

PUBLIC NOTICE

IMPLEMENTATION OF AMENDED INFRASTRUCTURE CHARGING RATES FOR HOTELS

Zanzibar, 30th June, 2023

1.0 INTRODUCTION:

Zanzibar Revenue Authority (ZRA), hereby notifies, all respective esteemed taxpayers that on **23rd June, 2023**, the House of Representatives of Zanzibar, approved the Government Budget for the financial year 2023/2024, where among other things, the new infrastructure charging rates for Hotels to the guests stayed in any hotel resides in Zanzibar were duly approved. The approved new charging rates shall come into operation in the new financial year of 2023/2024, starting from 1st July, 2023.

2.0 REQUIREMENT OF THE LAW:

According to the amended Finance Act No. 9 of 2015, which received approval of the House of Representatives, the following are the new infrastructure charging rates for hotels :

(a) 5 or 4 stars hotel	USD 5 or its equivalent in Tanzania Shillings per person per day.
(b) 3 and 2 stars hotel	USD 4 or its equivalent in Tanzania Shillings per person per day.
(c) 1 star hotel and others	USD 2 or its equivalent in Tanzania Shillings per person per day

3.0 IMPLEMENTATION:

The Infrastructure tax for hotels is payable by the guest staying in any hotel residing in Zanzibar. The hotel management is a lawful agent responsible for collection of such tax as provided under the **Tax Administration and Procedure Act, Number 7 of 2009**. In order to ease administration of Infrastructure tax for hotel in the year 2023/24 and reduce inconvenience to the respective taxpayers **with a forward sales agreement** at the repealed rates, the following guidance may be adopted :-

- (a) All agents (hotels) with justifiable lawful verified cause may be allowed to pay the lawful agreed required infrastructure tax by instalments upon application to the Commissioner General as provided under section 40 of the **Tax Administration and Procedure Act, Number 7 of 2009** within three months from 1st July, 2023.
- (b) All agents (hotels) with justifiable lawful verified cause may be allowed to extend part of payments of the lawful agreed required infrastructure tax not later than October, 2023, upon application to the Commissioner General as provided under section 31(4) of the Tax Administration and Procedure Act, Number 7 of 2009.

4.0 CONSEQUENCES OF NON COMPLIANCE OF LAW:

A taxpayer (agent) who fails to follow the procedures and requirements stipulated above, commits an offence, and upon conviction shall be penalized according to the respective provisions of the **Tax Administration and Procedures Act No. 7 of 2009**.

5.0 CONCLUSION:

Zanzibar Revenue Authority (ZRA) urges all hotel owners (agents) to discharge their lawful noble obligation of complying with the respective laws and guidance to avoid occasioning loss of Government revenue and committing punishable offence. ZRA is highly committed in facilitating conducive business environment and easing tax compliance as underscored by the Revolutionary Government of Zanzibar (RGoZ).

“Tulipe Kodi kwa Maendeleo ya Zanzibar”

Yusuph Juma Mwenda
Commissioner General