



# TANZANIA NATIONAL BUDGET HIGHLIGHTS

2026/27

## INSIGHTS AND ANALYSIS

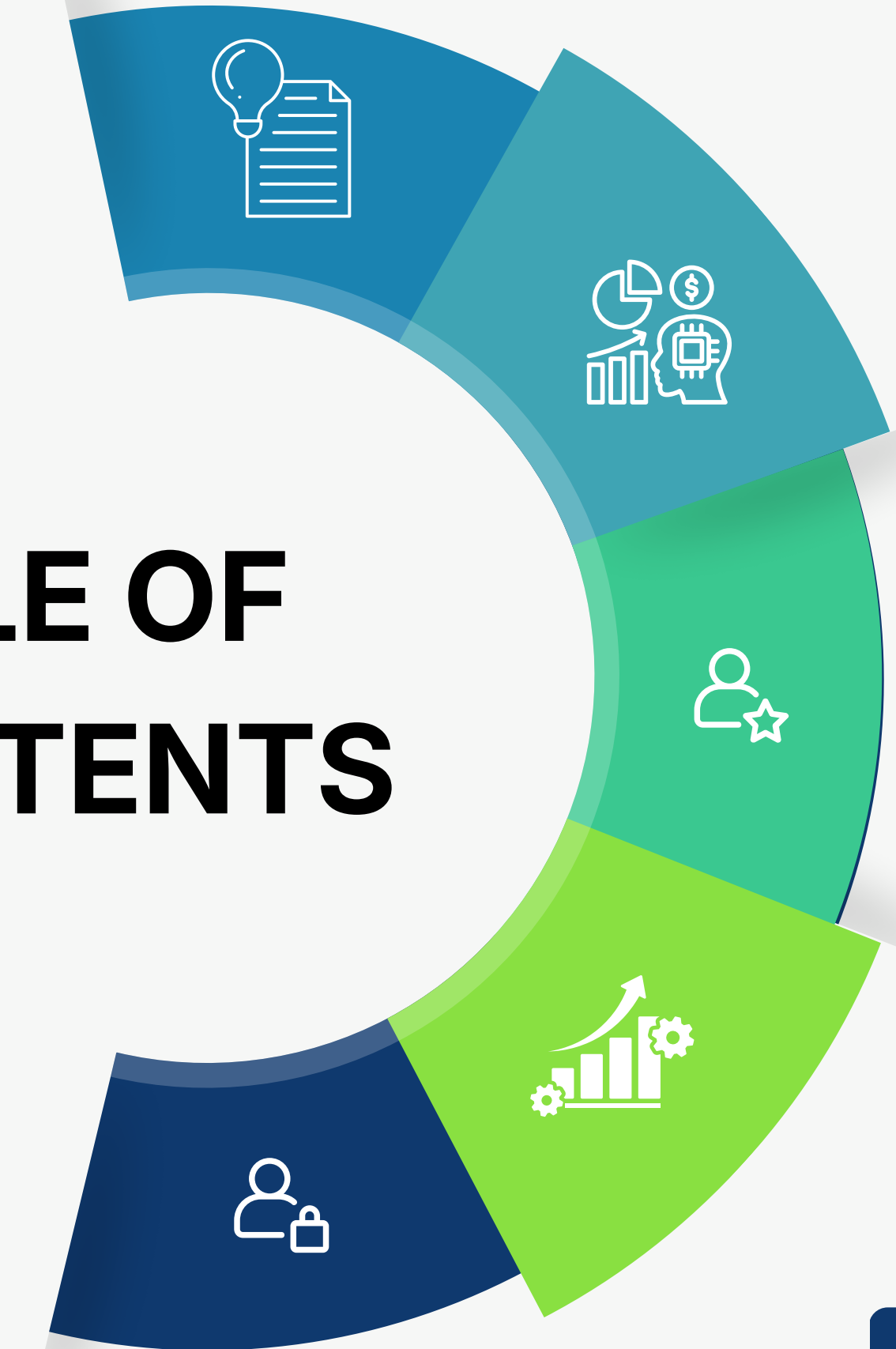
***Theme :Building Economic Resilience through Digital Transformation, Strategic Investment and Fiscal Sustainability for Inclusive Growth***

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# TABLE OF CONTENTS



01

**Economic Highlights**

02

**Income Tax Act**

03

**Value Added Tax**

04

**The Tax Administration**

05

**Excise Duty**

06

**Other Amendments**

# Tanzania's Economic Overview

Despite persistent global economic uncertainties, Tanzania's economy remained resilient in 2025, supported by prudent macroeconomic policies, continued public investment and sustained private sector activity. Real GDP grew by **5.9%**, while nominal GDP increased to **TZS 234.1 trillion (USD 91.8 billion)**, reflecting continued expansion across key sectors of the economy. Inflation remained stable at **3.4%**, within the Government's medium-term target range, while private sector credit grew by **20.2%**, supporting increased economic activity and investment.

The external sector remained stable throughout the year. Foreign exchange reserves reached **USD 5.7 billion**, sufficient to cover **4.4 months of imports**, while the Tanzanian Shilling appreciated by **2.7%** against the US Dollar during the year ending April 2026. These developments reflect continued stability in the country's external position and foreign exchange market.

Government revenue performance remained strong, with total collections reaching **TZS 34.75 trillion**, equivalent to **101.8%** of the target. Tax revenue amounted to **TZS 28.10 trillion**, representing 105.1% of the target, driven by improved economic activity, expansion of the tax base and enhanced tax administration measures.

