



**The United Republic of Tanzania**

# **2015 TAX AND GOVERNMENT FINANCE STATISTICS REPORT TANZANIA MAINLAND**



**National Bureau of Statistics  
Ministry of Finance  
August, 2016**



## **National Bureau of Statistics**

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## Abbreviations and Acronyms

ACV	-	Agreement on Customs Valuation
BOS	-	Bureau of Statistics
CBS	-	Central Bureau of Statistics
CSB	-	Central Statistical Bureau
CRMS	-	Computerized Risk Management System
DSI	-	Destination Inspection Scheme
EPZ	-	Export Processing Zone
GFS	-	Government Finance Statistics
IMF	-	International Monetary Fund
LGAs	-	Local Government Authorities
MDAs	-	Ministries, Departments and Agencies
zNBS	-	National Bureau of Statistics
NSS	-	National Statistical System
NSGRP	-	National Strategy for Growth and Reduction of Poverty
PAYE	-	Pay As You Earn
SDL	-	Skills Development Levy
SS	-	Statistics Section
TRA	-	Tanzania Revenue Authority
TSMP	-	Tanzania Statistical Master Plan
TZS	-	Tanzanian Shilling
VAT	-	Value Added Tax
OGL	-	Other Government Loans
NBC	-	National Bank of Commerce

## Symbols

n.a.: Data not available

% : a notation for percent

## Rounding

The figures are rounded off independently of one another and therefore, details may not add up to total.

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## Preface

The production of this report fulfils one of the core functions of the NBS of making statistics available to the general public and other stakeholders. The aim of this publication is to illustrate the Government's economic performance in terms of tax collections from various sources in the economy from 2003/04 to 2014/15 period. Tax statistics were last compiled on an annual basis until the late 1990s. However, due to the economic diversifications, structural changes and economic growth in the recent years, tax collection by the Government has become more obligatory. Therefore, there is a need for collection of tax statistics in order to analyze its structural behaviour and contribution to the general economy for monitoring purposes on one hand and for formulation of tax related policies on the other hand.

The preparation of this edition has been a long and complex undertaking involving a number of players. Special thanks should be extended to the Ministry of Finance and Planning and the Tanzania Revenue Authority for their generous support in supplying the requested information. The NBS is looking forward to their continuing support in the future.

I wish to express my sincere gratitude to all NBS staff who participated either directly or indirectly in making this report a success. In particular, I thank Ephraim E. Kwesigabo, Director for Population Census and Social Statistics, Fred E. Matola, the Manager of Tax Statistics Department for supervising this exercise with technical support from Bakilla H. Bakilla and Ludovick Materu, Statisticians and Elienea A. Mnguruta, Senior Statistical Officer all from the Tax Statistics Department.

I also wish to thank all members of the Editorial Board, for their time to check this document and make the necessary improvement in the report. Typesetting was done by Khadija I. Abdul; I thank her for a job well done.

My appreciation will be incomplete if I shall not pay special recognition to all Regional Statistical Managers and all the District Local Government leaders for their tireless efforts in collecting data on revenue from Local Government Authorities. I hope their support will continue in improving the data collection for the coming fiscal year.

Dr. Albina Chuwa,  
**Director General**  
**NATIONAL BUREAU OF STATISTICS**

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## Executive Summary

The 2015 Tax and Government Finance Statistics, is the third publication in the series; it aims at enabling stakeholders and interested readers to be aware of their government's tax and non-tax revenues. The Publication contains various statistical tables and figures to illustrate the government performance in revenue collection.

The report reveals that the rate of revenue collection has been increasing from year to year since 2003/04. The total revenue collection increased from TZS 1,385.1 billion in 2003/04 to TZS 2,617.9 billion in 2006/07 before reaching TZS 10,665.2 billion in 2014/15. In the ten year period (2003/04 to 2014/15), the highest percentage increase of 32.3 percent was observed in 2007/08 and the lowest rate of increase was observed 2014/15 in which 7.9 percent was recorded.

Total direct taxes increased from TZS 405.5 billion to TZS 3,968.3 in 2013/14 before reaching TZS 3,940.8 in 2014/15. It was observed that, the revenue from direct tax collection from 2013/14 to 2014/15 slightly dropped by 0.7%. Direct taxes were largely comprised of PAYE which contributed TZS 1,750.8 billion (44.4 percent), followed by corporate taxes (TZS 1,182.7 billion, 30.0 percent) and withholding taxes (TZS 592.9 billion, 15.0 percent). Other items collectively contributed 10.6 percent of the total direct taxes in 2014/15 equivalent to TZS 414.3 billion.

On the other hand, indirect taxes disaggregated by broad category show that, a total of TZS 38,870.5 billion was collected from 2003/04 to 2014/15. About 62.5 percent of this total was contributed by taxes from international trade, followed by 34.1 percent from consumption taxes, while other domestic taxes and charges contributed only 3.4 percent over the period. There was almost a double increase of indirect tax revenue from TZS 979.6 billion collected in 2003/04 to TZS 1,764.4 billion in 2006/07 before it reached TZS 6,724.3 billion in 2014/15.

Total Government revenue increased from TZS 2,558.0 billion in 2003/04 to TZS 3,837.2 billion in 2005/06 before reaching TZS 14,784.3 billion in 2014/15. With regard to the changes in growth between years, over the period 2003/04 to 2014/15, the largest change was observed in 2007/08 with an increase of 34.2 percent and the smallest change was observed in 2014/15 with only 3.9 percent.

With regard to contributions to total Government revenue, internal revenue contributed 57.0 percent in 2003/04 compared to 43.0 percent of external revenue. The contribution of internal revenue dropped to 53.8 percent in 2004/05 before increasing to 65.8 percent in 2008/09 and reaching 73.1 percent in 2014/15. Compared to internal revenue, the contribution of external revenue increased from 43.0 percent in 2003/4 to 44.6 percent in 2005/06, and then dropped to 26.9

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percent in 2014/15. The decline in the contribution of external revenue to government finances may be an indication of improvement in the domestic economic performance in the country.

Internal revenue increased from TZS 1,459.3 billion in 2003/04 to TZS 11,199.2 billion in 2014/15. Out of the total revenue collected in 2014/15, 90.2 percent was collected from tax revenue, 6.4 percent was collected from non-tax revenue and 3.5 percent was collected from local government authorities (LGAs). The LGAs started contributing to Government revenue from 2010/11. At the beginning they contributed 2.8 percent as compared to 5.0 percent of non-tax revenue and 92.3 percent of tax revenue.

The contribution of tax collection in government finance revenue increased from TZS 1,385.1 billion in 2003/04 to TZS 2,617.9 billion in 2006/07 and continued to perform well reaching TZS 10,665.2 billion in 2014/15. The improvement of government revenue enabled the government to finance its recurrent and development budgets. During the period of 2003/04 – 2014/15 the Government continued to improve and to strengthen its relations with development partners and international financial institutions in order to secure grants and concessional loans and the like. The government was able to increase external revenue in the form of grants, basket funds, import support, concessional loans and project loans. Out of a total TZS 32,463.9 billion external revenue received from development partners over the period 2003/04 to 2014/15, 46.0 percent was given as grants, followed by project loans (19.5 percent), concessional loans were 16.0 percent import support (12.4 percent), and basket funds accounted for 6.1 percent of external revenue.

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# CHAPTER ONE

## Background

### 1.0 Introduction

The Income Tax Statistics Unit was established in the then Central Bureau of Statistics in the late 1970s with the function of producing Income Tax Statistics in Tanzania. However, at the time and during the early 1980s, the demand for tax statistics was low; as such, it was not worthwhile for the Bureau of Statistics to continue investing in the production of Income Tax Statistics. Tax is levied on income from employment, business and investment.

