

Tanzania Tax Brief

Changes in VAT e-filing System

Tanzania Revenue Authority (TRA) is constantly upgrading its recently introduced e-filing system. TRA will integrate e-filing of VAT returns with an e-filing system which is currently available only for Skill Development Levy, PAYE, the return of income, and Provisional tax returns. This means the VAT return filing option will also be available under the list of returns in the new e-filing system.

As per TRA prior announcement shared on changes in EFD machines known as Protocol 2.1 which means the system recommends issuing tax invoices with QR codes or verification codes. This coding system enables the authorities to verify the tax invoice electronically for its input claim. TRA will communicate after the VAT e-filing option is available and the mode of integrating VAT repayable from the current system to the filing system.

We aim to keep our clients apprised of the developments in Tanzanian laws and regulations. This insight has been prepared for quick reference. It is not a substitute for professional advice and action should not be taken solely on the strength of the information contained herein.

MRISHO ATHUMANI, CPA
Tax Consultant
Direct +255 652 530 300
Office +255 774 330 111
mrisho.athumani@bdo-ea.co.tz
BDO East Africa-Tanzania

Monthly withholding Statement e- filing

Following the 2021/2022 Finance Act, amendment of section 84 of the Income Tax Act, 2004. Withholding agent are now required to file monthly withholding tax statement through e-filing system like for PAYE, Skills and Development Levy (SDL) and Corporate Tax Returns. This is replacing the six-monthly withholding tax statements which was submitted semiannually. With the current e-filing of withholding tax statement, option will also be available under the list of returns in the new e-filing system. The statement is submitted within seven days of the Month following the Month to which the tax relates. This new filing will start from July 2021.