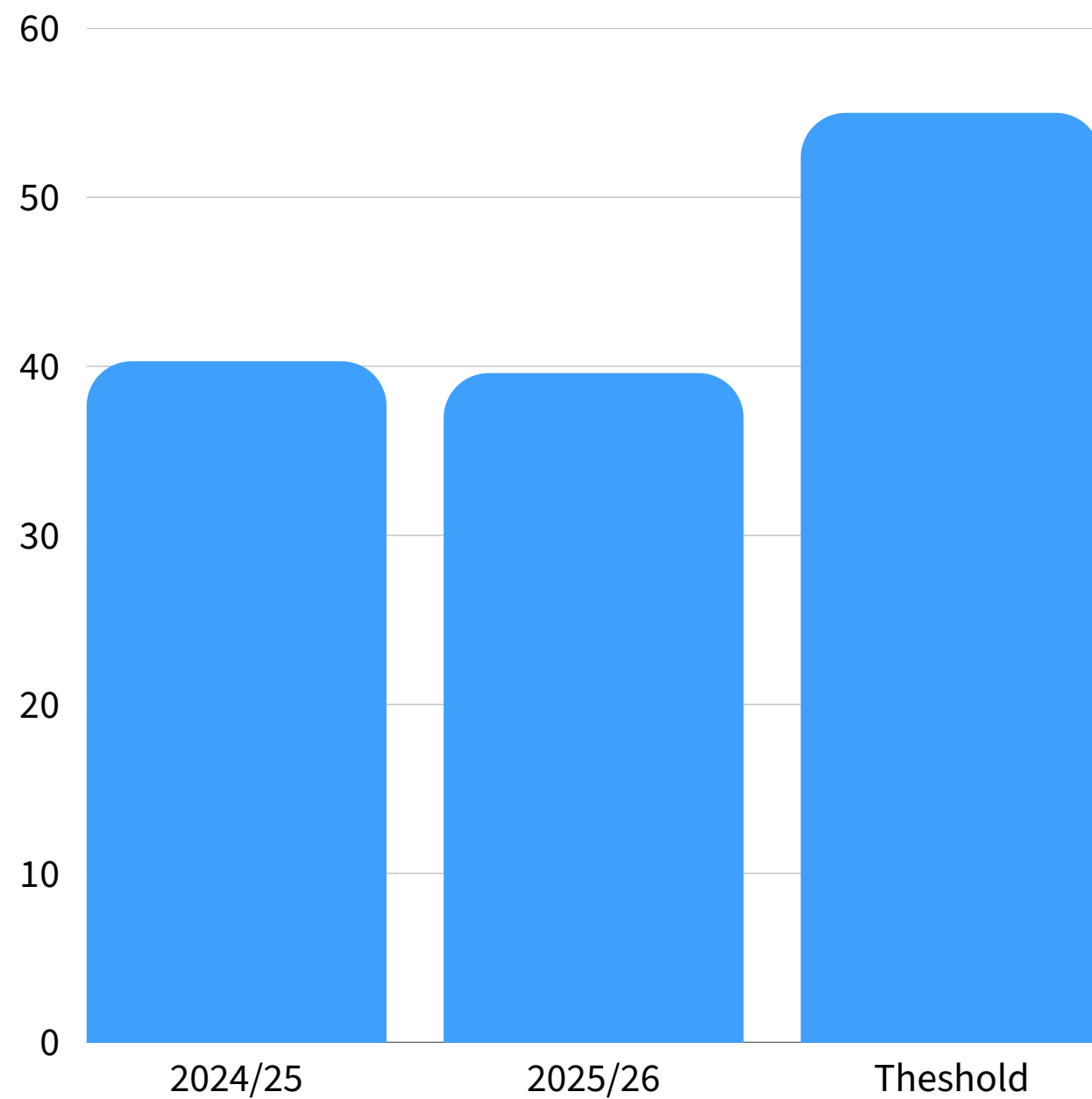
The Government continued to prioritise strategic investments in infrastructure and social services, including roads, railways, energy, water and healthcare. Notable achievements during the year included the commissioning of the 2,115 MW Julius Nyerere Hydropower Project, continued implementation of the Standard Gauge Railway (SGR), and expansion of rural electrification and water infrastructure projects. These investments are expected to further enhance productivity, connectivity and long-term economic growth.

Public debt remained sustainable, standing at TZS 114.34 trillion as at March 2026. The present value of debt-to-GDP ratio stood at 39.6%, well below the sustainability threshold of 55%, underscoring the Government's commitment to prudent fiscal and debt management.

Indicator	Prior Period	Current Period	Comment
Real GDP Growth (%)	5.5%	5.9%	Economic growth remained resilient, supported by continued investment and expansion of productive economic activities.
Foreign Exchange Reserves (USD Billion)	5.55	5.72	Reserves remained adequate to cover 4.4 months of imports, exceeding the national benchmark of four months.
Public Debt (TZS Trillion)	107.70	114.34	Public debt remained sustainable, with the debt-to-GDP ratio improving from 40.3% to 39.6%, remaining below the sustainability threshold of 55%.
Basic Needs Poverty Rate (%)	26.4%	25.1%	The decline reflects continued progress in poverty reduction and improved effectiveness of social protection programmes.