The need for investing in the production of income tax statistics was to improve tax management in Tanzania after the establishment of Tanzania Revenue Authority (TRA) in 1996. This was strengthened by efforts made by the Government to inform and educate taxpayers and the public in general on the tax structure and its administration. This was done in order to raise the level of voluntary tax compliance and to improve the quality of services to the current and potential taxpayers and other stakeholders. TRA is a semi-autonomous tax administration in the country and it has replaced the former independent Treasury departments of Income Tax, Customs Tax, Sales Tax and Inland Revenue.

In connection with the establishment of TRA, the National Bureau of Statistics (NBS) saw the need of compiling and disseminating statistics on taxes for the government, researchers, business community and other interested users. When the NBS became government agency, one of its major functions was to produce official statistics in the country including tax statistics. This necessitated the established collaboration among tax stakeholders including TRA, Ministry of Finance and Planning and other players to engage in collection of tax statistics in line with the United Nation's compilation methodologies and guidelines on production of tax statistics in the country. NBS therefore ensures all fundamental standards for official tax statistics are maintained.

Once again the NBS has managed to produce a tax and government finance statistics report for Tanzania Mainland for the year 2014/15. The Report is organized into five chapters. Chapter One gives background information while Chapter Two covers concepts and definitions of different types of taxes. Chapter Three explains tax collection performance. Chapter Four explains government finance statistics and the Conclusion is presented in Chapter Five.



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## CHAPTER TWO

### Concepts and Definitions

#### 2.0 Introduction

Tax is a compulsory levy or charge imposed by the state on her citizens or non-citizens that is usually payable in monetary terms. Taxes are compulsory financial contributions to state revenue made by a person or body of persons from workers' income and business profits or value added to the cost of some goods, services and transactions expenditure of a public authority.

Tax Statistics refers to the data that are related to taxes collected by authorized institutions in the country.

#### 2.0 Types of Taxes

Basically, there are two types of taxes namely direct and indirect taxes. Each type is classified according to the legal and effective incidence to the final payer.

#### 2.1 Direct Taxes

These are taxes levied directly on people's income from employment, business, ownership of property or investment. They include income tax, corporate tax, property tax, Pay as You Earn (PAYE), skills and development levy, individual tax, withholding tax, rental and gaming tax.

##### 2.1.1 Imposition of Income Tax

It is charged and payable for each year of income by every person who:-

- Has total income, which is the sum of employment, business and investment income;
- Has a domestic permanent establishment that has repatriated income for the year of income; or
- Receives final withholding payments for the year of income.

##### 2.1.2 Corporate Tax

It is levied on all the corporate taxable profits, accruing to all companies carrying on business in Tanzania. It is generally applied to a company's operating earnings, after expenses such as Cost of Goods sold (COGS), Selling General and Administrative expenses (SG&A) and depreciation have been deducted from a company revenues.

##### 2.1.3 Individual Income Taxes

These refer to

- Tax charged to non-corporate payers who include sole traders (proprietors) taxed at progressive individual income tax rates; and

- Pay As You Earn (PAYE) is a tax whereby a certain amount of money from employee's gross emoluments is levied.

#### 2.1.4 Taxation of Small Traders with and without Complete Records

It is levied income tax on all small traders who operate mostly in the informal sector with and without business records based on their annual business turnover.

#### 2.1.5 Gains or Profits from Employment

This is an income that an employee earns from an employment in the form of salary, which is payable daily, weekly or monthly. It includes payments of wages, salary, payment in lieu of leave, fees, commissions, bonus and gratuities, payments of any personal allowance, payments providing any discharge or reimbursement of expenditure incurred by an individual or by an associate of an individual and payment for an individual's agreement to any conditions of the employment. Contributions made on behalf of the employee to retirement funds and retirement payments made directly to employees. Redundancy and other payments for loss or termination of employment relating to the year of payment and any benefits in kind.

#### 2.1.6 Qualification of Benefits in Kind

Benefits which an employer may decide to give to the employee. These include

- **motor vehicle benefit:** where an employee is provided with motor vehicle by an employer for personal use in return for employment rendered and the employer incurs all necessary expenses to maintain the vehicle then this is a taxable benefit to the employee quantified annually;
- **subsidized loans:** it is a loan to an employee provided by employer at no interest or at an interest rate that is below the statutory interest rate; and
- **provision of housing:** it is the value of housing provided to an employee by the employer which is taxable benefit and is included in the employee's monthly pay. The value of housing is calculated as the market value of renting that housing or 15 percent of the rest of the employee's income from employment, whichever is less.

#### 2.1.7 Gains or Profit from Business

It is a person's income from a business during a year. The following amounts derived from business are regarded as gains or profits and they are taxable

- i) service fees;
- ii) incomings from trading stock (sales of business stocks);
- iii) gains from sale of business assets or liabilities;
- iv) sale of depreciable assets;
- v) amounts derived as consideration for accepting a restriction on the capacity to conduct the business; and



- vi) gifts and other payments received by the person in respect of a business.

### 2.1.8 Gains from Investment

Taxable income from investment include

- any dividend, distribution of a trust, gains from life insurance, gains from an interest in an unapproved retirement fund, interest, natural resources payment, rent, or royalty;
- net gains from realization of investment assets (capital gains); and
- amounts derived as a consideration for accepting a restriction on the capacity to conduct the investment.

### 2.1.9 Losses from Business or Investments

The income tax law provides the treatment of unrelieved losses as follows

- i) when computing income from business or investments during any year of income and a loss is incurred which becomes unrelieved loss, the law allows it to be carried forward and offset against future business income as the case may be, until the whole unrelieved loss is exhausted;
- ii) a person is allowed to deduct a foreign loss from investment only in calculating the person's income from foreign source investment;
- iii) a person is allowed to deduct losses other than foreign losses from investments only in calculating the person's income from investments;
- iv) in case of foreign business, loss is allowed only in calculating the foreign business income; and
- v) in case of a loss incurred in agricultural business it is allowed only in calculating the person's income from agricultural business.

### 2.1.10 Payment of Tax by Installments

- **Single installment:** is a payment of income tax by single installment required from any person who derives a gain in conducting investments from realization of interest in land or buildings situated in Tanzania.

A rate of 10 and 20 percent of the gain for a resident and nonresident person respectively, is required to pay income tax by single installment. Payment by single installment also applies in case of non-resident person who receives a payment in conducting a business of land, sea, or air transport or chartered (without having a domestic permanent establishment in Tanzania) which involves the carriage of passengers who embarked or cargo, mail or other moveable tangible assets that are embarked in Tanzania and which are not for transit, the payer is required to withhold 5 percent of the gross payments before the proper vessel, vehicle or aircraft is allowed to leave Tanzania.

- **Quarterly installment:** it is a payment required from business or investments during the year of income at the end of each three-month period commencing at the beginning of the

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year of income and a final installment on the last day of the year of income.

## **2.2 Indirect Taxes (Consumption Taxes)**

These are taxes based on consumption. Categorically they are divided into consumption taxes, other domestic taxes and international trade taxes. Examples of such taxes are Import Duty, Excise Duty and Value Added Tax (VAT). By definition, the legal incidence of the tax falls on the trader who act as a collecting agent of the Government while the effective incidence falls on the final consumer of goods or service who eventually pays the tax.

### **2.2.1 Value-Added Tax (VAT)**

It is a consumption tax charged on all taxable goods and services at a standard rate of 18 percent. It is a multi-stage tax levied on the difference between a commodity's price before taxes and its production cost at each stage of production and distribution up to the retail stage. It is also levied on taxable imports made by a person whether or not registered for VAT.

### **2.2.2 Excise Duty (Local)**

It is levied on certain locally manufactured goods and services such as soft drinks, beer, wines, spirit, mobile phone services, plastic shopping bags, satellite television services, cigarettes and petroleum products.

## **2.3 Value Added Tax on Imports**

It is levied on all goods and services imported into the country unless such goods and services are specifically exempted under the VAT law. All importers must pay VAT regardless of whether or not they are registered for VAT. However, importers who are registered for VAT can claim the VAT paid on the imported goods as an input tax in their business. However, for VAT on imported services the input tax is treated as reverse charge hence added to the value of the service.

