



Tanzania Tax Newsletter

April 2019

This Month:

1. How to properly complete your personal income tax return form
2. May 2019 submission deadlines

1 Completing your individual income tax return form

With 2018 tax submission deadlines around the corner, our tax team has prepared this handy guide to help you with properly completing your 2018 income tax return form.

Step 1: Do you need to submit an individual income tax return form?

Every person is required to submit their tax returns to the Commissioner, except for individuals who :

- have no income tax payable for the year of income; or
- income consists **exclusively** of employment income where the employer withholds required taxes (i.e. PAYE); or
- Income consists **exclusively** of gains derived from sale of assets whose taxes are paid by way of single instalment.

Therefore, if you derive any other type of income, e.g Dividends, Interest, Director allowances, investment income, or do not fall under the above categories - then you would be required to submit an individual income tax return form.

Step 2: Completing the form

The tax return form (form ITX201.01.E) is available from the Tanzania Revenue Authority website [here](#). We have broken down each part of the form with detailed explanations below:

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RETURN OF INCOME MADE BY OR ON BEHALF OF AN INDIVIDUAL

YEAR OF INCOME: <input type="text"/>	
To: <input type="text"/>	TIN: <input type="text"/>

Year of Income: This is the year of income you are reporting. E.g 2018, for prior year disclosures

TIN: The individual's tax identification number, as issued by TRA.

Addressee (To): As this is a self-assessment, the form is addressed to the taxpayer whose information is reported in the form.

Date of issue:.....Issuing office:.....

P.O. Box:

Tel:..... Fax:.....

E-mail address.....

Date of Issue: This is the date which this tax return is submitted

Issuing Office Details: TRA office where the tax return has been submitted, this should also be the local TRA office which the TIN and tax file has been registered.

		From: Day Month Year			To: Day Month Year		
8	Period covered by this return (basis period):	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
9	Person's status and category of taxation (Please tick the appropriate boxes):						
Resident	<input type="checkbox"/>	Non-Resident	<input type="checkbox"/>	Presumptive tax (incomplete record keeping)	<input type="checkbox"/>	Presumptive tax (complete record keeping)	<input type="checkbox"/>
		Others	<input type="checkbox"/>				

Period covered: Period which the tax return pertains to. The default income year set out in the law is the calendar year (1 January to 31 December).

Person's status and category of taxation:

- Resident taxpayers: An individual is resident in Tanzania in any tax year if one (i) has a permanent home in Tanzania and visits Tanzania in the year or (ii) has no permanent home but is present in the country for either 183 days in the year or an average of 122 days per year in the relevant year and the preceding two years.

Residents are taxed on their worldwide income.

- Non-resident taxpayers: Individuals who do not meet the above criteria but have derived Tanzanian sourced income and therefore required to submit an income tax return.

Short-term residents are also required to submit tax returns disclosing Tanzanian sourced income. An individual is a short-term resident at the end of any income year if during the whole of one's life one has been resident in Tanzania for not more than two years in total.

- Presumptive tax: This is a tax system where individuals are taxed based on their annual turnover. The Taxpayers under this system are not obligated to prepare and submit audited accounts to the TRA. However, he may opt not to apply the system and prepare audited accounts and pay tax based on profits.

Presumptive tax payers whose annual turnover exceeds Tshs 20,000,000 are required to prepare audited accounts/financial statements in respect of their business. These are then attached to the tax return form.

COMPUTATION OF INCOME AND TAX

	Business Income	Amount	
10	Turnover (Gross receipts)		
11	Beginning Inventory		
12	Purchases		
13	Goods withdrawn not sold		
14	Closing Inventory		
15	Costs of goods sold (11+12-13-14)		
16	Gross profit (10-15)		
17	Deductions/Expenses		
18	Wages and salaries		
19	Stamp duty		
20	Transport		
21	Bank charges/interests		
22	Utilities (Electricity, Water, Phone, Fax, etc)		
23	Business Rent		
24	Other Expenses (specify in a separate schedule)		
25	Total expenses (add from 18 to 24)		
		Taxable Income	Tax Payable/ Paid (TZS)

This section reports all **business income derived and expenses incurred** by the individual taxpayer during the year reported. Employment and Investment income are not to be reported in this section.

Similarly, mining and agricultural business income is to be specified in separate sections below,

27	Mining Business Income (specify in separate schedule)		
28	Agricultural Business Income (specify in separate schedule)		
29	Other Business Income (specify in separate schedule)		
30	Final withholding payments (Specify in a separate schedule)		
31	Total Business Income (26+27+28+29) and Tax		

Final Withholding payments: Payments for which the full tax liability has been withheld from the individual taxpayer. E.g. interest paid by a financial institution or dividends from a resident corporation.