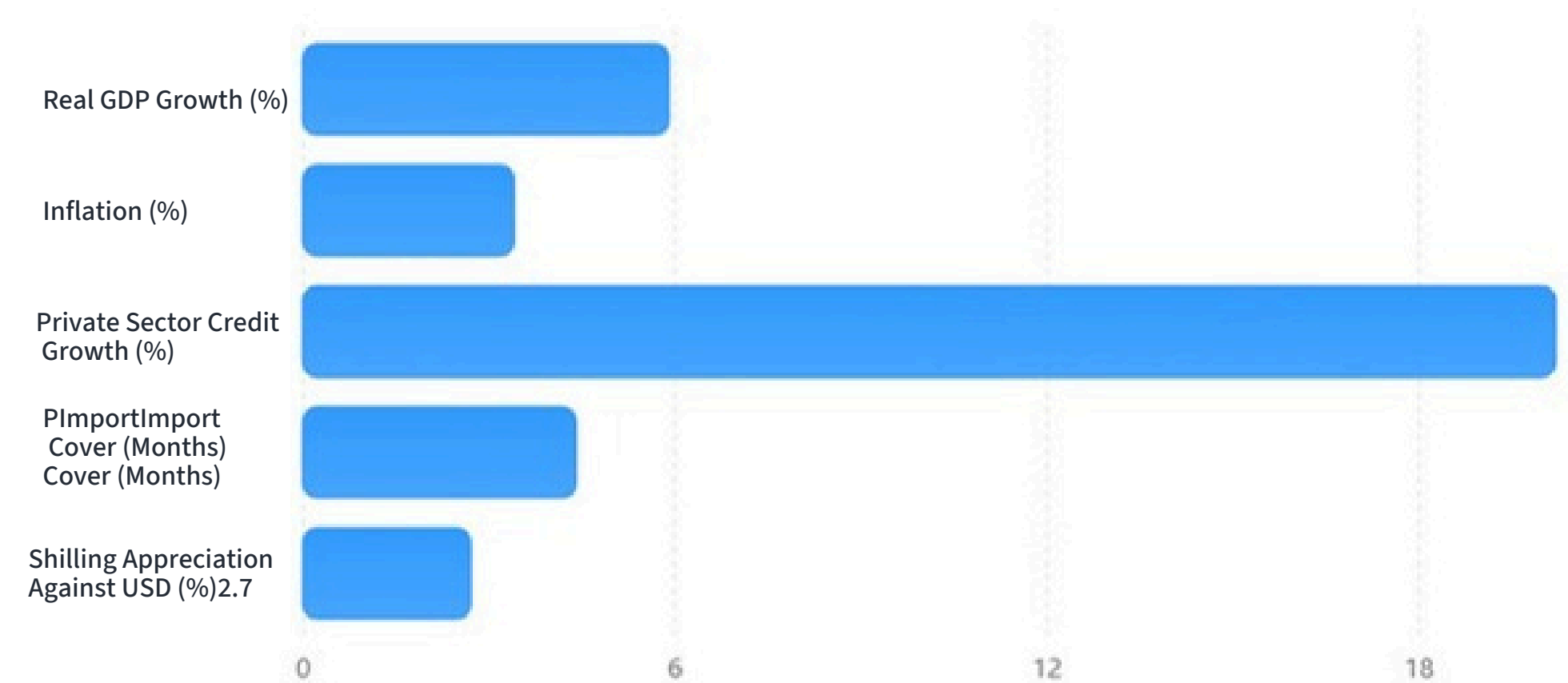
## Debt to GDP ratio

Comparison against the sustainability threshold



## Key macroeconomic indicator

Selected macroeconomic indicators reported in the 2026/27 Budget Speech



## Revenue Collection performance

Performance against collection target from July to April 2026



## Macro Economic Objectives for 2026/27

1. Accelerate real GDP growth to 6.3 percent in 2026 from 5.9 percent in 2025;
2. Contain inflation within a single-digit average range of 3.0 – 5.0 percent in the medium term;
3. Increase domestic revenue to 17.1 percent of GDP in 2026/27 from the projected 16.5 percent in 2025/26;
4. Increase tax revenue to 13.7 percent of GDP in 2026/27 from the projected 13.2 percent in 2025/26;
5. Ensure that the budget deficit does not exceed 3.0 percent of GDP in 2026/27; and
6. Maintain foreign exchange reserves sufficient to cover at least four (4) months of imports of goods and services.

Indicator	2025/26	2026/27 Target
Real GDP Growth	5.9%	6.3%
Domestic Revenue (% of GDP)	16.5%	17.1%
Tax Revenue (% of GDP)	13.2%	13.7%
Budget Deficit (% of GDP)	≤ 3.0%	≤ 3.0%
Inflation	3.0% – 5.0%	3.0% – 5.0%
Foreign Exchange Reserves	4 Months Import Cover	≥ 4 Months Import Cover



## Macro-Economic Objectives for 2026/27

The Government's 2026/27 Budget is presented under the theme "Building a Resilient Economy through Digital Transformation, Strategic Investment and Sustainable Fiscal Policies for Inclusive Economic Growth." The Budget marks the first year of implementation of Tanzania Development Vision 2050 and aims to strengthen economic resilience, accelerate industrialization, improve public service delivery and promote inclusive growth.

To achieve these objectives, the Government will focus on the following strategic priorities:

### 01

#### Strengthening Domestic Revenue Mobilization

The Government intends to increase domestic revenue collection through identification of new revenue sources; enhancement of ICT systems and implementation of administrative reforms aimed at improving revenue efficiency and compliance.

