ii) full particulars of the mining title that was transferred;

(iii) full particulars of the names and addresses of the transferee and transferor entities, and, in the case of a body corporate particulars of the date of incorporation and registration and the names of the directors of the body corporate;

(iv) if any person as a beneficial owner or controller exerts a significant or preponderant voice in the affairs of the transferee entity, the name and address or domicile of the beneficial owner or controller, and the nature and extent of such beneficial ownership or control.

(6) No registration of the acquisition of a mining title in respect of which special capital gains tax on the transfer of a mining title is not paid in terms of this section shall be executed, attested or registered by registrar or other registering official by whatever name called responsible for registering rights, titles and transfers or amendments thereof in terms of any of the Mines and Minerals Act [*Chapter 21:05*] unless there is submitted to the official concerned by either of the parties or their agents concerned in the transaction a certificate issued by the Zimbabwe Revenue Authority stating that the special capital gains tax on the transfer of the mining title in question has been paid (or, if such mining title has been registered without such certificate having been submitted, whether or not the transaction is one referred to in subsection (3)(a) or (b), the transfer such mining title or share, stake, right or interest in any mining title is deemed to be void, and shall be cancelled upon the request in writing of the Commissioner-General to that effect).".

PART VI

MINES AND MINERALS

Amendment to Chapter VII of Finance Act [Chapter 23:04]

27 Amendment of section 37A of Cap. 23:04

With effect from the 1st January, 2024, section 37A ("Collection of mining royalties") of the Finance Act [*Chapter 23:04*] is amended by the repeal of subsection (3) and the substitution of—

"(3) If royalties are not remitted timeously in terms of subsection (2) or (2a), interest, calculated at a rate to be fixed by the Minister by statutory instrument (for which purpose the Minister may fix an amount of interest owing on royalties payable in kind so that such interest is also payable in kind in that mineral), shall be payable on so much of the royalties as remain unpaid during the period beginning on the day next following the last day provided for its remittance and ending on the date the royalties are remitted in full:

Provided that in special circumstances the Commissioner-General of the Zimbabwe Revenue Authority may extend the time for the remittance of royalties without charging interest.".

28 New section inserted in Chapter VII of Cap. 23:04

The Finance Act [*Chapter 23:04*] is amended in Chapter VII ("Mining Royalties, Duty and Fees") by the insertion of the following section after section 37B—

"37C Agents for collection of royalties in kind

(1) The Minister, after consulting the Authority, may designate any of the following as an agent (hereinafter called a "appointed collection agent") for the collection on behalf of the Authority of any royalties payable in kind under section 37A—

(a) the Minerals Marketing Corporation of Zimbabwe, established by the Minerals Marketing Corporation of Zimbabwe Act [*Chapter 21:04*]; and

(b) the Reserve Bank of Zimbabwe established by the Reserve Bank of Zimbabwe Act [*Chapter 22:10*]; and

(c) Fidelity Printers and Refiners (Private) Limited; and

(e) such other person as the Minister may in writing designate for the purposes of this Part.

(2) The Authority, on behalf of the Minister, may conclude a memorandum of agreement with any appointed collection agent providing, but not limited to, the following matters—

(a) the keeping and maintenance by the agent of such records as the Authority may require, to which the Commissioner shall have access from time to time as required;

(b) the periodic valuation and revaluation of any royalty payments in minerals of which the agent is the custodian, and the method of valuation to be adopted;

(c) particulars of the safekeeping of royalty payments in minerals of which the agent is the custodian, and of their security and insurance against loss, theft and damage;

(d) the fee or commission (if any) payable to the agent for its services;

(e) any other matter which it is necessary, desirable or expedient to provide in the memorandum of agreement.

(3) Upon designation of an appointed collection agent, persons liable for payment of royalties in kind under section 37A shall pay them to that agent.

(4) The Minister may regulations made under section 3 prescribe anything which it is necessary, desirable or expedient to prescribe for the purposes of this section.".

Amendment of Mines and Minerals Act [Chapter 21:05]

29 New section inserted in Cap. 21:05

The Mines and Minerals Act [*Chapter 21:05*] ("the principal Act") is amended by the insertion after section 3 ("Acquisition of minerals") of the following section—

"3A Strategic minerals

(1) In this section—

"strategic mineral" means any mineral deemed strategic by virtue of its importance to the economic, social, industrial or security interests of Zimbabwe.

(2) If the President, after consultation with the Minister, deems that any mineral is a strategic mineral, he or she shall by order published in the *Gazette*, designate such mineral to be a strategic mineral and may, in like manner, revoke such declaration.

(3) An order made under subsection (2) may apply to the whole of Zimbabwe or to any specified part thereof, and may be made for a definite or indefinite period of time.

(4) The effect of designating a mineral to be a strategic mineral is that—

(a) any person wishing to mine such mineral—

(i) may only obtain in relation to it a special mining lease or special grant; and

(ii) must demonstrate to the satisfaction of the Minister the capacity and the intention to invest, during the subsistence of the special mining lease or special grant or such shorter or other period as may be specified in the agreement referred to in paragraph (b), a sum equivalent to at least one hundred million United States dollars (or such lesser or greater sum as the Minister may prescribe generally or in relation to a specific declaration of a strategic mineral);

and

(b) before obtaining such special mining lease or special grant, the person concerned must enter into an agreement with the Minister concerning any or all of the following matters—

(i) the formation of a company or other special investment vehicle in the name of which the special mining lease or special grant shall be held, and in which the State has a defined interest or stake; and

(ii) special conditions as may be agreed with respect to the exploration, exploitation, marketing or beneficiation of the strategic mineral and safeguards for the sake of environmental protection, and the stakeholdership, if any, to be given to the community of the area in which the strategic mineral is to be mined.

(5) The designation of a mineral as a strategic mineral shall not affect the holding or exercise of rights derived from any mining right or title in relation to that mineral before it was designated as strategic, but the President may, in such designation, make the renewal of any

mining right or title to that mineral conditional on the person seeking such renewal complying with subsection (4) to the full extent or to such extent as specified in the designation.

(6) Where the President makes an order under subsection (2) specifying that the designation of a mineral as a strategic mineral applies only to a defined area of Zimbabwe, the President may—

(a) at the same time or at any time after the designation of the strategic mineral, cause the defined area to which the order relates to be reserved against prospecting and pegging in terms of section 35 ("Reservations against prospecting and pegging"); and

(b) invite bids (in accordance with the provisions of the Zimbabwe Investment and Development Agency Act, 2019 (No. 10 of 2019) relating to public private partnerships) from potential investors interested in mining the strategic mineral.

(7) The designation of a mineral as a strategic mineral does not operate so as to prohibit the exploration for that mineral if such exploration is done independently of its exploitation, or is not done as a preliminary step to its exploitation.