## **2.4 Other Taxes**

### **2.4.1 Skills and Development Levy (SDL)**

This tax is based on the total gross emoluments paid by an employer to employees (currently, at a rate of 6 percent). The gross emoluments include salary, wage, leave pay, payment in lieu of leave, subsistence allowance, etc.

### **2.4.2 Stamp Duty**

Refers to the duty paid on certain legal instruments/transactions, affidavit, conveyance and lease agreements. The duty rate is 1 percent based on the consideration applicable to non business persons when issuing a receipt whenever they sell their privately owned assets/properties. Stamp duty on conveyance of agricultural land is TZS 500.

### **2.4.3 Airport Service Charge**

Refers to charges levied on passengers who board an aircraft at any airport in Tanzania.

### **2.4.4 Port Service Charge**

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Refers to charges levied on passengers who board passenger shipping vessels at any port in Tanzania.

#### **2.4.5 Motor Vehicle Registration and Transfer Tax**

Refers to charges levied when a person is registering or transferring ownership of a motor vehicle or motor cycle.

#### **2.4.6 Motor Vehicle Annual License Fee**

It is charged on annual basis according to motor vehicle engine capacity. Note that tractors which are used solely for agriculture are exempted from the annual license fee.

### **2.5 Custom Modernization Programme**

Refers to enhancement of efficiency and effectiveness in revenue collection, and at the same time facilitates the international trade. Some of the programs include Post Clearance Audit, Destination Inspection Scheme, Computerized Risk Management System, Agreement on Customs Valuation and Compliant Traders Scheme.

#### **2.5.1 Post Clearance Audit**

This is a trade facilitation tool where goods can be cleared prior to physical examination in Tanzania. The system verifies the accuracy of declaration through the examination of goods, records, business system and all relevant customs commercial data held by persons and companies directly or indirectly involved in international trade.

#### **2.5.2 Destination Inspection Scheme (DSI)**

Is the verification of the importers' declaration at the point of destination in Tanzania through certain procedures for the purposes of

- i) determining the quality and quantity of goods imported;
- ii) establishing the value of goods as compared to the declaration made by the importer;
- iii) establishing the country of origin and supplier;
- iv) determining the applicable customs tariff code under which the goods are to be classified and tax is computed;
- v) providing TRA with Computerized Risk Management Database, which assist in determining levels of intervention and valuation process; and
- vi) enhancing security and international trade facilitation.

#### **2.5.3 Computerized Risk Management System (CRMS)**

It identifies risks associated with each import transaction and determines the applicable level of intervention as follows:-

- **Low Risk:** goods covered by these transactions may be released without physical inspection;
- **Medium Risk:** consignments will be subjected to X-Ray scanning. In case no discrepancy is detected such goods will be released without physical inspection; and

- **High Risk:** transaction will be subjected to physical inspection by customs officers to determine compliance.

#### **2.5.4 Agreement on Customs Valuation (ACV)**

The system of goods valuation known as Agreement on Customs Valuation (ACV) provides for use of price actually paid or payable for the goods and forbids the use of arbitrary and fictitious values. It is part of Tanzania's obligation in implementing the World Trade Organization (WTO) agreement to which Tanzania is a signatory.

#### **2.5.5 Compliant Traders Scheme**

This scheme allows the audit exercise to be carried after the goods have been cleared. The scheme was introduced with a view of facilitating trade through quick clearance of imported goods.

### **2.6 Tax Incentives**

#### **2.6.1 Import Duty Relief**

It is a relief on the payment of import duty tax for goods and services imported to Tanzania. It is based on the value of goods, the weight, dimensions, or other criteria of the item such as its size. Those exempted from import duty include all importers of raw materials, electronic cash registers, replacement parts, inputs for manufacturing agricultural equipment, inputs for horticulture and agriculture, hotel equipment, computer software, packing materials for manufactured medicaments and solar equipment and accessories.

#### **2.6.2 Import Duty Drawback**

It is a scheme, which allows exporters to claim refund of import duties paid on raw materials and other inputs used in the production of goods that are exported from Tanzania. This scheme is used as a measure of removing fiscal obstacles to export development. It includes inputs used in production process that do not form part of the qualified product e.g. catalysts and some other chemical agents.

#### **2.6.3 Withholding Tax on Dividends and Interest**

It refers to taxes paid by investors with incentive certificates.

#### **2.6.4 Export Processing Zone (EPZ)**

It is an area where goods processed or manufactured are exempted from import duty and other taxes.

### **2.7 Local Government Taxes**

Tanzania has a two-tier system of Government that is the central government and the local government, which is at the district, town, and municipal or city level. Most of the local government authorities collect taxes, fees and levies in: property tax, service levy, hotel levy or guest house levy, slaughtering fees, billboards and sign fees, market fees, trading license fees, and liquor license fees.

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### **2.7.1 Property Tax**

It is charged to owners of properties and is an important source of revenue for urban councils in Tanzania. Some properties like museums, places of worship, aerodromes and land used for sporting purposes, properties of charitable and educational institutions are exempted from property tax. The rate of the tax is fixed by the local authority (the councilors) through enacting by-laws depending on the value and location of the property.

### **2.7.2 Service Levy**

This levy is charged on the value of goods manufactured by local industries. It is mainly for urban local authorities and it replaces the industrial cess. All corporate entities, which pay the service levy, are exempted from paying agricultural produce cess. Currently, the levy is charged at a rate of 0.3 percent of the turnover net of VAT for corporate entities

### **2.7.3 Other Taxes and Fees**

Most of local authorities charge and collect fees from different sources such as local markets and stores, slaughtering activities, burial services, billboards and sign fees and liquor fees.

### **2.7.4 Subsidies**

These are funds from central government allocated to support the budget for local governments recurrent and development expenditures.

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## CHAPTER THREE

### Tax Revenues Collection

#### 3.0 Introduction

This chapter elaborates the tax revenue collected from 2003/04 to 2014/15 in Tanzania Mainland. The information on amounts of revenue collected covers two sources of government revenue; namely domestic revenue and external assistance, which comprises of grants and loans from bilateral and or multilateral agencies. The chapter also presents information on major contributors to tax revenue.

#### 3.1 Domestic Revenue

Domestic revenues in Tanzania are collected in the form of tax revenues by the Tanzania Revenue Authority (TRA). Taxes collected by TRA include income tax, value added tax, import tax and excise duty. Other domestic revenues are collected as own source from district local authorities. A list of allowed taxes and various levies and fees from local authorities are shown in Appendix II in this publication.

#### 3.2 Income Tax

This is a major source of government revenue collected in the form of a tax on gains and profits from business, employment and investment of individuals, corporate and other entities. It is charged either as direct or indirect tax such as individual income tax, corporate tax, the PAYEs system for employees, presumptive income tax for small individual businesses, provisional and final withholding taxes and capital gains tax. All these are part of a coherent income tax system.