### 02

#### Accelerating Strategic Investments

Priority will be given to the completion of ongoing strategic development projects, including transport, energy, water and communication infrastructure projects that support long-term economic growth and competitiveness

### 03

#### Promoting Productive Sectors

The Budget seeks to strengthen productive sectors of the economy through investments in agriculture, mining, manufacturing, energy and other sectors that contribute to employment creation, exports and domestic value addition.

### 04

#### Enhancing Social Service Delivery

Continued investment in education, healthcare, water supply and social welfare programs will support human capital development and improve the quality of life for Tanzanians.

### 05

#### Improving the Investment and Business Environment

The Government will continue implementing measures aimed at improving the business climate, increasing private sector participation and attracting both domestic and foreign investment to support sustainable economic growth.



# Income Tax Act

## Presumptive Tax Regime

The Minister has proposed several amendments to the presumptive tax regime intended to ease compliance requirements for small businesses while broadening the tax base.

Amendment	Description
<b>12-Month Income Tax Holiday</b>	Newly registered taxpayers operating exclusively under the presumptive tax regime will enjoy a 12-month income tax holiday from the date of TIN registration.
<b>Increase in Presumptive Tax Threshold</b>	The turnover threshold for the presumptive tax regime will increase from TZS 100 million to TZS 200 million.
<b>Optional Self-Assessment</b>	Taxpayers with turnover below TZS 200 million may elect to prepare audited financial statements and transition to the self-assessment regime.
<b>Increase in Presumptive Tax Rate</b>	The presumptive tax rate will increase from 3.5% to 4.5% for taxpayers with turnover between TZS 11 million and TZS 200 million.



The proposed reforms seek to reduce compliance burdens for start-up businesses while also aligning the presumptive tax regime with the VAT registration threshold. However, the increase in the presumptive tax rate may partially offset the benefits provided through the expanded threshold and tax holiday.

### **Deemed Distribution (Deemed retained earnings)**

The Minister proposes to amend section 33A of the Income Tax Act, CAP 332 to reduce the fraction of taxable profit that is deemed to have been distributed to shareholders (deemed retained earnings) from 30 percent to 15 percent. However, this measure will not include small financial sector, Insurance, companies registered on the Dar es Salaam Stock Market (DSE) as well as Institutions that have Framework Agreements with Government.

The reduction represents a potentially significant relief for companies subject to the deemed dividend provisions under section 33A. The amendment may reduce the withholding tax implications arising from undistributed profits and encourage the retention of earnings for business expansion and investment. The continued exclusion of regulated entities and companies operating under Framework Agreements suggests the Government's intention to preserve existing policy treatment for strategic sectors.

### **Expansion of Withholding Tax Measures**

The Minister has proposed to amend the Income Tax Act by expanding the legal interpretation of forest produce to include natural varnish, latex, resin, sap, and gum. Income derived from the sale of these newly categorized commodities will attract 2% tax rate, administered as a Single Instalment Tax calculated on gross produce value.

The proposal broadens the scope of the Single Instalment Tax regime. However, given that forest produce is currently subject to a 3.5% Single Instalment Tax, further clarification is required as to whether the proposed 2% rate applies only to the newly included products or to forest produce generally



## Expansion of Withholding Tax Measures

The Minister has proposed a number of measures intended to broaden the tax base, formalize economic activity and improve tax collection efficiency.

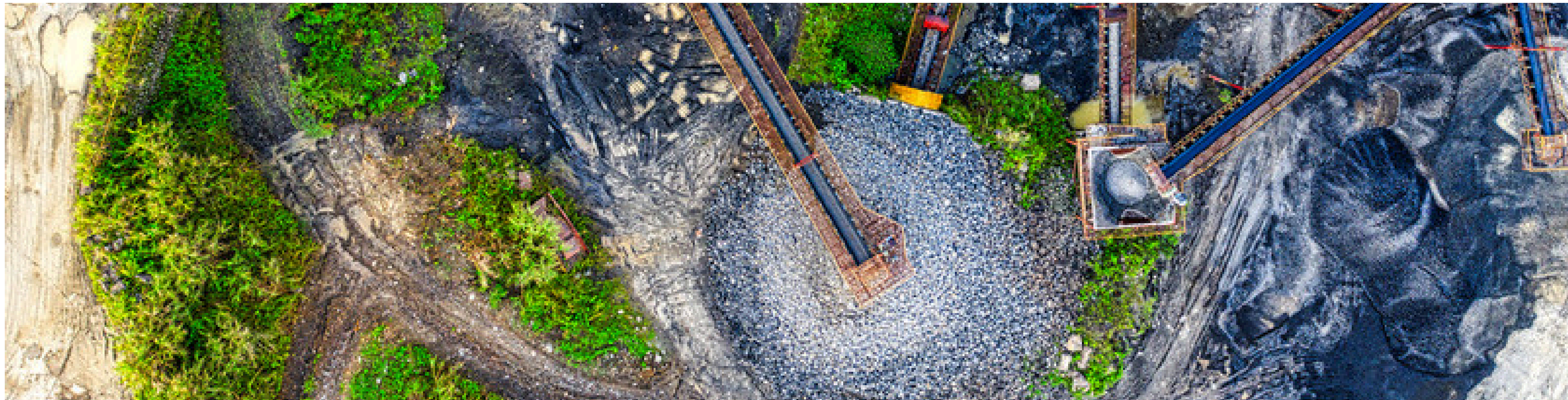
Amendment	Description
Foreign Digital Service Providers	Increase the income tax rate applicable to payments made to foreign digital service providers from 2% to 3%.
Government Procurement Payments	Require Ministries, Independent Departments, Government Agencies, Regional Secretariats and Local Government Authorities to withhold income tax on payments made for the purchase of goods within the country instead of the current framework, which applies only to resident corporations substantially financed through Government budget subventions.
Food Crop Purchases	<p>Introduce a 1% non-final withholding tax on the purchase of food crops. The tax will be payable at the point of purchase, prior to transportation or upon transfer of ownership. The tax will be calculated on the prevailing market value of the produce as determined by the relevant local government authority and remitted to the Tanzania Revenue Authority (TRA).</p> <p>Upon payment, the purchaser shall be issued with an Advance Single Instalment Tax Certificate as proof of tax compliance, which may be used as evidence of payment during the transportation of the produce. Since the tax constitutes an advance payment of income tax, the amount paid shall be creditable against the purchaser's income tax liability for the relevant year of income and may be claimed as a tax credit when filing the annual income tax return.</p>
Livestock, Fish and Dairy Products	Introduce a 1% withholding tax on payments made by companies and institutions to suppliers of live animals, unprocessed milk, unprocessed fish and fish maws. Companies and institutions purchasing the relevant products will be the agent for collecting the tax and submitting it to the Commissioner General of the Tanzania Revenue Authority.
Sports Royalties	Increase the withholding tax rate on royalties paid to sports institutions and the Tanzania Football Federation from 5% to 10%.

