

PUBLIC NOTICE

INTRODUCTION OF ELECTRONIC TAX CLEARANCE CERTIFICATE (e-TCC) COMPLIANCE CHECKS ON IMPORTS

The Zambia Revenue Authority wishes to advise all taxpayers involved in importation of goods that the Authority will with effect from 1st July 2018 introduce an Electronic Tax Clearance Certificate (e-TCC) compliance check between Taxonline (the Domestic Tax Management System) and AsycudaWorld (the Customs Management System) for purposes of charging Advance Income Tax (AIT) on non-compliant importers.

According to Section 81C of the Income Tax Act, an Advance Income Tax (AIT) of 15% is charged on importations where an importer does not have a valid Tax Clearance Certificate.

A Tax Clearance Certificate (TCC) is issued when a Taxpayer is compliant. Currently, when a TCC is issued, it remains valid until the expiry date that is indicated on the TCC regardless of the compliance status of the taxpayer during the period. However, in order to enhance taxpayer compliance, the ZRA has interfaced its AsycudaWorld and Taxonline system to automatically check, in real-time, validity of the Tax Clearance Certificate based on the taxpayer's compliance on filing returns. In this regard, if the Taxpayer's TPIN has missing returns on any of the Tax accounts, the AsycudaWorld will charge an Advance Income Tax (AIT) against the value of imports being declared at the time. The Taxpayer who has been charged AIT will be informed via an email address on their TPIN profile advising them of the requirements to normalise the status.

The system will automatically reinstate the validity of the TCC once a taxpayer has filed the missing returns and is compliant.

Taxpayers are therefore advised to ensure that they file returns by the Due Dates without fail and that they should remain compliant on expected tax obligations.