

CAR BENEFIT TAX ACT, 1991

ARRANGEMENT OF SECTIONS

<i>Section</i>	<i>Title</i>
1.	Short title and commencement.
2.	Interpretation.
3.	Imposition of tax.
4.	Payment of tax.
5.	Tax not subject to deduction.
6.	Recovery of tax.
7.	Commissioner may compound offence.
8.	Offences.
9.	Penalty.
10.	Exemption.
11.	Regulations relating to tax.

THE UNITED REPUBLIC OF TANZANIA



No. 19 OF 1991

 I ASSENT,

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 30/12/91

**An Act to provide for the imposition of a car benefit tax and
to provide for matters incidental to those, purposes.**

ENACTED by the Parliament of the United Republic of Tanzania.

1. This Act may be cited as the Car Benefit Tax Act, 1991 and shall come into operation on the first day of July, 1991.

Short title
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2. In this Act unless the, context requires otherwise:-

Interpre-
tation

"commercial company" means a company, whether of not a parastatal organization, which is not oriented to provide services as opposed to trading, and which for the purposes of carrying on its principal business does not get a subsidy from Government;

"Commissioner" means the Commissioner for Customs and Sales Tax appointed under the Customs Tariff Act, 1976;

"effective date" means the first day of July, 1991;

"Minister" means the Minister for the time being responsible for finance;

"tax" means the car benefit tax;

"vehicles" includes a saloon car, station wagon and a pick-up of up to two tons.

3.-(1) With effect from the effective date, there shall be charged, levied upon and paid by every commercial company in accordance with this Act a tax to be known as the car benefit tax.

Acts, 1976
No. 12

(2) Subject to subsection (1) there shall be charged and paid by a commercial company a tax of eighty thousand shillings for each vehicle belonging to such commercial company.

(3) The Minister may, by order published in the Gazette, vary the amount prescribed in subsection (2).

(4) Every Order made under subsection (2) shall be submitted for the approval, to be signified by resolution, of the National Assembly within fifteen days of the Order being made, or, if the, National Assembly is not meeting, within fifteen days After it next meets.

(5) If any such Order is not approved by the National Assembly within the time specified in subsection (4), or is disapproved by the National Assembly, the Order shall thereupon either expire forthwith or cease to have effect, as the case may be, but without prejudice to anything previously done or suffered to be done under the Order.

Imposi-
tion of tax

4.-(1) Every commercial company shall pay the tax to the Commissioner before the thirty first day of March of every year.

(2) There shall not be issued any road licence to any vehicle belonging to a commercial company unless the tax due in relation to that vehicle has been paid in accordance with this Act.

(3) The tax due in relation to a newly acquired vehicle shall be paid within six months after the acquisition of that vehicle by the commercial company.

Payment
of tax

5. Any tax payable under this Act shall not be an allowance deduction under the Income Tax Act.

Tax not
subject to
deduction
Recovery
of tax

6.-(1) Any tax payable under this Act shall be a debt due to the Government and may be recovered from a commercial company as a civil debt by suit at the instance of the Commissioner or any person authorized by the Commissioner in that behalf.

(2) Without prejudice to the method of recovery of tax prescribed by subsection (1), where any amount of tax is due from any commercial company, the Commissioner may file in a court of a resident Magistrate having jurisdiction over the area in which the commercial company carries on business, a certificate stating:-

- (a) the name and address of the commercial company from who the tax amount is due; and
- (b) the actual amount due, and upon that certificate being lodged in court shall be deemed to be a plaint duly lodged under Order XXXV of the Civil Procedure Code, 1966, and the court shall proceed in the manner and in accordance with the provisions of that Order, and in the event of a decree for payment by the defendant to the Government of the amount due together with interest thereon of two per centum per month from the date on which the certificate was filed until payment.

(3) Subsection (2) shall apply notwithstanding that the amount involved exceeds the pecuniary jurisdiction of a court of a resident magistrate.

(4) Every certificate filed in a court of a resident, magistrate pursuant to subsection (2) shall be *prima facie* evidence of the truth of the statements contained in that certificate.

7. Without prejudice to section 6, the Commissioner may, where he is satisfied that a commercial company has committed an offence against this Act, require such commercial company to make payment of the tax due plus the interest of two percentum payable for every month of continued default.

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8. Any commercial company which:-

offences

(a) fails to pay the tax due under this Act and within the prescribed time;

(b) with intent to evade payment of any tax or penalty due under this Act:-

(i) makes any false statement to the Commissioner or any other public officer connected with the administration of this Act; or

(ii) fails or omits to give any information or submit any return required to be given or submitted by this Act or gives any such information or submits any such return which is false in any material particular; or

(iii) does or omits to do any act or thing which he is required to do under the provisions of this Act, shall be guilty of an offence.

9. Any commercial company found guilty of an offence under this Act shall be liable to a fine not exceeding one hundred thousand shillings.

Penalty

10. The Minister may by order published in the *Gazette*, exempt any commercial company from all or any of the provisions of this Act.

Exemp-
tion

11. The Minister may, either on his motion or upon advice by the Commissioner, make regulations for the better carrying out of the purposes and provisions of this Act.

Regula-
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lating to
tax

Passed in the National Assembly on the eighth day of August, 1991.

MMwindad
Clerk of the National Assembly