

ZIMBABWE REVENUE AUTHORITY ZIMRA

*Our Taxes, Our Future: Building
Zimbabwe Together*



26 September 2025 Taxpayer Education and The Benefits of Compliance



ZIMRA

Our Vision

- To be a beacon of excellence in the provision of fiscal services, facilitation of trade and travel and protect civil society.

Our Mission

- To mobilise revenue and facilitate sustainable compliance with fiscal laws for the economic development of Zimbabwe.

Our Values

- Integrity, Fairness, Transparency, Commitment, Innovativeness

❏ Custom Division & Domestic Taxes

ZIMRA's Core Mission

- The Zimbabwe Revenue Authority (**ZIMRA**) is constitutionally responsible for revenue collection, trade facilitation and civil society protection.
- Revenue collected is vital for national service delivery in infrastructure, health, education and social welfare.
- This initiative aligns with ZIMRA's vision to be a beacon of excellence in fiscal services and trade facilitation, and seeks to promote voluntary compliance, foster trust, and celebrate best practices.

OBJECTIVES



- **Why taxation**
- **Benefits of tax compliance- to taxpayer and ZIMRA**
- **Consequences of non-compliances**
- **Tax clearance certificate application process**
- **Tax incentives applicable to corporates and individuals and thresholds thereof**

Why pay taxes

Taxation is important as it provides the necessary funding for the country's development



Who is required to register for tax purposes

The following persons are required to register for tax purposes.

- ❖ Company
- ❖ Trust
- ❖ Individual
- ❖ Private Business Corporation PBC
- ❖ Partnership
- ❖ Association, Cooperative etc
- ❖ Not for profit organizations NGO

Tax compliance

- Tax compliance refers to taxpayers' decision to **comply** with tax laws and regulations by **paying tax and submitting returns** timely and accurately.

Compliance pathway

1. **Company registration**
2. **Bank account opening**
3. **Registration with ZIMRA** (Any person who receives income from trade , regardless of their size or legal form and status is required by law to register for an applicable tax.)
4. **Filing of Returns**
5. **Paying taxes and duties on time and in full**
6. **Tax clearance certificate**

COMPLIANCE PATHWAY



What to
do

Outcome

TARMS



STEP BY STEP GUIDE TO REGISTER ON TaRMS



Existing Taxpayers Step 4A

(Taxpayers with BP Numbers) who received Taxpayer Identification Numbers (TINs) should complete the registration process through the Self-Service-Portal (SSP) by following the steps on how to get started.

All New Registrants Step 4B

(Taxpayers without BP Numbers) have to register through the Self Service Portal (SSP) and be allocated a TIN.

1

Visit the official Self Service Portal – SSP at mytaxselfservice.zimra.co.zw

2

Create an SSP user account by clicking on the "**Sign Up**" hyperlink and follow the steps to get your Username and Password.

3

Log into the system using your username and password and follow the steps as directed.

5

Select your preferred bank to link to the ZIMRA Single Account located in that bank. Note that, you should be an account holder in that bank to facilitate tax transactions.

4B

If you are a new taxpayer, choose the appropriate option from "**Register as an Individual**" or "**Register as an Organization**" or "**Register as a Representative of a Deceased Taxpayer**" and follow the steps.

4A

If you are an existing taxpayer with BP number, click on the "**Register with an Existing BP Number**" hyperlink and follow the instructions.

Benefits of Tax Compliance to Taxpayer

- ❖ Advantages of being tax compliant for a taxpayer are as follows:
 - To **grow the business**
 - **Improved decision making**- when business systems are up to date and all tax obligations are settled within the confines of the relevant statutes, decision making becomes easier.
 - **Improved business efficiency** is derived from Tax Compliance as all records are well kept.
 - **Quick resolutions and finalisation of Audit cases**, thereby utilising more time on the business of the company than with Tax authorities.
 - Tax Compliance ensures a **clear assessment** of the current state of the company
 - Assurance of a **Valid Tax Clearance** that is needed in tender applications and business transactions locally and internationally.
 - Prosecution cases that may tarnish the image of the taxpayer are avoided
 - To benefit from various **tax incentives**

cont...