#### 3.3 Direct and Indirect Taxes

Table 3.1 and Figure 3.1 show collections and contributions of direct and indirect taxes to the domestic revenue in Tanzania Mainland. From 2003/04 to 2009/10, collected indirect taxes were more than twice the collected direct taxes. However, the gap between shares of direct and indirect taxes is narrowing faster after 2009/10 than before. This is an indication of improved collection of direct taxes in the recent years. Table 3.1 also reveals that there was a steady increase of revenue collection in the period under review. Revenue collection increased from TZS 1,385.1 billion in

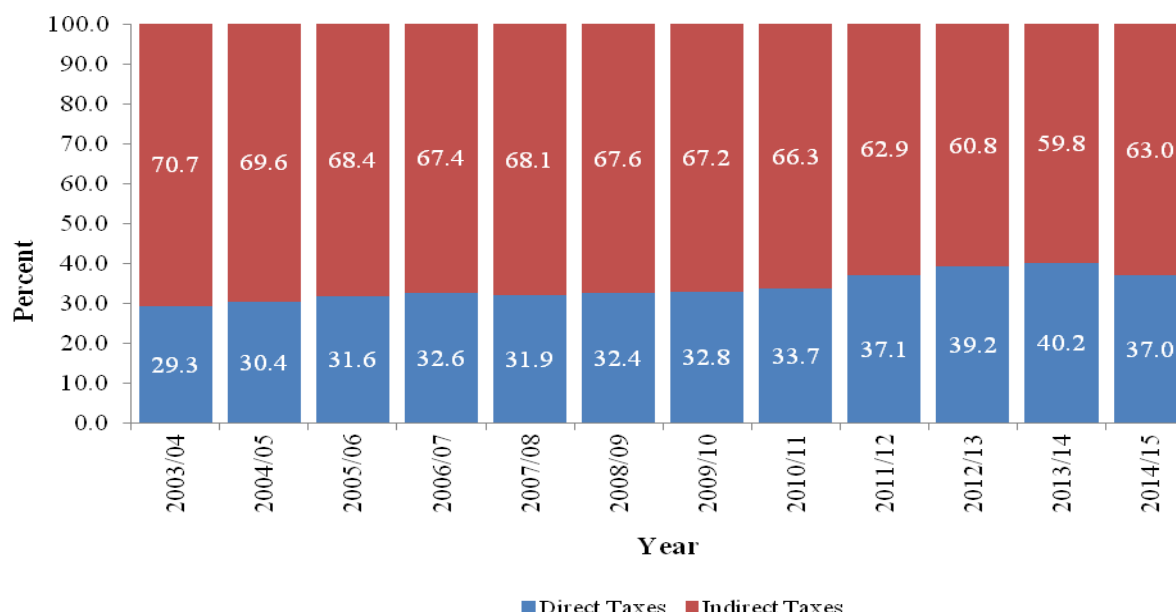
2003/04 to TZS 3,463.6 billion in 2007/08 and reached TZS 10,665.2 billion in 2014/15. The tax revenue collection increased by 7.9 percent in 2014/15 compared to 23.0 percent in 2013/14. The highest percentage increase (32.3 percent) in revenue collection was observed in 2007/08 when tax collection increased by TZS 845.7 billion between 2006/07 and 2007/08. The year 2014/15 recorded the worst collection when tax collection increased by only 7.9 percent (Table 3.1). Furthermore, observation on Figure 3.1 shows that indirect taxes were increasing at a decreasing marginal return while the trend in direct taxes was increasing gradually.

**Table 3. 1: Collection and Contribution of Direct and Indirect Taxes (TZS Billion), Tanzania Mainland, 2003/04 – 2014/15**

Year	Direct Taxes		Indirect Taxes		Total	Changes of Taxes between Years	
	Amount	Percent	Amount	Percent		Amount	Percent
2003/04	405.5	29.3	979.6	70.7	1,385.1		
2004/05	510.9	30.4	1,169.1	69.6	1,680.0	294.9	21.3
2005/06	637.8	31.6	1,380.1	68.4	2,017.9	337.9	20.1
2006/07	853.5	32.6	1,764.4	67.4	2,617.9	599.9	29.7
2007/08	1,105.7	31.9	2,357.9	68.1	3,463.6	845.7	32.3
2008/09	1,349.8	32.4	2,811.8	67.6	4,161.6	698.0	20.2
2009/10	1,498.0	32.8	3,072.5	67.2	4,570.4	408.8	9.8
2010/11	1,839.9	33.7	3,620.2	66.3	5,460.1	889.7	19.5
2011/12	2,471.5	37.1	4,197.1	62.9	6,668.6	1,208.5	22.1
2012/13	3,149.4	39.2	4,881.7	60.8	8,031.1	1,362.5	20.4
2013/14	3,968.3	40.2	5,911.8	59.8	9,880.1	1,849.0	23.0
2014/15	3,940.8	37.0	6,724.3	63.0	10,665.2	785.0	7.9
<b>Total</b>	<b>21,731.2</b>	<b>35.9</b>	<b>38,870.5</b>	<b>64.1</b>	<b>60,601.7</b>		

Source: Tanzania Revenue Authority, 2015

**Figure 3. 1: Contribution of Direct and Indirect Taxes to Total Domestic Tax Revenue, Tanzania Mainland, 2003/04 – 2014/15.**



**a) Direct Taxes**

Table 3.2 shows different types of direct taxes collected in the 2003/04 to 2014/15 period. It shows that out of a total TZS 21,731.2 billion collected in the reference period. On average, 45.4 percent was contributed by PAYE followed by corporate taxes (32.0 percent) and withholding taxes (11.2 percent) while the smallest contribution of 0.2 percent was made by gaming tax. Total direct taxes increase from TZS 405.5 billion in 2003/04 to TZS 1,105.7 billion in 2007/08 and reached TZS 3,940.8 billion in 2014/15 (Table 3.2). However, total direct taxes decreased by 0.7 percent between 2013/14 and 2014/15.

**Table 3. 2: Direct Taxes (TZS Billion) by Type, Tanzania Mainland, 2003/04 – 2014/15**

Year	Type of Tax								Total Direct Taxes	Change in Collection between Years	
	P.A.Y.E.	B. Skills & Dev. Levy	Individuals	Corporate Taxes	Withholding Taxes	Rental	Gaming	Others		Amount	Percent
2003/04	183.2	37.8	18.3	109.1	43.5	11.0	n.a	2.6	405.5		
2004/05	234.1	43.5	26.1	152.7	42.6	8.7	n.a	3.2	510.9	105.4	26.0
2005/06	288.3	53.8	31.4	203.3	46.9	10.6	n.a	3.4	637.8	127.0	24.9
2006/07	408.6	61.1	31.2	267.2	68.0	12.1	n.a	5.3	853.5	215.7	33.8
2007/08	512.2	76.5	36.3	374.6	81.1	16.9	n.a	8.2	1,105.7	252.2	29.6
2008/09	662.3	91.7	42.1	414.7	105.3	23.9	2.7	7.2	1,349.8	244.1	22.1
2009/10	743.4	110.2	48.6	418.3	137.7	29.0	3.2	7.5	1,498.0	148.1	11.0
2010/11	928.5	120.0	58.4	537.6	142.1	33.0	4.1	16.3	1,839.9	342.0	22.8
2011/12	1,129.5	138.9	65.8	779.9	279.4	57.4	3.3	17.4	2,471.5	631.6	34.3

