

THE UNITED REPUBLIC OF TANZANIA

ACT SUPPLEMENT

No. 16

30th June, 2015

to the Gazette of the United Republic of Tanzania No.27 Vol. 96 dated 3rd July, 2015
Printed by the Government Printer, Dar es Salaam by Order of Government

THE FINANCE ACT, 2015

ARRANGEMENT OF PARTS

<i>Part</i>	<i>Title</i>
PART I	PRELIMINARY PROVISIONS
PART II	AMENDMENT OF THE BANK OF TANZANIA, (CAP. 197)
PART III	AMENDMENT OF THE EXPORT TAX ACT, (CAP. 196)
PART IV	AMENDMENT OF THE GAMING ACT, (CAP. 41)
PART V	AMENDMENT OF THE INCOME TAX ACT, (CAP. 332)
PART VI	AMENDMENT OF THE TANZANIA INVESTMENT ACT, (CAP.38)
PART VII	AMENDMENT OF THE PETROLEUM ACT, (CAP. 392)
PART VIII	AMENDMENT OF THE LOCAL GOVERNMENT FINANCE ACT, (CAP. 290)
PART IX	AMENDMENT OF THE URBAN AUTHORITIES (RATING) ACT, (CAP. 289)
PART X	AMENDMENT OF THE RAILWAYS ACT, (CAP. 170)
PART XI	AMENDMENT OF TANZANIA REVENUE AUTHORITY ACT, (CAP.399)

- PART XII AMENDMENT OF THE VOCATIONAL EDUCATION AND TRAINING ACT, (CAP. 82)
- PART XIII AMENDMENT OF THE PUBLIC FINANCE ACT, (CAP. 348)
- PART XIV AMENDMENT OF THE ROAD AND FUEL TOLLS ACT, (CAP.220)
- PART XV AMENDMENT OF THE TREASURY REGISTRAR (POWERS AND FUNCTIONS) ACT, (CAP. 370)
- PART XVI AMENDMENT OF THE BUSINESS LICENSING ACT (CAP.208)
- PART XVII AMENDMENT OF THE EXCISE (MANAGEMENT AND TARIFF) ACT, (CAP.147)

Amendment of
the Second
Schedule

16. The principal Act is amended in paragraph 1 of the Second Schedule by-

- (a) deleting a "full stop" that appears at the end of item (s) and substituting for it a "semi colon";
- (b) adding after item(s) the following item:
 - "(1) interest on bonds issued by the East African Development Bank which are listed in the Dar es Salaam Stock Exchange."

Amendment of
section 56

17. The principal Act is amended in section 56, by deleting the word "three" appearing between the words "previous" and "years" in the third line of sub-section (1) and substituting for it the word "two".

PART VI

AMENDMENT OF THE TANZANIA INVESTMENT ACT, (CAP. 38)

Construction
Cap 370

18. This Part shall be read as one with the Tanzania Investment Act, hereinafter referred to as the "principal Act".

Amendment of
section 19

19. The principal Act is amended in section 19 by-

- (a) deleting a proviso that appears in subsection (1);
- (b) inserting new sub-section (2) as follows-
 - "(2) Benefits under subsection (1) shall not extend to-
 - (a) non-utility vehicle classified under HS Codes 8702.10.19, 8702.90.19 and tariff heading 8703 provided that the restriction imposed shall not extend to an investor whose certificate of incentive was issued on or before 30th June, 2006; or
 - (b) imported trailer classified under HS Code 8716.31.90 and 8716.40.90";
 - (c) inserting the phrase "PVC and HDPE pipes with HS Code 3917.23.00 and HS Code 3917.21.00

respectively, and imported trailers” immediately after the words “roofing sheets” appearing in paragraph (c) of subsection (3).:

Amendment of
section 20

20. The principal Act is amended in section 20 by:

- (a) inserting the phrase “PVC and HDPE pipes with HS Code 3917.23.00 and HS Code 3917.21.00 respectively, and imported trailers classified under HS Code 8716.31.90 and 8716.40.90” immediately after the words “roofing sheets” appearing in subsection (2);
- (b) deleting paragraph (c) of subsection (4);
- (c) adding the following provisions after subsection (4):

“(5) The Government may identify projects and grant special strategic investment status.

(6) Special strategic investment status may be granted to projects which meets the following criteria:

- (a) a minimum investment capital of not less than the equivalent in Tanzania shillings of three hundred million US dollars (US\$ 300,000,000);
- (b) investment capital transaction is undertaken through a registered local financial and insurance institutions;
- (c) at least one thousand five hundred direct local employment is created with satisfactory number of senior positions in projects that does not require high and sophisticated technology; and
- (d) capability to significantly generate foreign exchange earnings, produce significant import substitution goods or supply of

important facilities necessary for development in the social, economic or financial sector.

(7) Upon grant of special strategic investment status to a project, the Minister shall propose to the National Investment Steering Committee additional specific fiscal incentives.

(8) Where the National Investment Steering Committee approves additional specific fiscal incentives the Minister for Finance shall confer such additional fiscal incentives as approved by the National Investment Steering Committee under an order published in the *Gazette*.

(9) The National Investment Steering Committee may review every project conferred additional specific fiscal incentives in respect of compliance of incentives granted and advise the Government on whether or not to continue issuing the incentives.”

PART VII

AMENDMENT OF THE PETROLEUM ACT, CAP. 392

Construction
Cap. 392

21. This Part shall be read as one with the Petroleum Act, hereinafter referred to as the “principal Act”.

Amendment of
section 32

22. The principal Act is amended in section 32 by adding immediately after subsection (3) the following:

“(4) Notwithstanding the provisions of subsections (1) and (2), the Minister responsible for finance may, by order published in the *Gazette*, exempt petroleum fee on fuel for use in a Government project funded by a donor under an agreement between the Government and the