- Access to the **RBZ Forex Auction** requires amongst other factors, that beneficiaries be tax compliant (measured by possession of a valid tax clearance certificate).
- **No Presumptive Tax** will be levied on importations
- Taxes **support government's drive** to develop infrastructure essential for businesses to flourish and social service

Consequences of Non-Compliance



- ❖ Additional Taxes, penalties, **interest** and possible prosecutions through the relevant statutes
- ❖ Loss of potential business prospects e.g. tenders as other businesses may require a Valid Tax Clearance to enter into business arrangements.
- ❖ The image of the company is compromised in the event of Prosecution and Court cases due to non compliance.
- ❖ There are high collection costs and legal fees that result from non-compliance which may affect the businesses cash flows.
- ❖ Time wasting as production time is spent updating tax compliance records and issues, which could have been avoided.

Tax Clearance Issuance

- A Tax Clearance Certificate is a certificate issued by Zimbabwe Revenue Authority (ZIMRA) to a taxpayer as confirmation that their tax affairs are up to date or has made satisfactory arrangements with her nearest ZIMRA to update their tax obligations.
- For new taxpayers, upon registration and being allocated a taxpayer identification number, the Tax Clearance Certificate is automatically generated.
- For taxpayers already registered in the system, a Tax Clearance Certificate is auto-generated by the ZIMRA system and send to compliant taxpayers through email addresses that are registered in the ZIMRA database.
- .

Tax incentives

- **Special Initial Allowance (SIA)**

This is a capital allowance, which ranks as a deduction.

- Allowed on expenditure incurred on construction, additions or alterations of new industrial buildings, farm improvements, railway lines, staff housing and tobacco barns.
- SIA is also allowed on articles, implements, machinery and utensils purchased for purposes of trade.
- Allowed at the rate of 25% of cost from year one and the next three years.

Tax incentives cont ...

Person for whom incentive is available and duration of incentive	Tax incentive	Tax treatment for normal taxpayers
Where foreign income is taxed in Zimbabwe	tax credit (limited to the amount of local tax suffered)	set off against the local tax liability
For all taxpayers in build, own, operate, and transfer (BOOT) or build, operate, and transfer (BOT) arrangements.	First five years: Taxed at 0%. Second five years: Taxed at 15%. Thereafter: Taxed at normal rate.	Taxed at 25%.

TAX OBLIGATIONS

The main tax heads used for the collection of tax revenue are;

- ❖ Income Tax
- ❖ Presumptive tax
- ❖ VAT
- ❖ P.A.Y.E
- ❖ Withholding Tax

Tax types , registration threshold and due dates

TAX TYPE	THRESHHOLD	RETURNS
VAT	USD25 000 per annum or equivalent ZWG	VAT 7 return by the 15th of the following month.
PAY AS YOU EARN	Every employer	Paye by the 5th of the following month
INCOME TAX	Any person carrying on trade Exemption may apply to any statutory corporation which is declared by the Minister, by notice in the Gazette, to be exempt from income tax;	- QPD every quarter by the 20th of the last month of every quater - ITF 12C by the 30th of April of the following year
WITHHOLDING TAXES	Payments of cumulative amounts of USD1000.00 (or ZWG equivalent) and above to someone who does not have a VALID tax clearance	REV 5 by the 10th of the following month
NB: As per the 2025 budget presentation by the Minister of Finance, it has been proposed that effective 1 January 2025, all returns will be due five (5) days before the payment date and the penalty for late submission of returns will be reviewed to US\$30 per day.		

INCOME TAX

- With effect from year of assessment beginning **1 January 2024** the rate of tax on taxable income from trade or investment; company has been increased from **24% to 25%** plus **Aids levy of 3%** of tax chargeable. The tax calculated is paid through **Quarterly Payment Dates**.

- **QPDS 2025**

- **20 March 10%**
- **20 June 25%**
- **20 Sept 30%**
- **15 Dec 35%**

The taxpayer is required to complete ITF 12B: Return of the provisional tax

Income statement template

- **Income tax Calculation**

Sales	1 500
Less Cost of sales	(200)
Gross profit	1 300
Less Expenses	(300)
Net Profit	1 000

How taxable income is determined

Estimated Net Profit \$1 000

Tax at 25.75% **\$257,50**

QPDs

20 March 10%(\$257,50) = \$25,75

20 June 25%(\$257,50) = \$64,38

20 September 30%(\$257,50) = \$77,25

15 December 35%(\$257,50) = \$90,12

\$257,50

Presumptive tax

- Presumptive tax is tax charged on the presumed income of informal traders based prescribed amounts
- Presumptive Tax legislation was introduced to broaden the revenue base in view of the increase in informal business activities.
- Selected sectors of the economy were targeted to ensure the participation of informal businesses in tax payment in line with experiences of other developing countries.
- No presumptive tax is chargeable on a taxpayer who has a valid tax clearance (returns and payments are up to date)..
- Presumptive tax is paid on a **monthly basis**.

