

THE FINANCIAL LAWS (MISCELLANEOUS AMENDMENTS) ACT, 2008

ARRANGEMENT OF PARTS

<i>Part</i>	<i>Title</i>
PART I	PRELIMINARY PROVISIONS.
PART II	AMENDMENT OF THE LOCAL GOVERNMENT FINANCES ACT (CAP.290).
PART III	AMENDMENT OF THE TANZANIA REVENUE AUTHORITY ACT (CAP.399).
PART IV	AMENDMENT OF THE URBAN AUTHORITIES (RATING) ACT (CAP.289).



No. 9 OF 2008

I ASSENT,

*Jawahar Zindala*  
.....

President

*06 June, 2008*  
.....

**An Act to amend certain written laws for enabling the Tanzania Revenue Authority to collect property rates on behalf of Local Government Authorities in order to enhance collection of revenue, build capacity and experience on collection of property rates.**

ENACTED by Parliament of the United Republic of Tanzania.

## PART I

## PRELIMINARY PROVISIONS

- |   |              |
|---|--------------|
| 1. This Act may be cited as the Financial Laws (Miscellaneous Amendment) Act, 2008.   | Short title  |
| 2. The provisions of various Parts of this Act shall each be deemed to have come into operation on the 1 <sup>st</sup> day of July, 2008. | Commencement |

## PART II

## AMENDMENT OF THE LOCAL GOVERNMENT FINANCES ACT

- |   |                           |
|---|---------------------------|
| 3. This Part shall be read as one with the Local Government Finances Act, hereinafter referred to as the "principal Act".     | Construction<br>Cap.290   |
| 4. The principal Act is amended in section 4 by inserting in its appropriate alphabetical order the following new definition- | Amendment of<br>section 4 |

“Tanzania Revenue Authority” means the authority established by the Tanzania Revenue Authority Act.”

Cap. 399      5. The principal Act is amended by adding immediately after section 31, the following new sections:—

Addition of section 31A      “TRA to collect rates      31A.—(1) Without prejudice to the provisions of section 31, the Tanzania Revenue Authority in consultation with a respective local government authority shall evaluate, assess, collect and account for property rate imposed by Authorities.

(2) For the purposes of subsection (1), the Minister may, by order in the *Gazette*, declare the township authority, the urban authority or a geographical area to be the place where the Tanzania Revenue Authority shall collect rates.

(3) In the performance of its functions under this Act, the Tanzania Revenue Authority shall be indemnified by the local government authorities in relation to any cost incurred, loss suffered or action brought by reason of performance of such functions.

(4) Notwithstanding the provisions of subsection (3), a local government authority shall not be held responsible for cost incurred or loss suffered by any person as a result of a negligent act or omission by the Tanzania Revenue Authority.

(5) In the enforcement or recovery of property rate the Tanzania Revenue Authority shall apply *mutatis mutandis* the powers of recovery stipulated under the provisions of the Income Tax Act and the Urban Authorities (Rating) Act.

(6) For the purposes of this section “assess” means the act of computing property rate from property value.

Caps.289  
and 332

**31B.**—(1) Where the Minister has declared a township authority, urban authority or, as the case may be, a geographical area pursuant to subsection (2) of section 31A, the Tanzania Revenue Authority in consultation with a respective local government authority shall make valuation of all rateable properties for purposes of establishing the rate payers and rates collectible and prepare a rates payers list thereof.

Valua-  
tion of  
reliable  
proeprty

(2) The rates payers list shall show in respect of each rate payer—

- (a) the name and address of rate payer;
- (b) the area and situation of the rateable property, matter or activity;
- (c) any other information as the Authority may consider necessary.

(3) In preparing the rates payers list under this section, the Tanzania Revenue Authority shall have regard to the provisions of the Urban Authorities (Rating) Act relating to the preparation of rate.

Cap.289

(4) The Tanzania Revenue Authority shall after preparing a rates payers list issue a demand notice to every owner in respect of the rates of such properties in accordance with the provisions of the Urban Authorities (Rating) Act.

Cap.289

(5) Any dispute and objection arising from valuation and payment of rates in respect of areas designated pursuant to Section 31A(2) shall be determined in accordance with the provisions of the Tax Revenue Appeals Act.”

Cap.408

(6) The period for which the agency of Tanzania Revenue authority for collecting of property rate shall be five years beginning on 1<sup>st</sup> July, 2008 however the Minister may—

- (a) extend the period of agency for specified time;

(b) terminate the agency in relation to the specified local government authority upon being satisfied that the local government authority has acquired a requisite capacity to collect the property rate.