The proposed measures significantly expand the withholding tax framework and are expected to enhance revenue collection from sectors that have traditionally operated with limited tax visibility. Businesses operating within agricultural supply chains should assess the potential compliance implications arising from the new withholding obligations.

### **Mining Sector Incentives**

The Minister has proposed amendment of Income Tax Act, in order to recognize the tax exemption provisions stipulated in Framework Agreements signed between the Government and mining investors as approved by the Cabinet.

This measure aims to accelerate the execution of joint venture mining projects across the country. Additionally, the Government will establish standard operating procedures to guide the granting of these exemptions



# Value Added Tax Act

## VAT Refunds Within 30 Days

The Minister has proposed to amend the Value Added Tax Act, CAP 148 to require VAT refunds to be paid within 30 days from the date of submission of a refund application. In addition, taxpayers will be entitled to interest where the refund is not paid within the prescribed period. The proposal aims to improve accountability in tax administration, enhance taxpayer confidence and encourage voluntary compliance.

## VAT Deferral on Imported Capital Goods Retained

The Minister has proposed to remove the sunset clause on VAT deferment for imported capital goods, which was scheduled to take effect on 1 July 2026.

This proposal is a welcome relief for investors undertaking capital-intensive projects, as it preserves cash flow by avoiding significant upfront VAT costs. The measure is also expected to support continued investment in key productive sectors of the economy while local manufacturing capacity continues to develop.

*\*A sunset clause is a provision in a law, regulation or tax incentive that causes it to automatically expire on a specified date unless it is extended or renewed.*

## Recognition of VAT Exemptions under Mining Framework Agreements

The Minister has proposed to amend the Value Added Tax Act to formally recognise tax exemption provisions contained in Framework Agreements executed between the Government and mining investors and approved by the Cabinet.

The proposal is intended to facilitate the implementation of joint venture mining projects by providing certainty regarding the application of agreed tax incentives. The Government also intends to establish standard operating procedures to govern the administration of such exemptions.



## VAT Exemption Measures

The Minister has proposed several amendments to the VAT exemption schedule aimed at supporting strategic sectors of the economy, promoting clean energy adoption, enhancing competitiveness of local industries and fulfilling international obligations.

### (i) Introduction and Extension of VAT Exemptions

Item	Proposed Amendment	Objective
Airline Boarding Passes	Exempt airline boarding passes from VAT	To comply with Tanzania's obligations under international air transport agreements.
Dairy Packaging Materials (HS Code 3920.20.90)	Extend VAT exemption to locally produced and imported dairy packaging materials.	To support the dairy sector and improve competitiveness of local dairy producers.
Electric Vehicle Charging Equipment (HS Code 8504.40.00)	Exempt imported equipment used in electric vehicle charging stations from VAT.	To promote investment in electric vehicle infrastructure and clean energy adoption.
Turbojets, Turboprop Engines, Gas Turbines and Aircraft Tyres	Exempt turbojets, turbo-propellers, gas turbines (HS Heading 84.11) and aircraft tyres (HS Code 4011.30.00) from VAT.	To reduce operating costs and stimulate investment in the aviation sector.
LPG Smart Meters (HS Code 9028.10.00)	Exempt imported LPG smart meters imported by licensed LPG distributors from VAT.	To support the adoption and distribution of LPG.
Locally Produced Edible Oil	Extend the VAT exemption on edible oil produced locally using locally produced seeds for a further year.	To continue providing price relief on edible oil.
Clothes and Garments Produced Using Local Cotton	Exempt clothes and garments manufactured using locally grown cotton from VAT.	To encourage value addition and increase demand for locally produced cotton.

## (ii) Removal of VAT Exemptions

The Minister has also proposed to remove selected VAT exemptions as part of efforts to rationalize tax incentives, strengthen domestic production and protect Government revenue.