P.A.Y.E



- The Pay As You Earn (PAYE) system is a method of paying Income Tax on remuneration. The employer is mandated to deduct tax from salary or pension earnings before paying out the net salary or pension.
- “Remuneration” means any amount of income which is paid or payable to any person by way of any **salary, leave pay, allowance, wage, overtime pay, bonus, gratuity, commission** etc
- Benefits also constitute remuneration and they are taxable. They include **Private airtime allowance, data and airtime ,domestic utility bills, domestic security allowances, subscriptions (eg DSTV, gym fees).**

Paye Return

- This is a monthly return
- Every employer who pays or becomes liable to pay any amount by way of remuneration to any employee shall deduct that amount by way of employee's tax any amount which shall be determined in accordance with the prescribed Pay As You Earn Tax Tables.

P.A.Y.E Cont

- PAYE tax free threshold for USD is at US\$1,200.00(US\$100.00 per month)
- The highest tax rate remains at **40%**.
- Tax free bonus for year ending 31.12.2025 is US\$700.00 or ZWG equivalent at the time of payment

Withholding Tax

- Section 80 of the Income Tax Act
- Where a client is engaged in a contract aggregating **USD1000.00** (or ZWG equivalent) or more and the client is not tax compliant there shall be withheld **30%** of the aggregate of USD 1000 or more.
- Therefore, where one does not have a valid tax clearance certificate deduct 30%
- To be remitted by the 10th of following month.

Value Added Tax (VAT)

- Value Added Tax – It is an indirect tax on consumption, charged on the supply of goods and services.
- VAT registration threshold was reduced from USD40,000 to **USD25,000** or equivalent in Zimbabwean currency with effect from 1 January 2024.
- A person is obliged to register as a registered operator if he carries on trade and the total value of taxable supplies exceeded the prescribed amount USD 25 000 (or ZWL equivalent) during any period of 12 months.
- With effect from 1st January, 2025, VAT returns and payments are due 15 days after the end of the tax period, down from 25 days.
- This will also apply to VAT on imported services
- Government Ministries and Departments, as well as any other company or organisation which procures goods and services through tender, to submit a return ZIMRA (due 10th of the following month) giving details of tenders exceeding the threshold.

New Taxes



- WHT on gross winning of betting punters (Bookmakers to withhold 10% of the gross winnings of Sports Betting Punters, with effect from 1st January, 2025).
- Surcharge on fast foods sales .W.E.F 1 January 2025 a surcharge on fast foods sales of 1% on the following food items sold by Fast Food Retail Outlets and Restaurants :
 - Pizza;
 - Burger and Hotdog;
 - Shawarma;
 - French fries;
 - Chicken;
 - Doughnuts and similar products; and
 - Tacos
- Surcharge on plastic carrier bag sales w.e.f. 1 January 2025 a 20% to be levied on the sale value of plastic carrier bags by manufacturer

FDMS



ZIMRA Kiosk



4 November 2022



The ZIMRA We Want

ZIMRA'S Change Management Newsletter

ZIMRA Service Kiosks Improve Service Delivery

By Francis Chimanda.



Inside the kiosk in Bulawayo

Contact Centre

A photograph of a Black man with a beard, wearing a headset and a dark suit over a white shirt, sitting at a desk with a laptop and a coffee cup. The background is a bright, modern office.

Hello

585

WhatsApp:
+263782729862

Toll free:
585

For Landlines:
08688007614

Email:
contactcentre@zimra.co.zw

**Get in touch with the ZIMRA
Contact Centre on any platform
from wherever you are!**
"We are here to serve"

A white rectangular box containing the ZIMRA logo, the text "ZIMRA Zimbabwe Revenue Authority", and three social media icons (Facebook, Twitter, LinkedIn) with the website address "www.zimra.co.zw" below them.

Image by master1305 on freepik

Questions



Thank You