### PART III

#### AMENDMENT OF THE TANZANIA REVENUE AUTHORITY ACT

Constru-  
ction  
Cap.399

6. This Part shall be read as one with the Tanzania Revenue Authority Act herein referred to as the “principal Act”.

Amend-  
ment  
of sec-  
tion 3

7. The principal Act is amended in section 3 by inserting the words “rates” between the words “fees” and “fines” appearing in the definition of the word “revenue”.

Amend-  
ment of  
section 5

8. The principal Act is amended in section 5(2) by—  
(a) adding immediately after paragraph (d) the following new paragraph—

“(e) negotiate and agree with a respective local government authority on the revenue collection targets for any given financial year subject to modalities that may be agreed.”

(b) renaming paragraph (e) to (g) as paragraphs (f) to (h).

Amend-  
ment of  
section  
14

9. The principal Act is amended in section 14 by adding immediately after subsection (7) the following subsection:

“(8) Subject to Section 7 of the Urban Authority (Rating) Act, the Tanzania Revenue Authority may after consultation with respective local government authority exempt rateable property from being a rateable property.

Cap.289

(9) Every local government authority shall furnish the Tanzania Revenue Authority with a list of properties eligible for remission or exemption of rates.”

10. The principal Act is amended by adding immediately after subsection 20, the following:

Addition  
of  
Section  
20A

“Special account 20A.—(1) The property rates collected by the Authority shall be credited into a special local government authority account and shall be remitted to the relevant local government authority in a manner agreed upon by both parties.

(2) The Commissioner General shall submit to a relevant local government authority a monthly report in respect of property rates collected.”

11. The principal Act is amended in the First Schedule by—  
(a) adding immediately after paragraph 25 the following new paragraphs:

Amend-  
ment of  
the First  
Schedule

“26. The Local Government Finances Act, Cap. 290.

27. The Urban Authorities (Rating) Act, Cap. 289.”

(b) renumbering paragraph 26 as 28.

#### PART IV

##### AMENDMENT OF URBAN AUTHORITIES (RATING) ACT

12. This Part shall be read as one with the Urban Authorities (Rating) Act hereinafter referred to as the “principal Act”.

Constru-  
tion  
Cap.289

13. The principal Act is amended in section 4 by adding immediately after subsection (1) the following new provision:

Amend-  
ment  
of section  
4

“(1A) Without prejudice to subsection (1), the Tanzania Revenue Authority in consultation with a respective local government authority shall appoint a Valuation Surveyor for preparing a roll or supplementary roll for all rating authorities to which it has been appointed as agent.”

Amend-  
ment of  
section  
23

14. The principal Act is amended in section 23 by adding immediately after subsection (5), the following new subsection:

“(6) The preceding provisions of this section shall not apply to areas of the local government authority to which the Tanzania Revenue Authority has been appointed the agent.”

15. (1) The principal Act is amended in subsection (1) by deleting the phrase “not exceeding one hundred shillings, and, in the case of a continuing offence, a further fine not exceeding ten shillings for everyday during which the default continues” and substituting for it the phrase “of twenty per centum of the rate defaulted and in the case of continuing default, five per centum per month of the sum remaining in default.”

(2) For the purposes of subsection (1), a penalty of five per cent shall be imposed beginning in the second month from the date of imposition of the twenty per cent penalty.

(3) For the purposes of subsection (2), part of a month shall be deemed to be full month and the total penalty shall not exceed the principal sum of the rate payable.

Amend-  
ment of  
section  
51

16. The principal Act is amended in section 51 by—

- (a) designating section 51 as subsection (1);
- (b) adding after a designated subsection (1) a new subsection (2) as follows:

“Non  
applica-  
tion of  
the Act

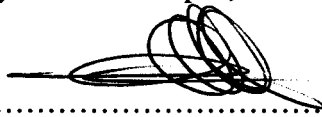
“(2) In consultation with the Minister responsible for finance, the Minister may make regulations providing for the procedural and operational matters on property rates.”

Addition  
of sec-  
tion 42A

17. The principal Act is amended by adding immediately after section 42 the following new section:

“42A. The provisions of Part V of the Act shall not apply where the agency of the Tanzania Revenue Authority is in force.”

Passed in the National Assembly on the 17<sup>th</sup> April, 2008



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*Acting Clerk of the National Assembly*