(8) The Second Schedule lists, in Part I, minerals that are deemed to have been designated strategic minerals under this section, and in Part II sets forth special conditions for the exploitation of any of the listed minerals (in addition to any other conditions that may be prescribed under this section or in terms of any agreement between the Minister and the miner of those minerals).

(9) Subject to subsection (10), the President may, after consultation with the Minister, by notice in a statutory instrument substitute or amend the Second Schedule as and when he or she deems it necessary or desirable in the national interest.

(10) When the President (after consultation with the Minister) wishes to amend or substitute the Second Schedule, the Minister shall lay the draft statutory instrument amending or substituting the Second Schedule before the National Assembly, and if the National Assembly makes no resolution against the publication of the statutory instrument within the next seven sitting days after it is so laid before the House, the Minister shall cause it to be published in the *Gazette*.

(11) Notwithstanding the minimum investment figure for exploiting a strategic mineral specified under subsection (4)(a)(ii), if in any area or part of any area designated by a notice under subsection (2) for the exploitation of a strategic mineral, the Minister is satisfied—

(a) upon a report by the Director - Geological Survey that there are in that area deposits of a strategic mineral small enough to be exploited by any small-scale miner; and

(b) the exploitation of any such deposit by any small-scale miner will not impinge upon the exploitation of the strategic mineral concerned by any investor referred to in subsection (4)(a)(ii);

then the Minister shall permit any such small-scale miner or group of such miners (on the basis of a claim or block of claims) to exploit those deposits, subject to the miner or miners in question entering into an individual or collective agreement with the State referred to in subsection 4(b), as a

condition for the grant or continuance of any claim or block of claims in respect of that strategic mineral.".

30 Amendment of section 282 of Cap. 21:05

Section 282 of the principal Act is repealed and substituted by—

"282 No tribute of precious stones or strategic minerals location without approval of Minister

(1) Notwithstanding anything contained in this Act or any other enactment, no holder of a mining location registered for precious stones or any strategic mineral or a mining lease on which the principal mineral being mined or to be mined is precious stones or any strategic mineral shall tribute, that mining location or mining lease or any interest therein without the permission of the Minister.

(2) The Minister may require the holder and such other person to furnish to him or her such information as the Minister may require for the purpose of deciding whether he or she should or should not grant his permission under this section.".

31 Insertion of Second Schedule to Cap. 21:05

The principal Act is amended by the insertion of the following Schedule, the existing Schedule becoming the "First Schedule"—

"SECOND SCHEDULE (Section 3A *(8)*)

DEEMED STRATEGIC MINERALS

PART I

DEEMED DECLARATION OF STRATEGIC MINERALS

1. Diamonds.
2. Rare Earth Minerals.
3. Lithium.
4. Copper.
5. Nuclear energy source materials.
6. Mineral oils.
7. Gaseous hydrocarbons.
8. Iron ore.
9. Coal.
10. Nickel.

PART II

SPECIAL CONDITIONS FOR EXPLOITATION OF ANY OF THE LISTED MINERALS

1. With respect to diamonds the cleaning of such diamonds as are extracted in Zimbabwe shall be done in Zimbabwe (Provided that the Minister may, by general notice published in the Gazette, temporarily exempt any named miner from this condition for periods of not more than 6 months at a time but in any event for not longer than 18 months).

2. With respect to diamonds not more than four named miners whose names shall be published by general notice in the Gazette shall at any time be given title,

one of which shall be the Zimbabwe Consolidated Diamond Company, or its successor in title, which is hereby empowered to enter into one or more joint ventures with any other miner wishing to extract diamonds.

3. With respect to any of the listed strategic minerals, the miners thereof shall comply with such conditions as may be prescribed in this Schedule or by general notice in the *Gazette* concerning the nature of the benefits entitled to be received by any community immediately impacted by the mining of such minerals.".

PART VII

REVENUE AUTHORITY

32 Amendment of section 5 of Cap 23:11

With effect from the 30th March, 2022, Section 5 ("Board of Authority") (2) of the Revenue Authority Act [*Chapter 23:11*] is amended by the repeal of paragraph (c) and the substitution of—

"(c) not more than eleven other members appointed, subject to subsection (3), by the Minister after consultation with the President and in accordance with such directions as the President may give him or her.".

33 New section inserted in Cap 23:11

The Revenue Authority Act [*Chapter 23:11*] is amended by the insertion of the following section after section 24E—

"24F Abuse of corporate vehicles to avoid liability for tax

(1) In this section—

"beneficial owner" means—

(a) an individual who or entity which enjoys the benefits of ownership though the property's title is in another name ("the nominee"); or

(b) an individual or entity who through the ownership of any share or stake in an entity or of all or any of the assets of the entity is able to exert a significant or preponderant voice in the affairs of the organisation, including an individual or entity who exerts such control through a nominee who holds such stake, share or assets on behalf of such person;

"control", in relation to an individual controlling an entity, means to exert a preponderant voice in the affairs of the entity by virtue of any one or more of the following—

(a) directly or indirectly holding all or a majority of shares or a controlling stake in the entity; or

(b) having the power (notwithstanding the formal arrangements for the exercise of control over the entity as specified in its constitutive document), to make any decision on any matter or policy concerning the governance of the entity or the exercise of any of its functions, which decision is binding on the governing body of the entity; or

(c) having the ability (notwithstanding the formal arrangements for the exercise of control over the entity as specified in its constitutive document) to overrule

or veto any decisions of the governing body of the entity;

"custodial services" means the safekeeping and management of customer currency and digital assets through the exercise of fiduciary and trust powers as a custodian, and includes fund administration and the execution of customer instructions;

"entity", for the purposes of this section means any of the following—

(a) a partnership domiciled in or outside Zimbabwe; or

(b) a company incorporated or domiciled in or outside Zimbabwe; or

(c) a locally incorporated subsidiary company of a holding company incorporated or domiciled outside Zimbabwe; or

(d) a company or other business entity unless it is incorporated under the Companies and Other Business Entities Act [*Chapter 24:31*], whether or not the majority of its members are citizens or permanent residents of Zimbabwe ordinarily resident in Zimbabwe; or

(e) a partnership, syndicate or joint venture—

(i) made up of individuals, whether or not any of them are citizens of Zimbabwe ordinarily resident in Zimbabwe; or

(ii) made up of two or more companies referred to in paragraph (b); or

(iii) made up of any combination of individuals and companies whether or not its members or partners are citizens of Zimbabwe ordinarily resident in Zimbabwe;

or

(f) any other entity whatsoever domiciled inside or outside Zimbabwe that is capable to incur tax liabilities in its own right, including a trust, syndicate or joint venture;

"liable individual" means any individual identified in an imputed liability order as being subject to the order;

"imputed liability order" means an order issued in terms of this section.