Item	Proposed Amendment	Objective
Imported Fishing Nets (HS Code 5608.11.00)	Abolish VAT exemption on imported fishing nets while exempting polyester fibres used in local production of fishing nets.	To promote local manufacturing and attract investment in fishing net production.
Dog and Cat Food	Abolish VAT exemption on locally produced and imported dog and cat food	To reduce ineffective exemptions and protect

# Tax Administration Act

## Disposal of Perishable Distrained or Seized Goods

The Minister has proposed to amend the Tax Administration Act, CAP 438 to empower the Commissioner General of the Tanzania Revenue Authority (TRA) to dispose of perishable goods that have been distrained or seized through public auction or private treaty, after giving notice to the taxpayer. The measure will apply to goods seized for tax violations or failure to settle tax liabilities and is intended to prevent deterioration in value arising from inadequate storage facilities.

The amendment seeks to preserve the value of perishable goods while safeguarding Government revenue. Taxpayers with perishable inventories should be mindful that such goods may be disposed of more quickly following distraint or seizure procedures.



# Excise Duty Act, Cap 147

The Minister has proposed to make amendments to the Excise Duty Act, Cap. 147 by adjusting duty rates upward gradually starting with 8 percent in fiscal year 2026/27 instead of adjusting by a lumpsum amount after every three years. In the subsequent fiscal years, the increase will take into account the inflation rate plus 2 percent. The objective of this measure is to reflect the true value of Government revenue and enable the country to have predictable.

## Newly Proposed Excise Duty Rates

HS Code / Category	Description	Rate
Heading 67.02	Imported artificial flowers, foliage, artificial fruits and similar products	20%
HS Code 8516.79.00	Imported UV/LED gel nail curing machines used for manicure or pedicure	10%
Motorcycles	Motorcycles excluding motorcycle ambulances, natural gas motorcycles and electric motorcycles	5%
HS Code 6402.99.00	Imported plastic or rubber clogs	10%
HS Code 8703.21.90	Motor vehicles with engine capacity of 1,000cc and below	5%
Gambling Activities	Value of bets on sports betting, casino gaming, slot machine games and virtual games	5%

## Increased Excise Duty Rates

Product / Category	New Rate	Previous Rate
Beauty products (HS Headings 33.03, 33.04, 33.05 and 33.07)	15%	10%
Imported used vehicles (8–10 years old)	20%	15%
Imported used vehicles (Over 10 years up to 20 years old)	40%	30%
Imported used vehicles (Over 20 years old)	50%	Not previously subject to a specific 50% rate



## Other Excise Duty Amendments

Amendment	Description
Framework Agreements	Recognition of tax exemption provisions contained in Cabinet-approved Framework Agreements signed between the Government and mining investors.
Digital Services	Extend excise duty to non-resident suppliers providing excisable services directly to consumers through online platforms without a physical presence in Tanzania.



## The East African Community Customs Management Act, 2004

The East African Community Pre-Budget Consultations Meeting of the Ministers/Cabinet Secretary of Finance, which was held on 15th May 2026 in Arusha, among other things, considered and adopted various import duty measures, including adjustments to the rates under the East African Community Common External Tariff (EAC CET), for implementation by Partner States in the 2026/27 financial year. The proposed measures aim to protect domestic industries, attract investment, reduce the cost of production in the country in order to enhance industries' competitiveness, enhance consumers welfare, employment creation, stimulate growth in various economic sectors

### Increased Excise Duty Rates

HS Code / Heading	Description	New Rate	CET Rate	Duration
HS Heading 68.02	Worked monumental or building stone	35% or USD 2/SQM, whichever is higher	25%	One year
HS Heading 76.04	Aluminium bars, rods and profiles	25% or USD 550/MT, whichever is higher	25%	One year
HS Codes 3402.49.00, 3402.50.00, 3402.90.00	Washing powder	35% or USD 350/MT, whichever is higher	25%	One year
HS Code 8311.10.00	Welding electrodes	35% or USD 250/MT, whichever is higher	25%	One year
HS Code 1511.10.00	Crude Palm Oil (CPO)	10%	0%	One year
HS Code 2836.50.00	Calcium carbonate	10%	0%	One year
Various HS Codes	Cotton grey fabric	35% or USD 0.30 per metre, whichever is higher	25%	One year
HS Code 3925.20.00	Plastic doors, windows and frames	35%	25%	One year
Various HS Codes	Ceramic tiles	35% or USD 3/SQM, whichever is higher	35%	Ongoing CET amendment
HS Code 7317.00.00	Nails, tacks, drawing pins, staples and similar iron or steel articles	35% or USD 350/MT, whichever is higher	35%	Ongoing CET amendment
Various EV HS Codes	Electric motor vehicles	10%	25%	Ongoing CET amendment



## Duty Remissions / Reduced Rates

The Minister has proposed various duty remissions aimed at reducing production costs, improving competitiveness of local manufacturers and ensuring availability of industrial inputs at affordable prices

HS Code	Description	Remission Rate	CET Rate	Duration
4805.24.00, 4805.25.00	Paper used in manufacture of corrugated boxes	10%	25%	One year
4804.19.00, 4804.39.00, 4804.52.00	Paper used in manufacture of corrugated boxes	0%	10%	One year
3506.91.00, 3920.10.10	Raw materials used in manufacture of packaging materials	0%	10% / 25%	One year
3210.00.99	Raw materials used by manufacturers of aluminium products	10%	35%	One year
Packaging materials for manufacture of acaricides	Packaging materials	0%	Applicable CET Rate	One year
7217.10.00, 7217.90.00	Wire of iron or non-alloy steel used in manufacture of concrete electric poles	10%	Applicable CET Rate	Extended regional remission