32	Employment		
33	Commuted pension		
34	Pension Annuity		
	Investment		
35	Dividends		
36	Dividends (DSE Registered)		
37	Interest/Discount		
38	Rent		
39	Royalties		
40	Natural resource payment		
41	Capital gain		
42	Other investment (specify in a separate schedule)		
43	Total Investment Income (from 35 to 42)		
44	Repatriated Income of a Domestic Permanent Establishment		
45	TOTAL INCOME AND TAX (26+27+28+29+32+33+34+43)		
46	Less tax paid (Excluding final Withholding payments)		
47	NET TAX PAYABLE (45-46)		

All other **non-business income** is to be disclosed in the above cells, together with their respective taxes payable. It is important to note that **employment income** received must also be disclosed in the income tax return.

2. May 2019 compliance deadlines

The following returns are due for submission to TRA on or before 31 May 2019:

Value Added Tax Return

TANZANIA REVENUE AUTHORITY
VALUE ADDED TAX RETURN / RITANI YA KODI YA ONGEZEGO LA THAMANI
 Submit along this form please send complete information provided carefully.
 Kujaza pia habara hizi kwa mabaliizi watawa kwa watawala wa kodi.

Name / Tazini: _____
 TIN: _____

Description of goods & Services / Mwanachama wa bidhaa / Matjenzi	Value (excluding VAT) (Tanzania Shs)	VAT Rate (%)	VAT Amount (Tanzania Shs)
1. Manufacture of goods		15	
2. Importation of goods		15	
3. Supply of services		15	
4. Exempt supplies			
5. Input tax credit			
6. Total input tax credit			
7. Total output tax			
8. Total VAT payable			
9. Total VAT paid			
10. Total VAT payable (net of VAT paid)			
11. Total VAT payable (net of VAT paid) (Tanzania Shs)			
12. Total VAT payable (net of VAT paid) (Tanzania Shs)			
13. Total VAT payable (net of VAT paid) (Tanzania Shs)			
14. Total VAT payable (net of VAT paid) (Tanzania Shs)			
15. Total VAT payable (net of VAT paid) (Tanzania Shs)			
16. Total VAT payable (net of VAT paid) (Tanzania Shs)			
17. Total VAT payable (net of VAT paid) (Tanzania Shs)			
18. Total VAT payable (net of VAT paid) (Tanzania Shs)			
19. Total VAT payable (net of VAT paid) (Tanzania Shs)			
20. Total VAT payable (net of VAT paid) (Tanzania Shs)			

I hereby certify that the information given in this form is true and complete. / Nihakikishia kuwa taarifa zilizopo katika hizi ni sahihi na kamili.

Name: _____ Signature: _____ Date: _____

Printed Name: _____ TIN: _____

Skills Development Levy: Monthly Return

TANZANIA REVENUE AUTHORITY
SKILLS AND DEVELOPMENT LEVY
MONTHLY RETURN
 YEAR: _____

TO: _____

EMPLOYER'S INFORMATION
 TIN: _____

Name of employer: _____

Postal Address: _____ Postal City: _____
 P.O. Box: _____

Physical Address: _____ Block Number: _____
 Plot Number: _____

Street/Location: _____

I forward herewith SDL Return for the month of _____ 20_____

EMOLUMENTS	AMOUNT/TZS	EMOLUMENTS	AMOUNT/TZS
Basic pay		Gratuity	
Leave pay		Subsistence Allowance *)	
Sick pay		Traveling Allowance *)	
Payment in Lieu of leave		Entertainment Allowance *)	
Fees		Any other Allowance *)	
Commission		Housing Allowance	
Bonus		Subtotal B	
Subtotal A		Grand Total (A+B)	
		Whereof SDL at 4.6% amounts to	

Payment made at the Bank Branch: _____ dated: _____
 Through Payment Slip/Deposit Slip: _____ dated: _____
 Signature: _____ Date: _____
 Rubber Stamp: _____

Penalties apply (Tshs 225,000 per month) for companies failing to submit above forms before the deadline



Contact Us:

+255 683 386 177

info@cassian.co.tz

www.cassian.co.tz

Physical Address:

First Floor, Pegasus House
Corner Nkrumah and Gerezani Street
P.O Box 63217
Dar Es Salaam
Tanzania

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