(2) The Authority may, by application instituted in the High Court, seek an imputed liability order in terms of subsection (3) in relation to any entity, the individual or individuals in control of that entity, or both.

(3) If it appears to the court in relation to an entity that is the subject of the application that—

(a) any revenue under any of the specified Acts has been assessed to be payable by any entity under any of the specified Acts, and

(b) any appeal or objection in relation to such assessment has not been timeously pursued by the entity, or if pursed has been withdrawn, abandoned or dismissed; and

(c) the revenue cannot be recovered from that entity because of any action taken by any one or more liable individuals in control of that entity, including but not limited to—

(i) not appointing a public officer for the entity in terms of section 61; or

(ii) making any account kept in the name of the entity at any banking or other financial institution unavailable to be garnished by virtue of section 58 of the Income Tax Act (or any other Scheduled Act) by—

A. not opening or keeping such account in contravention of section 10 of the Bank Use Promotion Act [*Chapter 24: 24*];

B. not depositing cash in such account in contravention of section 11 of the Bank Use Promotion Act [*Chapter 24: 24*];

C. depositing cash in a safety deposit box with a banking or other financial institution instead of in an account referred to in paragraph (a), (b) or (c) of the definition of "account" in section 2 of the Bank Use Promotion Act [*Chapter 24: 24*], or making use of any custodial service of a banking or other financial institution that does not deem any cash or cash equivalent deposited or entrusted to it by virtue of such service to form part of the banking or other financial institution's ordinary deposits;

D. transferring an account from the name of the entity to the name of another person or entity, or to an account in the name of any individual subjected to the application, or to another account in the name of another person or entity;

E. denuding the account of funds;

or

(iii) the falsification or destruction of the material or electronic records of that entity; or

(iv) changing the beneficial ownership of the entity of the majority of its shares or of the interest or stake in its with result that some other person is in control of the entity; or

(v) the redomiciliation in another country of an entity registered, incorporated or domiciled in Zimbabwe; or

(vi) the stripping off, secreting away or encumbering (by way of pledge, hypothecation or other charge in favour of one or more third parties) of the assets of that entity; or

(vii) the selling or cession (otherwise than in the ordinary course of business), or donation or trusting, of any of the assets of the entity to or in favour of any third party, whether or not for valuable consideration;

(viii) the dissolution or winding up of that entity or its merger into or amalgamation by another entity; or

(ix) the incorporation of one or more other entities engaged in the same or similar activities as the first-mentioned entity, but which do not succeed to the liabilities of the first-mentioned entity; or

(x) the incorporation of one or more other entities to which the assets of the first-mentioned entity have been transferred, whether the second-mentioned entity or entities is engaged in the same or similar activities; or

(xi) in the case of a company or other business entity registrable under the Companies and Other Business Entities Act [*Chapter*] neglecting to do anything under that Act to avoid the company or business entity being struck off;

the court may order that the individual or individuals in control of the entity who were knowingly parties to any action referred to in subsection (2)(c) shall be personally responsible, to the extent of the revenue debt for which the entity has been assessed, for the payment of the revenue due together with any penalties for delayed payment from the date when the revenue became due.

(3) The individual or individuals in control of a entity who are the subject of an application under this section bear the burden of satisfying the court, on a balance of probabilities, that any action on their part that made it impossible to recover any revenue assessed to be due from the entity, was not motivated by an intent to avoid payment of that revenue.

(4) The effect of a imputed liability order is that the liable individual named in it may be sued by action instituted by or on behalf of the Commissioner-General in any court of competent jurisdiction for the recovery of the amount of the revenue imputed by the order to be payable by the liable person in his or her personal capacity (and if two or more liable individuals are named in the order each is jointly and severally liable for the amount of the revenue imputed by the order to be payable by them).

(5) Additionally, having obtained an imputed liability order, an officer of the Authority may, at any time, on written application subscribed by the Commissioner-General to any judge, magistrate or justice of the peace (other than a police officer), obtain a search warrant permitting the entry upon and search of any premises—

(a) wherein or whereon a liable individual conducts his or her business, whether in his or her own name or through any entity, or wherein or whereon it is reasonably suspected the liable individual keeps any money or property that may properly be attached in satisfaction of an imputed liability order; or

(b) of a financial institution or any person specified in paragraph (a), (b), (c), (d), (e), (f), (g), (g1), or (h) (k) of the definition of "designated non-financial business or profession" in section 13 of the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*] (No. 4 of 2013), where the liable

individual keeps or is suspected of keeping any money or property that may properly be attached in satisfaction of an imputed liability order.

(6) An application for a warrant in terms of subsection (5) must—

(a) have attached to it an authenticated copy of an imputed liability order; and

(b) be supported by an affidavit sworn by or on behalf of the Commissioner-General affirming that, from information available to him or her, he or she has reasonable grounds of suspicion against that individual for having committed any offence in terms of section 83(1)(b) of the Income Tax Act [*Chapter 23:06*], or section 10 or 11 of the Bank Use Promotion Act.

(7) By virtue of a warrant obtained under subsection (5), an officer of the Authority may, at any time, do any or all of the following on any premises upon which the warrant is executed—

(a) make such examination and inquiry as he or she considers appropriate into the affairs of any liable individual;

(b) require any person who is employed in or at the premises to produce any book, account, notice, record, list or other document relating to the affairs of an identified individual;

(c) require any person who is employed in or at the premises to open any safety deposit box or other receptacle in which cash, negotiable instruments, share certificates, title documents, precious metals or precious stone may be sequestered;

(d) require from any person an explanation of any entry made in any book, account, notice, record, list or other document found upon any person or premises referred to in paragraph (b);

(e) examine and make copies of any book, account, notice, record, list or other document relating to the affairs of an identified individual;

(f) take possession of any book, account, notice, record, list or other document relating to the affairs of an identified individual, or of the contents of any safety deposit box or receptacle:

Provided that—

(i) such book, account, notice, record, list or other document, or of the contents of any safety deposit box or receptacle, shall be retained only so long as may be necessary for the purpose of any examination, investigation, trial or inquiry arising out of any contravention of section 83(1)(b) of the Income Tax Act [*Chapter 23:06*], or section 10 or 11 of the Bank Use Promotion Act;

(ii) the officer of the Authority taking any items into possession shall issue to the person or institution having custody of the same a full written receipt for such items setting forth an

adequate description of the nature, quantity and, if ascertainable, value of the same, and specifying any identification numbers or marks with which any such items may be labelled.

(8) An officer of the Authority executing a warrant obtained under subsection (5) shall—

(a) notify the officer commanding the police district in which the inspector intends to make the search, entry or seizure; and

(b) be accompanied by a police officer assigned to him or her or by the police officer referred to in paragraph (a):

Provided that where an officer of the Authority has reason for believing that any delay involved in obtaining the accompaniment of a police officer would defeat the object of the search, entry or seizure, he or she may make such search, entry or seizure without such police officer.

