



UNITED REPUBLIC OF TANZANIA

July 2017

SIXTH REVIEW UNDER THE POLICY SUPPORT INSTRUMENT AND REQUEST FOR A SIX-MONTH EXTENSION OF THE POLICY SUPPORT INSTRUMENT—PRESS RELEASE; STAFF REPORT; AND STATEMENT BY THE EXECUTIVE DIRECTOR FOR THE UNITED REPUBLIC OF TANZANIA

Text Table 3. Tanzania: Revenue Measures for 2017/18

	Impact	
	Tsh bln	% of GDP
Tax Policy Measures	132.2	0.11
1. Abolish VAT exemption on Supply of air charter services	0.8	0.001
2. Indexation of Excise Duty rates on non-petroleum products	33.6	0.03
3. Merge the Annual Motor Vehicles Licence with excise duty on fuels	11.1	0.01
4. EAC-compliant removal of tax exemptions on compact fluorescence bulbs (CFL) and light emitting bulbs (LED)	16.1	0.01
5. Increase of petroleum product fees	70.6	0.06
Tax Administration Measures	268.7	0.22
Domestic Taxes	195.6	0.16
1. Strengthen Block Management System and clean up taxpayers registry	57.1	0.05
2.a. Enhance business formalization, usage of EFD operations and electronic filling for all traders;		
2b. Strengthen usage of forensic technology and general surveillance to minimise tax evasion	102.8	0.08
2c. General strengthening VAT collection efficiency		
3. Implement electronic tax stamps	35.7	0.03
International Trade Taxes	73.0	0.06
4. Strengthen automatic TANCIS valuation capability and classification	37.3	0.03
5.a. Strengthen supervision on cargo verification and controls to all Internal Container Depots (ICDs) and Bonded Warehouses	35.7	0.03
5.b. Collaborate with other Government instruments for conducting anti-smuggling operations.		
TOTAL	400.9	0.33

Sources: Tanzanian authorities and IMF staff calculations