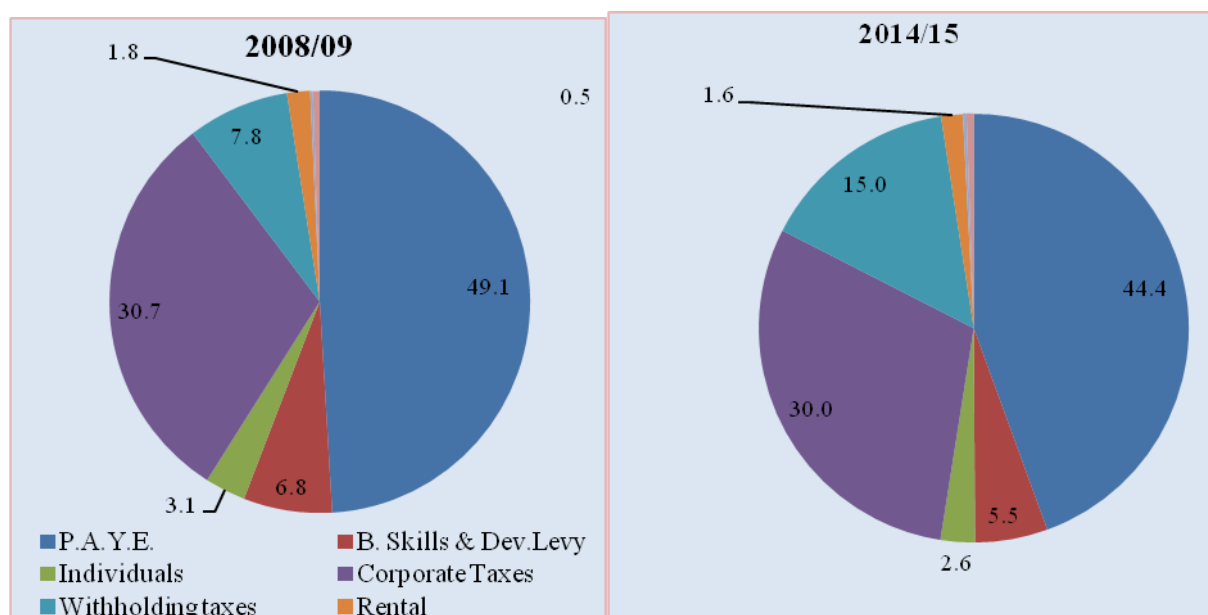


<b>2012/13</b>	1,395.6	155.3	69.9	1,039.7	382.9	68.9	8.9	28.2	3,149.4	677.9	27.4
<b>2013/14</b>	1,626.5	168.7	87.4	1,483.9	514.6	61.4	7.2	18.5	3,968.3	818.9	26.0
<b>2014/15</b>	1,750.8	216.1	101.9	1,182.7	592.9	64.4	10.2	21.7	3,940.8	-27.5	-0.7
<b>Total</b>	<b>9,862.9</b>	<b>1,273.6</b>	<b>617.4</b>	<b>6,963.8</b>	<b>2,437.1</b>	<b>397.2</b>	<b>39.6</b>	<b>139.6</b>	<b>21,731.2</b>		
<b>Percent</b>	<b>45.4</b>	<b>5.9</b>	<b>2.8</b>	<b>32.0</b>	<b>11.2</b>	<b>1.8</b>	<b>0.2</b>	<b>0.6</b>	<b>100.0</b>		

*Source: Tanzania Revenue Authority, 2015*

Figure 3.2 shows the shares of various direct taxes in 2008/09 and 2014/15 where the share of PAYE decreased from 49.1 percent in 2008/09 to 44.4 percent in 2014/15. On the other hand, corporate taxes decreased their share from 30.7 percent in 2008/09 to 30.0 percent in 2014/15.

**Figure 3. 2: Percentage Contribution of Various Taxes to Total Direct Taxes, Tanzania Mainland, Comparison between 2008/09 and 2014/15 Fiscal Years.**



#### **b) Indirect Taxes**

Table 3.3 explains indirect taxes categorized broadly as consumption taxes, other domestic taxes and charges, and international trade taxes over the period 2003/04 to 2014/15. Out of the total TZS 38,870.5 billion collected in the reference period, 62.5 percent was contributed by taxes from international trade followed by consumption taxes (34.1 percent) while other domestic taxes and charges contributed only 3.4 percent. The indirect tax collection increased to TZS 2,357.9 billion in 2007/08 from TZS 979.6 billion in 2003/04 before it reached TZS 6,724.3 billion in 2014/15.

**Table 3. 3: Indirect Taxes (TZS Billion) by Broad Categories, Tanzania Mainland, 2003/04 – 2014/15.**

Year	Consumption Taxes		Other Domestic Taxes and Charges		International Trade Taxes		Total Indirect Taxes	Change in Collection between Years	
	Amount	Percent	Amount	Percent	Amount	Percent		Amount	Percent
2003/04	319.4	32.6	32.0	3.3	628.2	64.1	979.6		
2004/05	394.1	33.7	25.8	2.2	749.3	64.1	1,169.1	189.5	19.3
2005/06	466.5	33.8	30.0	2.2	883.6	64.0	1,380.1	211.0	18.0
2006/07	595.6	33.8	36.3	2.1	1,132.5	64.2	1,764.4	384.3	27.8
2007/08	768.5	32.6	74.0	3.1	1,515.4	64.3	2,357.9	593.5	33.6
2008/09	979.3	34.8	83.8	3.0	1,748.7	62.2	2,811.8	453.9	19.3
2009/10	1,031.6	33.6	97.4	3.2	1,943.4	63.3	3,072.5	260.7	9.3
2010/11	1,152.1	31.8	131.7	3.6	2,336.4	64.5	3,620.2	547.7	17.8
2011/12	1,429.0	34.0	151.8	3.6	2,616.3	62.3	4,197.1	576.9	15.9
2012/13	1,715.8	35.1	194.1	4.0	2,971.8	60.9	4,881.7	684.6	16.3
2013/14	2,064.3	34.9	220.2	3.7	3,627.3	61.4	5,911.8	1,030.1	21.1
2014/15	2,337.7	34.8	248.2	3.7	4,138.5	61.5	6,724.3	812.5	13.7
<b>Total</b>	<b>13,253.9</b>	<b>34.1</b>	<b>1,325.3</b>	<b>3.4</b>	<b>24,291.3</b>	<b>62.5</b>	<b>38,870.5</b>		

Source: Tanzania Revenue Authority, 2015

### c) Consumption Taxes

According to its definition, consumption tax comprises two tax categories namely, domestic excise and aggregate VAT (VAT on domestic products and services). Table 3.4 shows that from 2003/04 to 2014/15, aggregate VAT contributed 68.0 percent of indirect tax collection and domestic excise taxes contributed the remaining 32.0 percent. With respect to aggregate VAT, revenue collected as VAT on domestic services was much higher (66.9 percent) than revenue collected as VAT on domestic products (33.1 percent). As Figure 3.3 and Table 3.4 show, the gap between VAT on products and services was small in the first two years, the collections on each was below TZS. 200 billion but increased slowly thereafter.

**Table 3. 4: Consumption Taxes (TZS Billion) by Type of Tax, Tanzania Mainland, 2003/04 - 2014/15.**

Year	Domestic Excise Taxes	Percent	Aggregate VAT				Total Aggregate VAT	Percent	Total Consumption Taxes	Changes in Collection between Years	
			VAT on Domestic Products	Percent	VAT on Domestic Services	Percent				Amount	Percent
2003/04	92.9	29.1	105.3	33.0	121.2	37.9	226.5	70.9	319.4		
2004/05	110.3	28.0	127.3	32.3	156.4	39.7	283.7	72.0	394.0	74.6	
2005/06	135.1	29.0	122.6	26.3	208.9	44.8	331.5	71.0	466.6	72.6	
2006/07	176.0	29.6	191.4	32.1	228.2	38.3	419.6	70.4	595.6	129.0	
2007/08	220.6	28.7	199.7	26.0	348.2	45.3	547.9	71.3	768.5	172.9	
2008/09	286.7	29.3	243.7	24.9	448.9	45.8	692.6	70.7	979.3	210.8	
2009/10	303.8	29.4	252.4	24.5	475.4	46.1	727.8	70.6	1,031.6	52.3	
2010/11	326.3	28.3	304.9	26.5	520.9	45.2	825.8	71.7	1,152.1	120.5	
2011/12	450.0	31.5	383.8	26.9	595.3	41.7	979.1	68.5	1,429.1	277.0	
2012/13	560.5	32.7	302.3	17.6	853.0	49.7	1,155.3	67.3	1,715.8	286.7	
2013/14	747.1	36.2	343.2	16.6	974.0	47.2	1,317.2	63.8	2,064.3	348.5	
2014/15	825.8	35.3	405.2	17.3	1,106.7	47.3	1,511.9	64.7	2,337.7	273.4	
<b>Total</b>	<b>4,235.1</b>	<b>32.0</b>	<b>2,981.8</b>	<b>22.5</b>	<b>6,037.1</b>	<b>45.5</b>	<b>9,018.9</b>	<b>68.0</b>	<b>13,254.0</b>		