(9) The Authority (in the person of an officer of the Authority designated by the Commissioner-General for the purpose, the Prosecutor-General (or a public prosecutor designated by the Prosecutor-General for the purpose) and the liable person or liable persons may, if any items are seized pursuant to subsection (6)(f) in contemplation of a prosecution for an offence against section 83(1)(b) of the Income Tax Act [*Chapter 23:06*], or section 10 or 11 of the Bank Use Promotion Act, may enter into a written agreement (called a "non-prosecution agreement") whereunder the Prosecutor-General agrees not to institute criminal proceedings against any liable person on condition that the liable person (whether or not he or she admits guilt for any offence) agrees to the offsetting against the agreed cash value of items in question of the revenue owed by him or her in virtue of an imputed liability order, together with the an agreed amount in satisfaction or mitigation of the costs incurred by the Authority in recovering and securing the safe custody of the items in question.

(10) The non-prosecution agreement shall be in writing and signed by or the designated officer of the Authority, the Prosecutor-General (or a public prosecutor designated by the Prosecutor-General for the purpose), and the liable person or liable persons, and a copy authenticated by the Authority shall be served by the Authority on each of the other parties to the agreement.

(11) A financial institution or designated non-financial business or profession cannot invoke any secrecy or confidentiality provision in any statute or any other law, or any secrecy or confidentiality provision contained in any contract for the provision of custodial services or for the safeguarding of property in a safety deposit box, as grounds for refusing to comply with its obligations under this section.

(12) A financial institution or designated non-financial business or profession that complies with its obligations under this section shall be immunised against any civil or criminal action for the breach of any secrecy or confidentiality provision in any statute or any other law, or for the breach of any secrecy or confidentiality provision contained in any contract for the provision of custodial services or for the safeguarding of property in a safety deposit box.".

PART VIII

EXCHANGE CONTROL ACT [*CHAPTER 22:05*]

34 Amendment of section 11 of Cap. 22:05

The Exchange Control Act [*Chapter 22:05*] ("the principal Act") is amended in section 11 ("Civil penalty orders") by the repeal of subsection (2a) and the substitution of—

"(2a) The provisions of the Schedule, in so far as they expressly or implicitly permit the settlement of any transactions or the payment for goods and services in foreign currency, shall, notwithstanding sections 22 and 23 of the Finance (No. 2) Act, 2019 (No. 7 of 2019), be valid until the 31st December, 2030.".

PART IX

RESERVE BANK OF ZIMBABWE ACT [CHAPTER 22:15]

35 Amendment of section 7 of Cap. 22:15

The Reserve Bank of Zimbabwe Act [*Chapter 22:15*] (No. 5 of 1999) is amended in section 7 ("Powers of the Bank")(1) by the insertion of the following proviso to paragraph (n)—

"Provided that—

(a) the Bank shall only borrow foreign currency on behalf of the State at the instance of the Minister, and not on its own behalf;

(b) if such borrowing affects the reserve requirements of section 49(2)(a), section 49(3)(a) shall apply to the suspension of the reserve requirements.".

PART X

PUBLIC ENTITIES CORPORATE GOVERNANCE ACT [*CHAPTER 10:31*]

36 New section substituted for section 3 of Cap. 10:31

Section 3 of the principal Act is repealed and substituted by—

"3 Application of Act

(1) Subject to subsection (2) and (3), this Act shall apply to public entities notwithstanding anything to the contrary in their enabling instruments.

(2) This Act shall not apply to Ministries and departments of the Government.

(3) This Act shall not apply—

(a) to any public entity that is defined as a financial institution (other than the Small and Medium Enterprises Development Corporation established by the Small and Medium Enterprises Act [*Chapter 24:12*] and the National Social Security Authority established by the National Social Security Authority Act [*Chapter 17:04*]) under the Banking Act [*Chapter 24:20*];

(b) to a public entity which is managed under a management contract by a third party which is not a public entity;

(c) to a public entity prescribed by the Minister by notice in the *Gazette*:

Provided that all of the foregoing entities mentioned or prescribed under paragraphs (a), (b) and (c) shall still be obliged to comply with the National Code of Corporate Governance of Zimbabwe set forth in the First Schedule.".

PART XI

SOVEREIGN WEALTH FUND OF ZIMBABWE ACT [*CHAPTER 22:20*]

37 Amendment of section 2 of Cap. 22:20

Section 2 ("Interpretation") of the Sovereign Wealth Fund of Zimbabwe Act [Chapter 22:20] (No. 7 of 2014) (hereafter in this Part called the principal Act) is amended—

(a) by the repeal of the definitions of "Board" and "Fund" and the substitution of—

""Board" means the Mutapa Investment Fund Board constituted in terms of section 5;

"Fund"—

(a) means the Mutapa Investment Fund established in terms of section 3; and

(b) in relation to anything said to be done by the Fund, means the Fund or an agent or employee of the Fund acting on the authority of the Board; and

(c) includes any Sub-Fund referred to in section 15;";

(b) by the insertion of the following definition—

""President" means the President of the Republic of Zimbabwe;";

38 Amendment of section 3 of Cap. 22:20

Section 3 ("Establishment, vesting and trusteeship of sovereign wealth fund of Zimbabwe") of the principal Act is amended—

(a) by the repeal of subsection (1) and the substitution of—

"(1) There is hereby established a sovereign wealth fund, to be known as the "Mutapa Investment Fund.";

(b) by the insertion of the following subsection after subsection (2)—

"(3) The Fund is a body corporate capable of suing and being sued in its own name and, subject to this Act, doing everything that bodies corporate can do by law.".

39 New sections substituted for sections 5 and 6 of Cap. 22:20

Sections 5 and 6 of the principal Act are repealed and the following are substituted—

"5 Establishment of Mutapa Investment Fund Board

There is hereby established the Board of the Mutapa Investment Fund which shall, subject to this Act, administer the Fund.

6 Composition of Board

(1) The Board shall consist of—

(a) the Chief Executive Officer; and

(b) the Chief Investment Officer; and

(c) eleven members, including the Chairperson, appointed by the President after consulting the Minister, being persons whom the President and the Minister are satisfied—

(i) are persons of recognised integrity; and

(ii) have proven competence in finance, investment, economics, business management or law; and

(iii) represent the diversity of the peoples and communities of Zimbabwe, in addition to being gender balanced as required by subsection (2); and

(iv) are not members of Parliament; and

(v) have not been convicted of any crime involving dishonesty or moral turpitude, even if pardoned.

(2) In appointing the members of the Board, the President shall endeavour to secure that at least half of the membership of the Board is made up of women.

