

30th January, 1998

Statutory Instruments

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GOVERNMENT OF ZAMBIA

STATUTORY INSTRUMENT NO. 12 OF 1998

**The Value Added Tax Act**  
(Laws, Volume 19, Cap. 331)

**The Value Added Tax (General) (Amendment) Regulations, 1998**

IN EXERCISE of the powers contained in sections *two, eighteen* and *fifty-one* of the Value Added Tax Act, the following Regulations are hereby made:

1. (1) These Regulations may be cited as the Value Added Tax (General) (Amendment) Regulations, 1998, and shall be read as one with the Value Added Tax (General) Regulations, 1995, in these Regulations referred to as the principal Regulations.

Title and commencement  
S.I. No. 78 of 1995

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(2) Regulations 2, 3 and 4 shall come into operation on the 1st April, 1998.

(3) Regulation 5 shall come into operation on the 1st February, 1998.

2. The principal Regulations are amended in regulation 3—  
(a) by the insertion immediately after paragraph (a) of the following new paragraph:

Amendment of regulation 3

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(b) the goods are supplied for the purpose of leasing by a financial institution;

(b) by the re-numbering of paragraphs (b) and (c) as (c) and (d) respectively.

3. Regulation 7 of the principal Regulations is amended—

Amendment of regulation 7

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(a) in sub-regulation (1) by the insertion after the words "motorcar" of the words "including a supply of a motor car on hire or lease";

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(b) by the deletion of sub-regulation (4) and the substitution therefor of the following:

(4) Where a motor vehicle in respect of which input tax was not allowed to be deducted under this regulation is resold—

(a) if the resale value does not exceed the purchase price, the resale shall not constitute a supply of goods for the purposes of this Act; and

(b) if the resale value exceeds the purchase price, only the excess of the resale value over the purchase price shall constitute taxable value for purposes of section *ten*.

Insertion of  
new  
regulation  
8B

4. The principal Regulations are amended by the insertion immediately after regulation 8A of the following new Regulation:

Input tax not  
allowed on  
supply of  
petrol

8B. Tax charged on the supply of petrol to a taxable supplier shall be excluded from any claim, deduction or credit under section *eighteen* of the Act, except when such a supply is for resale.

LUSAKA

28th January, 1998

[MFB.103/12/12]

R. D. S. PENZA,

Minister of Finance and Economic  
Development