Source: Tanzania Revenue Authority, 2015

**Figure 3. 3: Consumption Taxes as Percentage of Total Consumption Tax, Tanzania Mainland, 2003/04 – 2014/15**

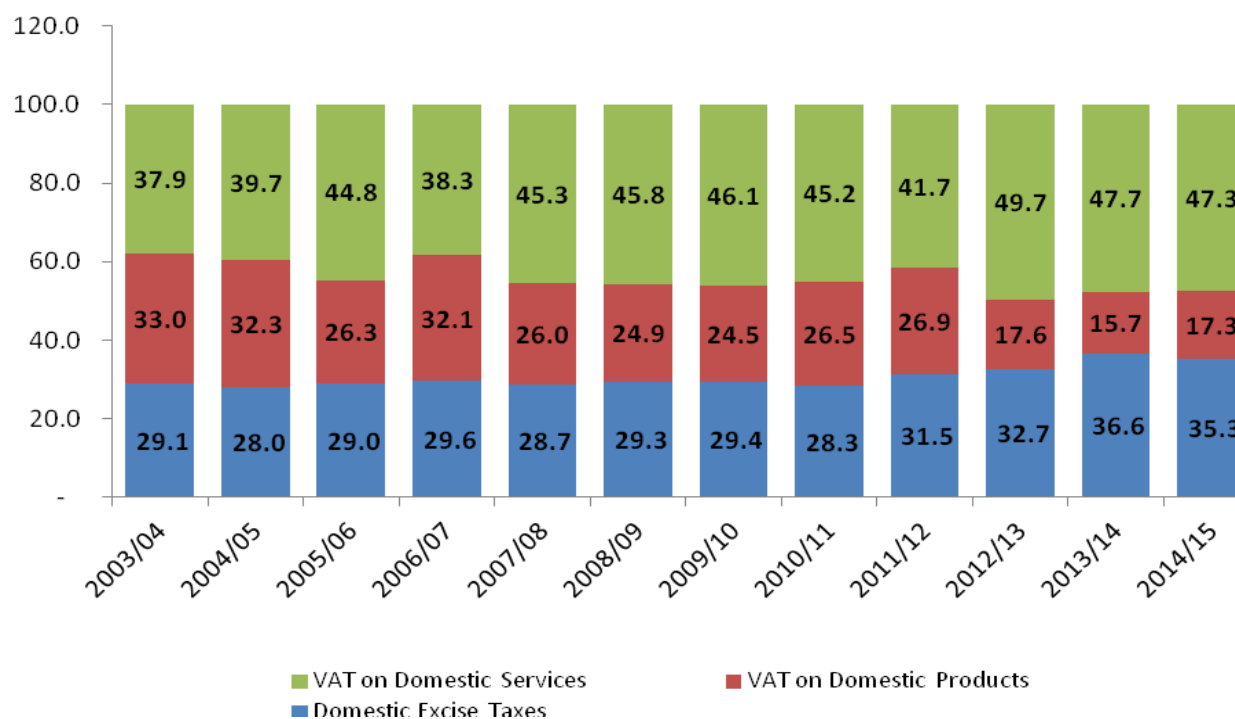


Table 3.5 shows revenue collected through different domestic excise taxes. These taxes were collected from hard and soft drinks, bottled water, mobile phones, and cigarettes and as other domestic excise taxes. Out of a total of TZS 4,235.0 billion collected from 2003/04 to 2014/15, 32.3 percent was collected from beer followed by 25.6 percent from mobile phones, 18.3 percent from cigarettes, 9.7 percent from spirits and 7.1 percent from soft drinks (Table 3.5). Bottled water with (0.7 percent) was the least contributor to domestic excise taxes.

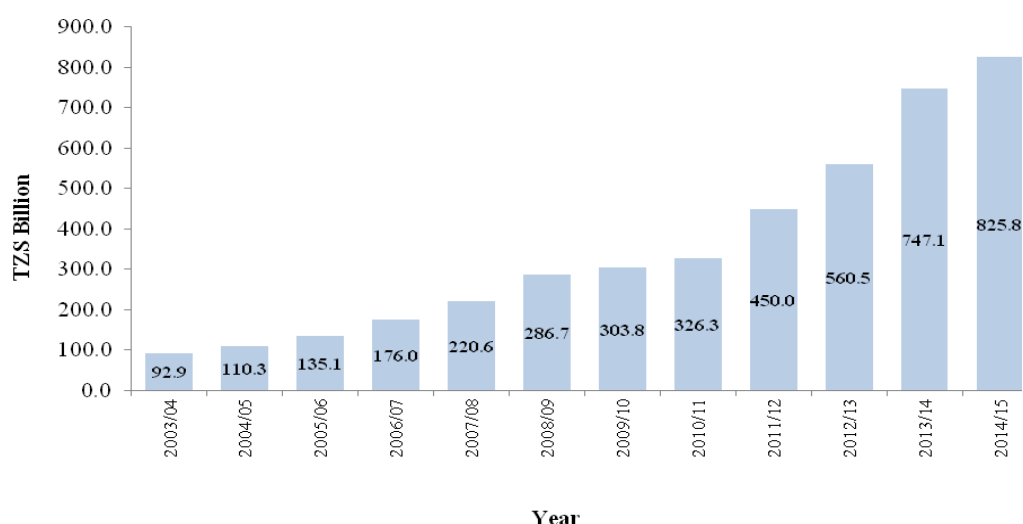
**Table 3. 5: Domestic Excise Taxes (TZS Billion) by Type of Product, Tanzania Mainland, 2003/04 – 2014/15.**

Year	Mobile Phone	Cigarettes	Type of Hard or Soft Drink				Other Domestic Excise Taxes	Total Domestic Excise Taxes	Changes in Collection between Years	
			Beer	Spirits	Soft Drinks	Bottled Water			Amount	Percent
2003/04	7.0	29.9	44.6	0.0	8.0	n.a	3.4	92.9		
2004/05	9.7	32.8	52.1	0.0	10.7	n.a	5.0	110.3	17.5	18.8
2005/06	16.8	39.5	60.8	0.0	12.4	n.a	5.5	135.1	24.7	22.4
2006/07	32.3	43.3	73.6	9.1	15.0	n.a	2.6	176.0	40.9	30.3
2007/08	40.2	54.2	91.5	11.1	17.3	n.a	6.2	220.6	44.7	25.4
2008/09	67.7	58.5	106.7	17.5	21.4	n.a	14.9	286.7	66.1	30.0
2009/10	85.6	55.2	105.4	24.0	24.3	n.a	9.3	303.8	17.1	6.0
2010/11	90.2	62.1	115.6	29.4	26.7	n.a	2.2	326.3	22.5	7.4
2011/12	114.6	78.5	150.5	52.7	34.3	5.2	14.2	450.0	123.7	37.9
2012/13	150.0	87.3	179.7	69.9	43.1	0.8	29.6	560.5	110.5	24.6
2013/14	217.5	99.6	186.3	78.7	52.0	10.3	102.8	747.1	186.7	33.3
2014/15	250.9	133.9	202.5	118.1	37.3	14.8	68.2	825.8	78.6	10.5
<b>Total</b>	<b>1,082.6</b>	<b>775.0</b>	<b>1,369.3</b>	<b>410.7</b>	<b>302.6</b>	<b>31.1</b>	<b>263.9</b>	<b>4,235.0</b>		
<b>Percent</b>	<b>25.6</b>	<b>18.3</b>	<b>32.3</b>	<b>9.7</b>	<b>7.1</b>	<b>0.7</b>	<b>6.2</b>	<b>100.0</b>		

*Source: Tanzania Revenue Authority, 2015*

Table 3.5 also shows variations in revenue collection between years, ranging from 6.0 percent between 2008/09 and 2009/10 to 37.9 percent between 2010/11 and 2011/12. The change was 10.5 percent between 2014/15 and the preceding year. Nevertheless, revenue from Domestic excise taxes increased over the whole period from 2003/04 to 2014/15 as indicated in Figure 3.4.

**Figure 3. 4: Total Domestic Excise Taxes (TZS Billion), Tanzania Mainland, 2003/04 – 2014/15**



### ***VAT on Domestic Products***

Table 3.6 shows that the total VAT revenue collected from the production of beer over the period 2003/04 to 2014/15 accounted for 29.0 percent of all VAT from domestic products.