(3) The President shall appoint a female member of the Board (if the Chairperson is a man) or a male member of the Board (if the Chairperson is a woman) as the Vice-Chairperson of the Board, who shall exercise the functions of the Chairperson during any period that the Chairperson is unable to exercise his or her functions.

(4) The Minister shall as soon as is practicable after the Board is constituted publish the names of persons appointed to the Board by notice in the Gazette, but the validity of the appointment of the appointed members does not depend on such publication.

(5) The provisions relating to the terms and conditions of office, vacation of office, filling of vacancies, meetings and procedures of the Board and other related matters are set out in the First Schedule.".

40 Amendment of section 8 of Cap. 22:20

Section 8 ("Chief Executive Officer and staff of Board") of the principal Act is amended—

(a) by the deletion of the heading and the substitution of "Chief Executive Officer, Chief Investment Officer and staff of the Fund";

(b) by the repeal of subsection (1) and the substitution of the following subsections (the existing subsections (3) and (4) being renumbered as subsections (6) and (7) respectively)—

"(1) The President in consultation with the Minister shall appoint a Chief Executive Officer for a term not exceeding five years (who is eligible for reappointment for another term subject to the efficient performance of his or her duties).

(2) The Chief Executive Officer, in consultation with the Board, shall appoint a Chief Investment Officer for a term not exceeding five years, which term shall be renewable if an objective evaluation of his or her performance in office judges it to have been good.

(3) The Chief Investment Officer shall be responsible for the development of the investment strategy and policies, supervising risk management across the Fund's portfolios, ensuring that sound investment policies are followed and managing and developing financial analysts and investment professionals.

(4) The offices of the Chief Executive Officer, Chief Investment Officer and other members of staff shall be public offices but not form part of the Public Service.

(5) The Chief Executive Officer shall (subject to any direction that the Board may give) appoint such other staff as may be necessary for the proper exercise of the Fund's functions.".

41 Amendment of section 10 of Cap. 22:20

Section 10 ("Execution of contracts and instruments by Board and seal of Board") of the principal Act is amended by the deletion of "Board" wherever it occurs and the substitution of "Fund".

42 Repeal of section 11 of Cap. 22:20

Section 11 of the principal Act is repealed.

43 Amendment of section 12 of Cap. 22:20

Section 12 ("Reports of Board")(3) of the principal Act is repealed and substituted by—

"(3) The Fund shall no later than sixty days after the end of each financial year submit to the President and the Minister an annual report on its operations and activities during the preceding financial year.".

44 Amendment of section 14 of Cap 22:20

Section 14 ("Deposits into and accruals to Fund") of the principal Act is amended—

(a) by the deletion of the heading and its substitution by "Income and assets of Fund";

(b) in subsection (1) by the insertion of the following paragraph after paragraph (e)—

"(e1) the proceeds of the realisation of any of the Fund's assets; and";

(c) by the repeal of subsections (2) and (3) and the substitution of—

"(2) The Board shall apply the monies of the Fund to the fulfilment of the Fund's objects.

(3) Moneys of the Fund not immediately required to fulfil the Fund's objects may be invested in such a manner as the Board considers appropriate.

(4) The shares held directly or indirectly by the Government of Zimbabwe (whether in the name of the Government or on its behalf by any named Minister or Ministry or other person) in the companies listed in the Fourth Schedule shall on the date of commencement of the Finance Act, 2023, vest in and form part of the initial capital of the Fund without any transfer, conveyance or other instrument:

(5) No later than twenty-one days after the commencement of the Finance Act, 2023, the directors, corporate secretaries or transfer secretaries, as the case may be, of the companies listed in the Fourth Schedule, shall—

(a) effect the necessary changes to the appropriate share registers to reflect that the Fund is the holder of the shares in question; and

(b) deliver to the Chief Executive Officer the appropriate share certificates issued in the name of the Fund:

Provided that the failure to comply with this subsection shall not be a ground for impeaching the title of the Fund to the shares in question.

(6) The President may, for the sake of public information, and after consulting the Board, by notice in a statutory instrument amend the Fourth Schedule by adding, deleting or substituting any assets therein, or may replace the Schedule entirely.".

45 New section inserted in Cap 22:20

The principal Act is amended by the insertion of the following section after section 20—

"20A Transfer of funds

(1) With respect to investments made under this Act, the Fund may, in accordance with applicable exchange control laws, transfer the following funds into and out of Zimbabwe, in a freely convertible currency—

(a) contributions to capital, such as principal and additional funds to maintain, develop or increase its investment; and

(b) proceeds, profits from the assets, dividends, royalties, patent fees, licence fees, technical assistance and management fees, shares and other current income resulting from any investment of the Fund under this Act; and

(c) proceeds from the sale or liquidation of the whole or part of an investment or property owned by the Fund; and

(d) payments made under a contract entered into by the Fund, including payments made pursuant to a loan agreement; and

(e) earnings and other remuneration of foreign personnel legally employed in Zimbabwe by the Fund or in connection with an investment of the Fund.

(2) Any transfer of funds shall be allowed only after paying all tax obligations imposed on the amount to be transferred in accordance with the stipulated tax laws.

(3) Notwithstanding subsections (1) and (2), in the event of serious balance of payments or external financial difficulties, the Reserve Bank of Zimbabwe may temporarily restrict payments or transfers related to the Fund, provided that such restrictions are imposed on a non-discriminatory and good faith basis.".

46 Amendment of section 26 of Cap. 22:20

Section 26 ("Exemption from liability of Board and its members, employees and agents") of the principal Act is amended by the deletion in the heading and paragraphs (a) and (c) of "Board" and the substitution of "Fund".

47 Amendment of section 27 of Cap. 22:20

Section 27 ("Compliance with host country laws and Money Laundering and Proceeds of Crime Act [*Chapter 9:24*] (No. 4 of 2013)") of the principal Act is amended by the deletion in subsections (1) and (2) of "Board" and the substitution of "Fund".

48 Amendment of section 28 of Cap 22:20

Section 28 ("Preservation of secrecy") of the principal Act is amended by the repeal of subsection (1) and the substitution of—

"(1) Except for the performance of his or her duties or the exercise of his or her functions or when lawfully required to do so by any court under the provisions of any law, no member of the Fund or employee or agent of the Fund shall disclose to any person any information relating to the affairs of the Board or Fund or any person which he or she has acquired in the performance of his or her duties or the exercise of his or her functions.".

49 Amendment of section 29 of Cap. 22:20

Section 29 ("Use of confidential information for personal gain")(1) of the principal Act is amended by the deletion in paragraph (a) of "Board" and the substitution of "Fund".

50 New section inserted in Cap 22:20

The principal Act is amended by the insertion of the following section after section 30—

"30A Savings

To avoid doubt, notwithstanding the amendment of this Act by the Finance Act, 2023, any contract or act executed by the Sovereign Wealth Fund of Zimbabwe Board prior to the date of commencement of the Finance Act, 2023, shall continue to be binding as if entered into by the Fund and as if it had been executed, made, done or commenced, as the case may be, in terms of this Act.".