## Continued Stay Applications / Protective Duty Measures

HS Code / Heading	Description	Applied Rate	EAC CET Rate	Duration
1805.00.00	Cocoa powder	10%	0%	One year
3916.10.00, 3916.20.00, 3916.90.00	Plastic monofilaments, rods and profiles	10%	0%	One year
3605.00.00	Safety matches	25% or USD 1.35/Kg	25%	One year
2201.10.00	Mineral and aerated waters	60%	35%	One year
2520.20.00	Gypsum powder	10%	0%	One year
4011.40.00	Motorcycle tyres	25%	10%	One year
9619.00.90	Baby diapers	35%	25%	One year
Headings 52.05–52.07	Cotton yarn	25%	10%	One year
Various HS Codes	Horticultural products	35%	25%	One year
5607.50.00	Polyester/Nylon twine	25%	10%	One year
2501.00.90	Table salt	50%	35%	One year
Various Crude Vegetable Oil HS Codes	Crude vegetable oils	10%	0%	One year
4804.51.00	Unbleached kraft paper and paperboard	25%	10%	One year
Heading 44.11	Fibreboard (including MDF)	35%	25%	One year
Heading 44.12	Plywood, veneered panels and laminated wood	35%	25%	One year



## Continued Stay Applications / Protective Duty Measures

Various Refined Vegetable Oil HS Codes	Refined vegetable oils	35% or USD 300/MT	35%	One year
Various Iron & Steel HS Codes	Iron and steel products	10% or USD 125/MT	10%	One year
7210.30.00, 7210.41.00	Corrugated iron sheets	35% or USD 500/MT	35%	One year
7210.49.00–7210.90.00	Flat rolled iron/non-alloy steel products	35% or USD 350/MT	25% or USD 200/MT	One year
7212.20.00	Flat rolled products	10% or USD 125/MT	10%	One year
7212.30.00	Flat rolled products	25% or USD 300/MT	25% or USD 200/MT	One year
7212.40.00, 7212.50.00	Flat rolled products	35% or USD 350/MT	35%	One year
7212.60.00	Flat rolled products	10% or USD 300/MT	10%	One year
7213.10.00, 7213.20.00, 7213.99.00	Hot rolled bars and rods	25% or USD 250/MT	25% or USD 200/MT	One year
Heading 72.14	Bars and rods of iron/non-alloy steel	35% or USD 250/MT	35%	One year
7225.91.00, 7225.92.00, 7225.99.00	Iron and steel flat rod products	25% or USD 300/MT	10%	One year
7226.99.00	Semi-finished flat rolled products	10% or USD 300/MT	10%	One year
7306.30.00, 7306.50.00, 7306.61.00, 7306.69.00, 7306.90.00	Tubes, pipes and hollow profiles	25% or USD 250/MT	25%	One year



## Continued Duty Remissions

4811.90.00	Metallised paper used to manufacture labels, thermal paper rolls, POS and EFD	10%	25%	One year
2713.20.00, 5603.14.00, 2710.19.59, 3920.10.10	Inputs used to manufacture waterproofing membranes	0%	10%	One year
6802.99.00	Inputs used to manufacture waterproofing membranes	10%	35%	One year
4819.20.90, 5407.44.00	Packaging materials for tea manufacturers	0%	25%	One year
7310.21.00, 6305.10.00	Packaging materials for coffee processors	0%	25%	One year
Various HS Codes	Packaging materials for agricultural seed producers	0%	25%	One year
Various HS Codes	Packaging materials used by yoghurt, powdered milk and UHT milk	0%	25% / 35%	One year

## Other EAC Customs Amendments

Amendment	Description
Aircraft Operations Exemption	Extend import duty exemption to specified paper used exclusively for printing passenger boarding passes.
Disaster Management Authorities	Amend the Fifth Schedule to recognise all authorities responsible for disaster management across EAC Partner States.
EAC Assembling and Manufacturing of Products Regulations, 2025	Defer implementation of the Regulations from 1 July 2026 to 1 July 2027 to allow industries additional time to prepare for regional sourcing requirements.



# Other Amendments

The Minister has proposed a number of amendments to various laws aimed at strengthening public finance management, improving revenue collection, enhancing dispute resolution mechanisms, supporting strategic investments and improving the effectiveness of Government funds and institutions.

Legislation	Proposed Amendment
<b>Tanzania Revenue Authority Act, CAP 399</b>	Increase Customs Processing Fees from 0.6% to 1% to enhance Government revenue and support improvements in electronic revenue collection systems.
<b>Local Government Finance Act, CAP 290</b>	Increase the allocation of local government revenues for women, youth and persons with disabilities from <b>10% to 15%</b> . Of the 15%, 10% will continue to be used for loans, while 5% will be invested in markets, business areas and entrepreneurship infrastructure.
<b>Rural Energy Act, CAP 321; Roads and Fuel Tolls Act, CAP 220; Railways Act, CAP 170; Water and Sanitation Services Act, CAP 272; and Petroleum Act, CAP 392</b>	Revise the distribution of revenues collected for the Roads, Rural Energy, Water and Railway Funds. Under the proposal, <b>70%</b> will be remitted directly to the respective funds, <b>25%</b> to the Consolidated Fund and <b>5%</b> to a special account at the Bank of Tanzania for infrastructure development in EPZs and SEZs, including land compensation.
<b>Land Act, CAP 113</b>	Provide for the distribution of <b>20% of land rent collections</b> , with 10% allocated to the Ministry responsible for Lands and 10% allocated to Local Government Authorities. The Ministry responsible for Finance will prescribe procedures governing the use of the funds.
<b>Mining Sector Research Fund</b>	Establish a Mineral Research Fund to be financed through retention of <b>10% of gross mineral revenue collections</b> by the Ministry responsible for Minerals. The funds will be maintained in a dedicated account at the Bank of Tanzania and utilised subject to approval by the Paymaster General.