It was followed by VAT from cigarettes (11.7 percent), soft drinks (8.7 percent) and sugar (8.3 percent). VAT from cement production had the smallest percentage of 7.0 but contributing since 2007/08. Between 2013/14 and 2014/15 VAT on domestic production increased by 18.1 percent.

In table 3.6, the largest percentage increase of VAT from domestic products was observed in 2006/07 at the rate of 56.2 percent. In the preceding year (2005/06), there was a decline of 3.7 percent. The VAT revenue collected in 2004/05 was TZS 127.3 billion and it dropped to TZS 122.6 billion in 2005/06 leading to decline of 3.7 percent in revenue. Also, after an improved tax revenue of TZS 383.8 billion collected in 2011/12 there was a decline by 21.2 percent in collection to TZS 302.3 billion in 2012/13. Nevertheless, VAT collected from domestic products increased in 2014/15 to TZS 405.2 billion accounting for 18.1 percent. Figure 3.5 shows VAT collected from product over the period 2004/05 to 2014/15.

**Table 3. 6: VAT from Products (TZS Billion) by Type of Product, Tanzania Mainland, 2003/04 – 2014/15**

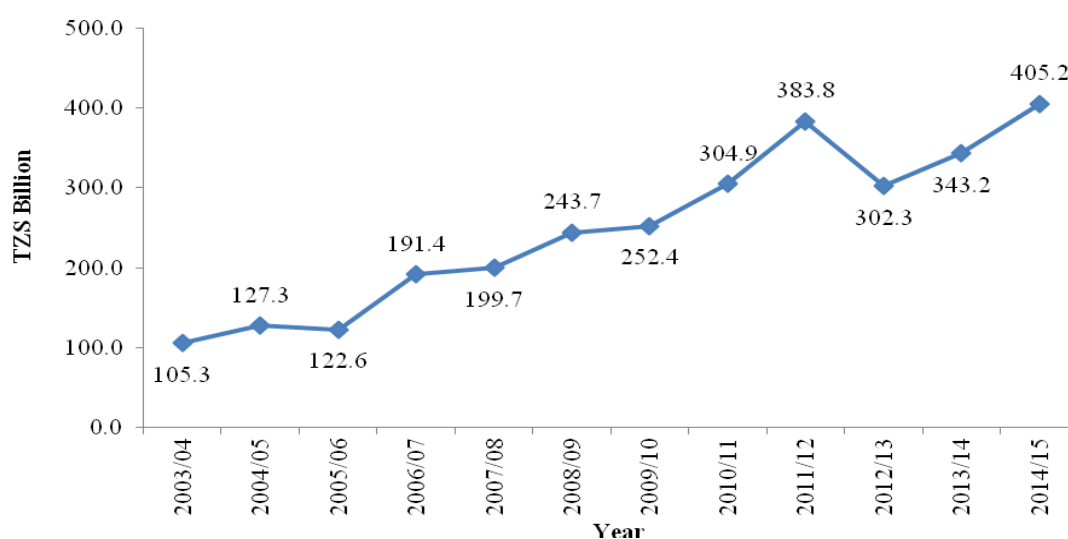
Year	Type of Product						Total VAT Domestic Products	Changes in Collection between Years	
	Beer	Cigarettes	Soft Drinks	Cement	Sugar	Others		Amount	Percent
2003/04	26.8	12.6	5.8	0.0	10.8	49.3	105.3		
2004/05	33.0	15.3	6.4	0.0	10.9	61.8	127.3	22.0	20.9
2005/06	36.0	13.1	7.7	0.0	13.3	52.5	122.6	-4.7	-3.7
2006/07	47.6	20.8	10.4	0.0	0.0	112.7	191.4	68.8	56.2
2007/08	56.3	23.5	13.7	19.8	13.9	72.5	199.7	8.3	4.3
2008/09	66.9	33.0	20.0	24.0	24.9	74.8	243.7	44.0	22.0

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<b>2009/10</b>	66.2	29.1	19.5	20.6	24.9	92.2	252.4	8.8	3.6
<b>2010/11</b>	80.5	33.9	25.9	34.2	24.9	105.5	304.9	52.4	20.8
<b>2011/12</b>	90.1	39.1	27.2	31.0	38.2	158.3	383.8	78.9	25.9
<b>2012/13</b>	105.6	45.7	34.7	32.0	24.0	60.3	302.3	-81.5	-21.2
<b>2013/14</b>	118.6	37.6	41.4	23.7	23.9	97.9	343.2	40.8	13.5
<b>2014/15</b>	136.3	46.1	48.0	23.2	36.5	115.1	405.2	62.0	18.1
<b>Total</b>	<b>863.9</b>	<b>349.8</b>	<b>260.7</b>	<b>208.5</b>	<b>246.2</b>	<b>1,052.8</b>	<b>2,981.8</b>		
<b>Percent</b>	<b>29.0</b>	<b>11.7</b>	<b>8.7</b>	<b>7.0</b>	<b>8.3</b>	<b>35.3</b>	<b>100.0</b>		

*Source: Tanzania Revenue Authority, 2015*

**Figure 3. 5: Total VAT (TZS Billion) from Domestic Products, Tanzania Mainland, 2003/04 - 2014/15**



#### i) VAT on Domestic Services

VAT from domestic services comprise of taxes from electricity, telephone, retail and wholesale businesses, transport, hotel services and other services. Table 3.7 shows that from 2003/04 to 2014/15 a total of TZS 6,037.1 billion were collected of which 24.9 percent was collected from telephone services followed by 9.2 percent from electricity and 6.6 percent from transport services, 5.8 percent from hotel services, 4.0 percent from retail trade and 3.0 percent from wholesale trade. Table 3.7 and Figure 3.6 show that VAT on domestic services increased over the 2003/04 to 2014/15 period TZS 121.2 billion to TZS 1,106.7 billion.

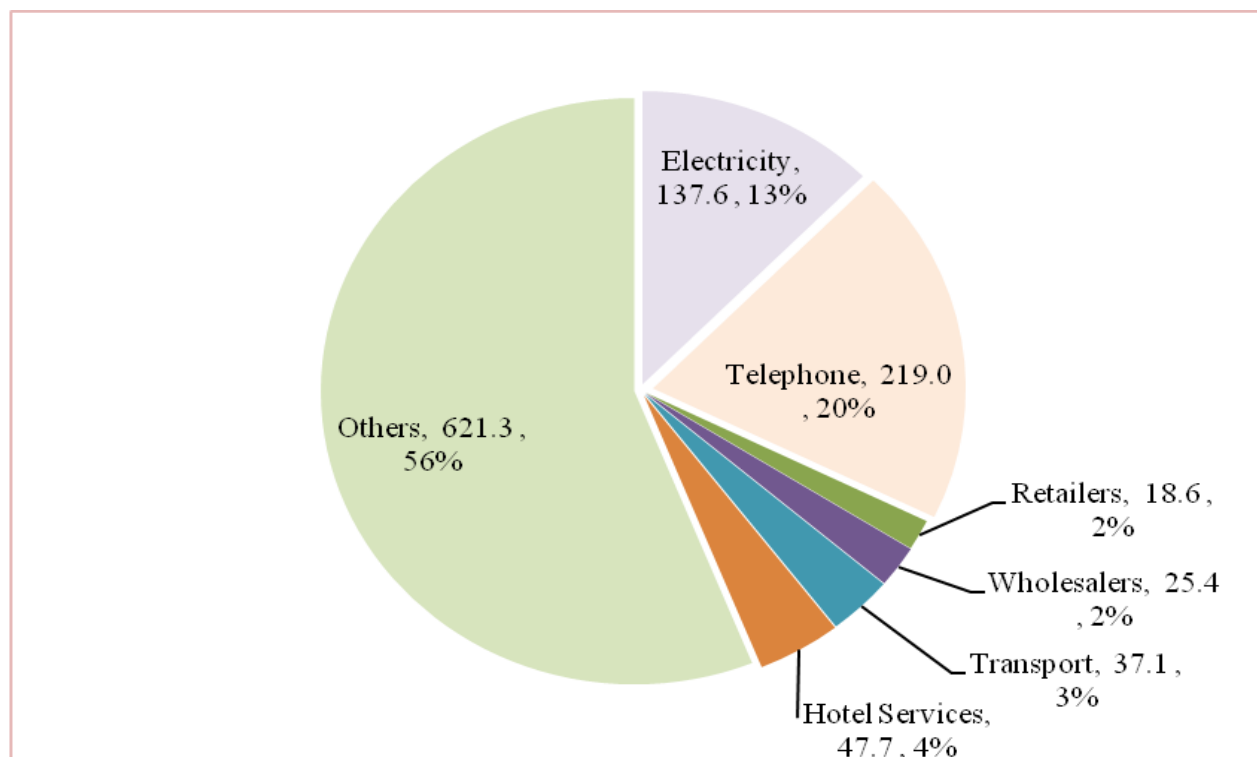
**Table 3. 7: VAT from Domestic Services (TZS Billion) by Type of Service, Tanzania Mainland, 2003/04 – 2014/15**