51 Amendment of First Schedule to Cap. 22:20

The First Schedule ("Provision Relating to Members of Board, and to Procedure and Staff of Board") is amended—

(a) by the deletion and substitution in the Heading of "Staff of Board" with "Staff of Fund";

(b) in paragraph 2 ("Disqualifications for appointment as member")(1) by the repeal of subparagraph (a);

(c) in Part III—

(i) by the deletion of "Board" and substitution with "Fund" wherever it appears;

(ii) in paragraph 15 by the deletion of "professional nature for the Board" and substitution with "professional nature for the Fund".

52 Insertion of Fourth Schedule to Cap. 22:20

The principal Act is amended by the insertion of the following Schedule—

"FOURTH SCHEDULE (Section 14 (4))

VESTING OF SHARES OF CERTAIN COMPANIES IN MUTAPA INVESTMENT FUND

Defold Mine (Private) Limited Registration Number 6030/2015

Kuvimba Mining House (Private) Limited Registration Number 13291/2020

National Oil Infrastructure Company of Zimbabwe Private Limited Registration Number 12605/2002

Petrotrade (Private) Limited Registration Number 5608/2010

Netone Cellular (Private) Limited Registration Number 2225/2000

Tel-One Private Limited Registration Number 4658/2000

Zimbabwe Power Company (Private) Limited Registration Number 6951/1996

Allied Timbers Zimbabwe (Private) Limited Registration Number 3964/2000

Air Zimbabwe Private Limited Registration Number 10852/1997

Cottco Holdings Limited Registration Number 20924/2008

Hwange Colliery Company Limited Registration Number 381/1954

Zimbabwe United Passenger Company Limited Registration Number 504/1980

SILO Food Industries Limited Registration Number 9440/2018

Cold Storage Company Limited Registration Number 39/1995

POSB - People's Own Savings Bank

National Railways Holding Zimbabwe Private Limited Registration Number 10057/1998

Arda Seeds (Private) Limited Registration Number 21896/2007

Powertel Communications (Private) Limited Registration Number 5818/1999

Telecel Zimbabwe (Private) Limited Registration Number 360/1995

Industrial Development Corporation of Zimbabwe

AFC Holdings Limited Registration Number 3339/2021

National Railways of Zimbabwe

Zimbabwe Electricity Transmission and Distribution Company".

PART XII

PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT [*CHAPTER 22:23*]

53 Amendment of section 3 of Cap. 22:23

Section 3 ("Application of Act") of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*] is amended —

(a) by the insertion of the following proviso to subsection (6)—

"Provided that a declaration under this subsection may be published as soon as possible after the event which gave rise to it, if the event happened in the context of a natural or other disaster or other emergency.";

(b) by the insertion of the following subsection after subsection (8)—

"(9) The President of the Republic of Zimbabwe, in consultation with the Authority, and by notice in the *Gazette*, may exempt from the application of this Act a prescribed public entity operating in competitive markets or which is managed under a management contract by a third party which is not a public entity.".

PART XIII

INFRASTRUCTURE DEVELOPMENT BANK OF ZIMBABWE ACT [*CHAPTER 22:14*]

54 Amendment of Cap. 24:14

The Infrastructure Development Bank of Zimbabwe Act [*Chapter 24:14*] is amended—

(a) by the repeal of section 1 and the substitution of—

"1 Short title

This Act may be cited as the Infrastructure and Development Bank of Zimbabwe Act [*Chapter 24:14*].";

(b) in section 2 ("Interpretation") by the repeal of the definition of "Bank" and the substitution of—

""Bank" means the Infrastructure and Development Bank of Zimbabwe referred to in section 3;".

PART XIV

BANKING ACT [*CHAPTER 24:20*]

55 Amendment of Schedule to Cap. 24:20

The Schedule ("International Financial Services Centre") to the Banking Act [*Chapter 24:20*] is amended—

(a) in paragraph 3 ("International Financial Services Council")(2)—

(i) by the deletion of "nine (9) members" and the substitution of "thirteen (13) members";

(ii) by the repeal of subparagraph (g) and the substitution of—

"(g) four (4) members who, in the opinion of the Minister, have proven competence in finance, investment, accounting, economics, business management, law or financial services.";

(b) in paragraph 6 ("Disqualification for appointment as member") by the repeal of subparagraph (a).

PART XV

MISCELLANEOUS

56 Confirmation of statutory instruments made in terms of section 3 of Cap. 23:04

Pursuant to section 3 of the Finance Act [*Chapter 23:04*], the following statutory instruments are hereby confirmed—

(a) Statutory Instrument 88 of 2023; and

(b) Statutory Instrument 149 of 2023.

57 Revision of amounts in revenue Acts

The provisions of the Acts specified in the first column of the Schedule are amended to the extent specified thereto in the second column of the Schedule.

SCHEDULE (Section 57)

AMENDMENTS OF SPECIFIED AMOUNTS IN VARIOUS FINANCIAL LAWS

The provision of the Acts specified in the first column of the Schedule are amended to the extent specified thereto in the second column. Unless specifically stated otherwise, the equivalent amounts in Zimbabwe dollars shall be applied at the prevailing exchange rate on the day of payment.

Income Tax Act [*Chapter 23:06*]	
Provision	***Monetary Amount (USD)***
Section 8(1)(f)(xi)(a)	625
Section 8(1)(f)(xi)(b)	830
Section 8(1)(f)(xi)(c)	1,250
Section 8(1)(f)(xi)(d)	1,660
Section 15 (2)(i)(ii)	1800
Section 15(2)(q), in proviso (i)(a) thereto	500
Section 15(2)(q), in proviso (i)(b) thereto	200
Section 15(2)(q), in proviso (i)(c) thereto	200

