

GOVERNMENT OF ZAMBIA

ACT

No. 29 of 2009

Date of Assent: 7th December, 2009

An Act to amend the Value Added Tax Act

[9th December, 2009

ENACTED by the Parliament of Zambia

Enactment

1. (1) This Act may be cited as the Value Added Tax (Amendment) (No. 2) Act, 2009, and shall be read as one with the Value Added Tax Act, in this Act referred to as the principal Act.

Short title and commencement
Cap. 331

(2) This Act shall come into operation on 1st January, 2010.

2. Section *two* of the principal Act is amended by the insertion in the appropriate places of the following new definitions:

Amendment of section 2

“calendar month” means the first day to the last day of a month under the Gregorian calendar; and

“commercial property” means a building that is used for commercial purposes and includes an office building, industrial building, health facility, hotel, shopping mall, retail store, shopping centre, warehouse, garage, recreation centre, dwelling house and multi-family dwelling apartment;

3. Section *eight* of the principal Act is amended in sub-section (1) by the deletion of paragraph (a) and the substitution therefor of the following new paragraph:

Amendment of section 8

(a) every taxable supply of goods or services, other than a zero rated supply, made in Zambia in the course of, or in furtherance of, a business by a registered supplier or by a supplier eligible for registration under section *twenty-eight*; and

4. Section *eighteen* of the principal Act is amended by—

Amendment of section 18

(a) the deletion of sub-section (3) and the substitution therefor of the following new sub-section:

(3) A supplier shall not deduct, credit or claim input tax, unless the supplier at the time of lodging the return in which the deduction, credit or claim is made, is in possession of—

- (a) a tax invoice issued from a serially numbered invoice book printed by a printer authorised for that purpose by the Commissioner-General;
- (b) a tax invoice printed from a computer package authorised by the Commissioner-General for the purpose of invoicing taxable supplies; or
- (c) in the case of imported goods, import bills of entry or such documentary evidence of the payment of tax as the Commissioner-General may, by administrative rule, prescribe.; and

(b) the insertion immediately after sub-section (3) of the following new sub-section:

(3A) A supplier who contravenes sub-section (3) commits an offence and shall be deemed to have taken steps for the fraudulent recovery of tax in contravention of section *forty-four*.

Amendment
of
section 29

5. Section *twenty-nine* of the principal Act is amended—

- (a) by the renumbering of the paragraph of that section as subsection (1); and
- (b) by the insertion immediately after sub-section (1) of the following new sub-sections:

(2) Where a supplier who is eligible for registration under section *twenty-eight* fails to register under that section, the Commissioner-General shall assess the tax due on the supplies made, in accordance with the provisions of this Act, from the time the supplier was due for registration to the date of the assessment, and the interest payable thereon.

(3) Where the supplier referred to in sub-section (2) receives any consideration for the supply of goods or services, the consideration shall be deemed to be inclusive of tax for the purpose of determining the taxable value under section *ten*.