## Other Amendments

Legislation	Proposed Amendment
<b>Roads and Fuel Tolls Act, CAP 220</b>	Recognise tax exemption provisions contained in Cabinet-approved Framework Agreements entered into between the Government and mining investors and establish procedures for administering such exemptions.
<b>Investment and Special Economic Zones Act, 2025</b>	The Minister has proposed to amend the Investment and Special Economic Zones Act, 2025 by including road tractors for semi-trailers classified under HS Codes <b>8701.21.90, 8701.22.90, 8701.23.90 and 8701.24.90</b> in the list of goods that are not eligible for tax exemptions under the Act.



## Reduction of Online Content Service Fees

As part of the continued implementation of the Blueprint for Regulatory Reforms to Improve the Business Environment, the Government has proposed a significant reduction of fees applicable to online content service providers.

Fee Category	Current Fee (TZS)	Proposed Fee (TZS)
Application Fee – Online Content Service Licence	50,000	10,000
Initial, Annual and Renewal Fee – Online	500,000	50,000
Application Fee – Online Content Aggregator	100,000	20,000
Initial, Annual and Renewal Fee – Online	1,000,000	100,000



## Introduction of Fees for Private Museums

The Government has also proposed the introduction of registration and operating fees for private museums.

Fee Category	Proposed Fee (TZS)
Registration – Tanzanian Citizen	50,000
Registration – Tanzanian Institution	100,000
Registration – Foreign Citizen	500,000
Annual Operating Licence – Tanzanian Citizen	20,000
Annual Operating Licence – Tanzanian Institution	100,000
Annual Operating Licence – Foreign Institution	300,000



## Imports Control Act, CAP 276

The Minister has proposed a number of amendments to the Imports Control Act aimed at promoting local manufacturing, encouraging investment and ensuring compliance with regional trade commitments under the East African Community (EAC) Customs Union Protocol.

<b>EAC-Originating Products</b>	Exempt products manufactured within EAC Partner States from Industrial Development
<b>Exercise Books and Notebooks</b>	Introduce a 5% IDL on imported exercise books and notebooks (HS Codes 4820.10.00 and
<b>Trailers</b>	Introduce a 5% IDL on imported trailers (HS Codes 8716.31.90, 8716.39.90 and
<b>Fishing Nets</b>	Introduce a 10% IDL on imported fishing nets (HS Code 5608.11.00).
<b>Doors, Windows and Frames</b>	Introduce a 5% IDL on imported doors, windows and their frames (HS Code
<b>Steel Structures</b>	Introduce a 10% IDL on imported steel structure products (HS Code 7308.90.99).
<b>Aluminium Structures</b>	Introduce a 5% IDL on imported aluminium structures (HS Code 7610.10.00).

## Export Tax Act, CAP 196

The Minister has proposed amendments to the Export Tax Act aimed at promoting local value addition, supporting domestic industries and ensuring the availability of key raw materials for local manufacturers.

Amendment	Proposed Change
Waste Paper (HS Code 4707.00.00)	Introduce an export tax of <b>30% of FOB value or TZS 200 per kilogram, whichever is higher</b> , on exported waste paper.
Quartz and Feldspar Minerals	Introduce an export tax of <b>10% of FOB value or TZS 200 per kilogram, whichever is higher</b> , on quartz minerals (HS Heading 25.06) and feldspar (HS Code 2529.10.00).
Agricultural By-products Used in Animal Feed	Introduce an export tax of <b>TZS 50 per kilogram</b> on wheat bran (HS Code 2302.30.00), cotton cake (HS Code 2306.10.00), rice bran (HS Code 2302.40.00), maize bran (HS Code 2302.10.00) and sunflower cake (HS Code 2306.30.00).

## Stamp Duty Act, CAP 189

The Minister has proposed amendments to the Stamp Duty Act aimed at broadening the stamp duty base, updating duty rates and aligning the legislation with current commercial transactions.

Amendment	Proposed Change
Definition of Lease	Expand the definition of a lease to include documents relating to the exchange of movable property.
Bills of Sale by Way of Collateral Security	Increase stamp duty from <b>TZS 1,000</b> to <b>TZS 10,000</b> .
Maximum Stamp Duty on Bills of Sale by Way of Security	Increase the maximum duty from <b>TZS 10,000</b> to <b>TZS 100,000</b> .
Partnership Deeds	Revise stamp duty rates to <b>TZS 5,000</b> where capital value does not exceed TZS 1 million and <b>TZS 10,000</b> where capital value exceeds TZS 1 million.
Cheques	Increase stamp duty from <b>TZS 100</b> to <b>TZS 500</b> per cheque.
Surrender of Lease Documents	Increase stamp duty from <b>TZS 1,000</b> to <b>TZS 2,000</b> .
Bills of Exchange of Property	Introduce stamp duty of <b>TZS 5,000</b> on bills of exchange of property.
Transfer of Agricultural Land	Replace the current fixed duty of <b>TZS 500</b> with an ad valorem stamp duty of <b>0.5%</b> of the value of the land.

The proposed amendments generally increase stamp duty rates and expand the range of instruments subject to duty. The introduction of an ad valorem rate on transfer document for agricultural land is particularly notable, as it may significantly increase transaction costs for high-value agricultural land transfers compared to the current fixed duty regime.



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