Income Tax Act [*Chapter 23:06*]	
Provision	***Monetary Amount (USD)***
Section 15(2)(r2)	100,000
Section 15(2)(r3)	100,000
Section 15(2)(r4)	50,000
Section 15(2)(r5)	50,000
Section 15(2) w	50,000
Section 15(2) w - Proviso (ii)	3,600
Section 15(2)(y)(ii)	500
Section 15 (2)(kk), in the proviso thereto	50,000
Section 16(1)(k) (vi)	50,000
Section 76(1) and (2)	0.50
Section 80 (1)	1,000
Section 80FF (3)(a)	1,000
First Schedule paragraph 1(1)(a) (in the definition of "annuity on retirement")	1,800
First Schedule paragraph 1(1)(b) (in the definition of "annuity on retirement")	1,800
First Schedule paragraph 3(a)(i)	1,800
First Schedule paragraph 4(a)	1,800
First Schedule paragraph 7(a) and (b)	1,800
First Schedule paragraph 8(a) and (b)	1,800
Second Schedule paragraph 8 (in paragraph (b)(i), (ii) and (b)(ii) B of the definition of "fixed standard value")	150
Second Schedule paragraph 8 (in paragraph (a), (b) and (b)(ii) in the definition of "purchase price value")	150
Second Schedule, paragraph 10(2)(b)(i) A and B	150
Third Schedule Paragraph 4(o) bonus	400
Third Schedule, paragraph 4(p)	3,200
Third Schedule, paragraph 4(p) proviso	15,100
Third Schedule, paragraph 4(v)	3,000
Third Schedule, paragraph 6(hl)	1,500
	10,000
Third Schedule, paragraph 10(n)	3,000
Third Schedule, paragraph 10(o)	3,000
Fourth Schedule, paragraph 1(1)(p)	25,000
Fourth Schedule, paragraph 13	15,000
Fourth Schedule, paragraph 14 (1)(m)	10,000
Fourth Schedule, paragraph 15(1)(a)(x)	10,000
Fourth Schedule, paragraph 15(1)(b)(ix)	10,000
Fifth Schedule, paragraph 1(1) (in paragraph (a)(i) A of the definition of "capital expenditure")(ix)	10,000
Fifth Schedule, paragraph 1(1) (in paragraph (a)(i) B of the definition of "capital expenditure")(x)	10,000
Fifth Schedule, paragraph 1(1) (in paragraph (b)(ii) A of the definition of "capital expenditure")(ix)	50,000
Fifth Schedule, paragraph 1(1) (in paragraph (b)(ii) B of the definition of "capital expenditure")(viii)	50,000
Fifth Schedule, paragraph 6	10,000
Fifth Schedule, paragraph 6 (proviso)	1,500
Sixth Schedule, paragraph 4 (b)	1,500

Income Tax Act [*Chapter 23:06*]	
Provision	***Monetary Amount (USD)***
Sixth Schedule, paragraph 10 (b)	5,400
Sixth Schedule, paragraph 14 (a)	5,400
Sixth Schedule, paragraph 14 (b)	5,400
Sixth Schedule, paragraph 15 (b)	5,400
Sixth Schedule, paragraph 16 (b)	5,400
Sixth Schedule, paragraph 17(2) (a)	5,400
Sixth Schedule, paragraph 17(2) (b)	5,400
Sixth Schedule, paragraph 17(2)(b)(ii) A	2,700
Sixth Schedule, paragraph 17(2)(b)(ii) B	3,600
Sixth Schedule, paragraph 17(2provisio)	5,400
Sixth Schedule, paragraph 18(2)	5,400
Sixth Schedule, paragraph 18(2) proviso (b)	2,700
Thirteenth Schedule, paragraph 18(1)(a)(ii)	0.05
Thirteenth Schedule, paragraph 18(1)(b)	0.05
Fifteenth Schedule, paragraph 7(2)(a) and (b)	600
Fifteenth Schedule, paragraph 7(2)(b) and (c)	720
Fifteenth Schedule, paragraph 7(2)(c) and (d)	840
Fifteenth Schedule, paragraph 7(2)(d)	960
Fifteenth Schedule, paragraph 7(3)(a) and (b)	480
Fifteenth Schedule, paragraph 7(3)(b) and (c)	600
Fifteenth Schedule, paragraph 7(3)(c) and (d)	720
Fifteenth Schedule, paragraph 7(3)(d)	840
Twentieth Schedule, paragraph 5(1)(e)(vi)	10,000
Twentieth Schedule, paragraph 5(1)(f)(vi)	10,000
Twentieth Schedule, paragraph 5(g)(ii)(A)(V)	100,000
Twentieth Schedule, paragraph 5(g)(B)(IV)	25,000
Twenty-Second Schedule, paragraph 6(2)(f)(v)	25,000
Twenty-Second Schedule, paragraph 6(2)(g)(iv)	10,000
Twenty-Second Schedule, paragraph 6(2)(h)(ii)A IV	10,000
Twenty-Second Schedule, paragraph 6(2)(h)(ii)B IV	150,000
Twenty-Sixth Schedule, paragraph 1 (in paragraph (a) of the definition of "informal trader")	6,000
Thirtieth Schedule - Interpretation (1) in the definition of transaction on which the tax is payable	5
Finance Act [*Chapter 23:04*]	
Provision	***Monetary Amount (USD)***
Section 10-Credit for taxpayers over 55 years of age	900
Section 11 Blind person's credit	900
Section 13 Mentally or physically disabled person credit	900
Section 13A (3) Youth Employment Tax Credit (per month for each additional employee)	50
Section 13A (3) Youth Employment Tax Credit (maximum aggregate amount) month for each additional employee)	2,250
Section 22C(1)(a) informal traders (other than those referred to in paragraph (j), (m) and (l))	by the insertion of 10% of rentals
Section 22C(1)(c) operators of taxicabs for the carriage of passengers for hire or reward having seating accommodation for not more than seven passengers,	100
Section 22C(1)(d) operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than eight or more than fourteen passengers	150
Section 22C(1)(e) operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than fifteen or more than twenty-four passengers	175

Income Tax Act [*Chapter 23:06*]	
Provision	***Monetary Amount (USD)***
Section 22C(1)(f) operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than twenty-five or more than thirty-six passengers	300
Section 22C(1)(g) operators of omnibuses for the carriage of passengers for hire or reward having seating accommodation for not less than thirty-seven passengers	450
Section 22C(1)(h)(i) operators of goods vehicles having a carrying capacity (i) of more than ten tonnes but less than twenty tonnes,	1,000
Section 22C(1)(h)(ii) operators of goods vehicles having a carrying capacity of ten tonnes or less but which is driving one or more trailers resulting in a combined carrying capacity of more than fifteen tonnes but less than twenty tonnes,	2,500
Section 22C(1)(h)(iii) operators of goods vehicles having a carrying capacity of twenty tonnes or more,	3,000
Section 22C(1)(i) (i) operators of driving schools providing driving tuition for class 4 vehicles only	300
Section 22C(1)(i) (ii) operators of driving schools providing driving tuition for class 1 and 2 vehicles (whether or not in addition to providing driving tuition for other classes of vehicles),	600
Section 22C(1) (j) operators of hairdressing salons,	300
Section 22C(1)(l) operators of restaurants or bottle-stores,	300
Section 22C(1)(m) cottage industry operators,	300
Section 22C(1)(n) operators of commercial waterborne vessels having a carrying capacity (inclusive of cabin crew):	
(i) of not more than five passengers,	80
(ii) of six passengers but less than sixteen passengers	100
(iii) of sixteen passengers but less than twenty-six passengers	150
(iv) of twenty-six passengers but less than fifty passengers	200
(v) of fifty or more passengers,	300
Section 22C(1)(o) operators of commercial waterborne vessels (operators of fishing rigs),	250
Section 22C(1)(p) self-employed persons	
(i) architects registered or required to be registered under the Architects Act [*Chapter 27:01*]	1,500
(ii) engineers or technicians registered or required to be registered under the Engineering Council [*Chapter 27:22*]	2,000
(iii) legal practitioners registered or required to be registered under the Legal Practitioners Act [*Chapter 27:01*]	1,500
(iv) health practitioners registered or required to be registered under the Health Professions Act	1,500
(v) real estate agents registered or required to be registered under the Estate Agents Act [*Chapter 27:17*]	1,500
Section 22 G IMTT -"Provided that if a single transaction on which the tax is payable is equivalent to or exceeds	500,000 and 20,000
Capital Gains Act [*Chapter 23:01*]	
Provision	***Monetary Amount (USD)***
Section 2(1) (in the proviso to the definition of "assessed capital loss")	100
Section 10(m)	1,800
Section 11(2)(h)	50
Value Added Tax Act [*Chapter 23:12*]	
Provision	***Monetary Amount (USD)***
Section 7(4)(a)	25
Section 9(23)(a)	25
Section 17(1) Proviso (a)	50,000
Section 17(1) Proviso (b)	50,000

Income Tax Act [*Chapter 23:06*]	
Provision	***Monetary Amount (USD)***
Section 17(2) Proviso (a) and (b)	60
Section 17(5) proviso	50,000
Section 20(5)	10
Section 20(7)(a) proviso (A) and (B)	10
Section 20(7) proviso	10
Section 23(1)(a)	25,000
Section 27(2)(b)	25,000
Section 27(5)(a)(i)	240,000
Section 27(6)(c)(1)	120,000
Section 44(1)(b)	60
Section 44(3)(b)	60
Toll Road Act *[Chapter 13:13]*	
The Road Tolls (Regional Trunk Road Network) Regulations, 2009 Third Schedule (Tolls at Port of Entry)	
Motor Vehicle	**USD**
Motor cycle	1
Light Motor Vehicle	10
Mini Buses	10
Buses	20
Heavy Vehicles	20
Haulage Trucks	20

Customs and Excise [*Chapter 23:02*]	
Provision	***Monetary Amount (USD)***
Customs and Excise (Inward Processing) (Rebate) Regulations, 1997 [SI 59 of 1997] Section 4 (7) and (8) [Registration Fees]	20
Customs and Excise (Motor Vehicle Assembly) (Rebate) Regulations, 1999 [SI 13 of 1999] Section 5 (“Registration of Assemblers”) (6) and (7) [Registration Fees]	20
Customs and Excise (Pharmaceutical Manufacturers) (Rebate) Regulations, 2005 [SI 174 of 2005] Third Schedule [Registration Fees]	20
Customs and Excise (Toothpaste Manufacturers) (Rebate) Regulations, 2020 (SI 250 of 2020) Section 5 Second Schedule [Registration Fees]	20
Customs and Excise (Spirit Rebate) Regulations, 1982 [SI 721 of 1982] Section 14 (1)(a) and (b) [Registration Fees]	20
Customs and Excise (Spirit Rebate) Regulations, 1982 [SI 721 of 1982] Second Schedule items 1(a), (b), (c), (e) and (f), 6 (a) and (b), 7 (a), (b), (c) and (d) and 8 [Effective rates]	1.50
Customs and Excise (Spirit Rebate) Regulations, 1982 [SI 721 of 1982] Second Schedule item 4 (h) and (m) [Effective rates]	1.50
Customs and Excise (Spirit Rebate) Regulations, 1982 [SI 721 of 1982] Third Schedule item 1 (p) and (w) [Effective rates]	1.50
Customs and Excise (Tyre Manufacturers) (Rebate) Regulations, 2001 (SI 265 of 2001)Section 5 (6) and (7) [Registration Fees]	20

Customs and Excise General Regulations SI 154 of 2001 Section 172(1)(a) State warehouse Rent for goods having a gross weight of not more than five hundred kilograms per day	2
Customs and Excise General Regulations SI 154 of 2001 Section 172(1)(b) State warehouse Rent for goods having a gross weight of more than five hundred kilograms, but not more than one tonne per day	4
Customs and Excise General Regulations SI 154 of 2001 Section 172(1)(c) State warehouse Rent for goods having gross weight of more than one tonne or part thereof per day	6
Customs and Excise General Regulations SI 154 of 2001 Section 172(1)(d) State warehouse Rent for motor vehicles	10
Customs and Excise General Regulations SI 154 of 2001 Section 173 [All Licencing Fees]	500
Customs and Excise General Regulations SI 154 of 2001 Section 174 [Fees for amending a Bill of entry	10
Customs and Excise General Regulations SI 154 of 2001 Section 175 Bill of entry Registration Fees	10
Customs and Excise General Regulations SI 154 of 2001 Section 175B Bill of entry cancellation fees	50
Customs and Excise (Ports of Entry and Routes Order) SI 14 of 2002 Section 19 Payment for special services of officers	80
Customs and Excise (Wine Rebate) Regulations, 1981 SI 869 of 1981 Section 5 [Registration fees]	20

*** The Special Excise for the motor vehicles of an age specified in the first column of the Schedule below with the engine capacity stated in the second column shall be amended to the extent specified thereto in the third column. The special excise shall be payable in United States dollars unless if the transaction is concluded in Zimbabwe dollars, wherein, the equivalent amounts in Zimbabwe dollars shall be applied at the prevailing exchange rate on the day of payment.

SPECIAL EXCISE ON CHANGE OF OWNERSHIP FOR MOTOR VEHICLES

Number of years from date of manufacture	Engine Capacity	Excise Duty Rate (USD)
0 - 4	Up to 1000 cc	300
	1001–1500 cc	400
	1501 – 2000 cc	500
	2001 – 2500 cc	600
	2501 – 3000 cc	600
	3001 – 3500 cc	600
	Above 3501 cc	600
5 - 10	Up to 1000 cc	150
	1001–1500 cc	200
	1501 – 2000 cc	250
	2001 – 2500 cc	300
	2501 – 3000 cc	400
	3001 – 3500 cc	400
	Above 3501 cc	400

11 - 15	Up to 1000 cc	75
	1001–1500 cc	100
	1501 – 2000 cc	150
	2001 – 2500 cc	200
	2501 – 3000 cc	200
	3001 – 3500 cc	200
	Above 3501 cc	200
16 - 20	Up to 1000 cc	50
	1001–1500 cc	75
	1501 – 2000 cc	100
	2001 – 2500 cc	150
	2501 – 3000 cc	150
	3001 – 3500 cc	150
	Above 3501 cc	150
Over 20 years	All engine capacity	50