Year	Type of Service							Total VAT from Domestic Services	Changes in Collection between Years	
	Electricity	Telephone	Retailers	Wholesalers	Transport	Hotel Services	Others		Amount	Percent
2003/04	8.3	31.6	8.0	7.0	9.3	10.2	46.7	121.2		
2004/05	13.4	45.7	10.8	7.1	11.2	12.7	55.5	156.4	35.2	29.0
2005/06	13.9	60.2	10.5	10.5	13.2	15.0	85.5	208.9	52.5	33.6
2006/07	20.8	63.3	10.3	9.2	16.7	19.2	88.7	228.2	19.3	9.2
2007/08	31.2	105.6	13.4	10.9	26.7	26.1	134.4	348.2	120.0	52.6
2008/09	42.5	128.8	14.8	13.5	62.3	26.1	161.0	449.0	100.8	28.9
2009/10	56.0	123.1	16.1	14.5	67.0	27.5	171.4	475.6	26.6	5.9
2010/11	31.5	139.4	19.9	17.3	67.5	36.1	209.1	520.9	45.5	9.6
2011/12	27.3	190.4	39.5	17.2	19.9	45.1	255.8	595.3	74.4	14.3
2012/13	78.5	224.0	42.1	26.3	26.9	41.3	413.9	853.0	257.7	43.3
2013/14	97.1	168.8	39.7	24.6	39.9	45.5	558.4	974.0	121.0	14.2
2014/15	137.6	219.0	18.6	25.4	37.1	47.7	621.3	1106.7	132.7	13.6
<b>Total</b>	<b>558.1</b>	<b>1499.9</b>	<b>243.7</b>	<b>183.5</b>	<b>397.7</b>	<b>352.5</b>	<b>2801.7</b>	<b>6037.4</b>		
<b>Percent</b>	<b>9.2</b>	<b>24.8</b>	<b>4.0</b>	<b>3.0</b>	<b>6.6</b>	<b>5.8</b>	<b>46.4</b>	<b>100.0</b>		

Source: 2015 Tanzania Revenue Authority.



**Figure 3. 6; Value (TZS Billion) and Percentage Contribution of Domestic Services to Total VAT from Domestic Services by Type of Service, Tanzania Mainland, 2014/15**



More than half of the total VAT on domestic services in 2014/15 was collected from unspecified services services not specified. Revenue collection show some changes during the period, for instance VAT from electricity utility dropped from TZS 56.0 billion in 2009/10 to TZS 27.3 billion in 2011/12 but recovered in 2012/13 (TZS 78.5 billion) and 2014/15 (TZS 137.6 billion). Telephone contribution to VAT revenue increased every year except in 2009/10 when there was a negative growth of 4.4 percent and in 2013/14 when there was a negative growth of 24.6 percent. In the case of transport, there was a slight drop of 7.0 percent in 2014/15 and a large drop of 70.5 percent in 2011/12 according to Table 3.7 above.

## ii.) Other Domestic Taxes and Charges

Tax revenues are also collected from other domestic sources and charges including business licensing and airport departure charges. For the purpose of this report, three categories of other domestic sources are shown.

Table 3.8 indicates the contribution of tax revenue from other domestic sources and charges. Among the three sources, motor vehicle tax with an average of 70.6 percent, made the highest

contribution over the 2003/04 to 2014/15 period. It was followed by tax revenue in the form of departure charges with an average of 20.6 percent and stamp duty with 8.8 percent.

With respect to growth rates, table 3.8 shows variations throughout the period. A negative growth observed in 2004/05 means that the collection for that year decreased by 19.4 percent compared to the preceding year. This situation was caused by a significant decline of revenue collected from motor vehicle licenses from TZS 7.6 billion in 2003/04 to TZS 1.4 billion in 2004/05. However, the highest growth rate was observed in 2007/08, at 103.9 percent, this was caused by the collection of tax from motor vehicle licenses which went up three times compared to that of the preceding year. It was followed by the growth of year 2010/11 (35.3 percent), year 2012/13 with 27.9 percent and 2006/07 with a 21.0 percent growth (Table 3.8).

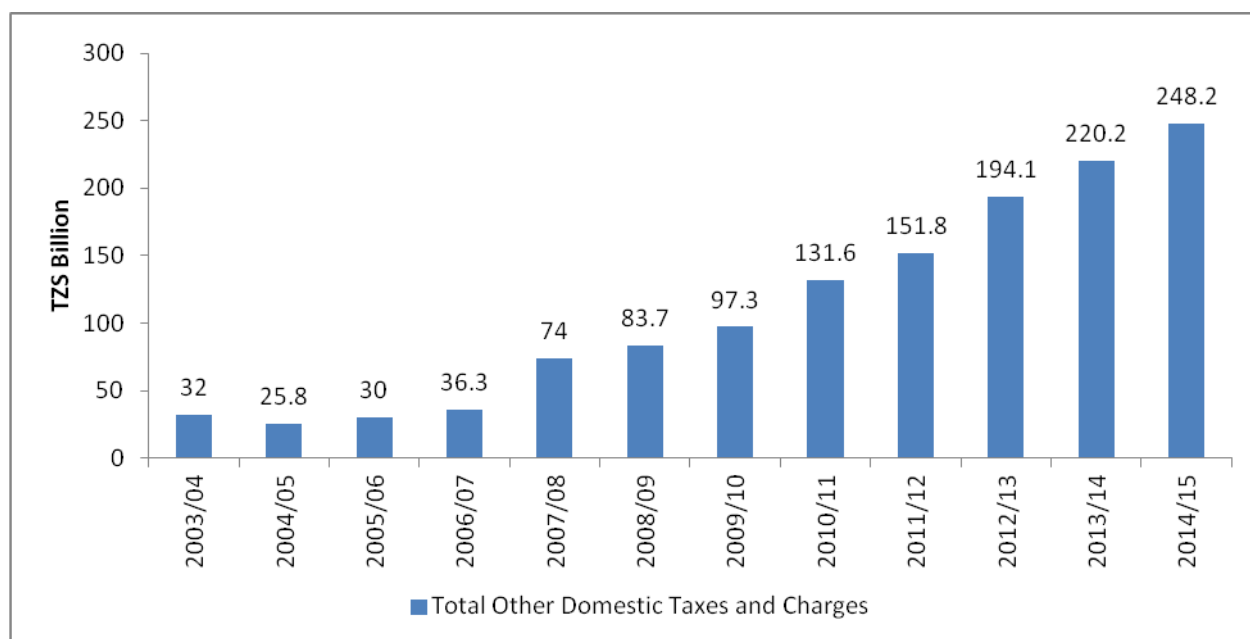
Figure 3.8 shows that, variations in revenue over the 2003/04 to 2006/07 period were smaller than those of 2007/08 to 2014/15. In the latter period, revenue increased from TZS 74.0 billion in 2007/08 to TZS 248.2 billion in 2014/15.

**Table 3. 8; Other Domestic Taxes and Charges (TZS Billion) by Type of Tax or Charge, Tanzania Mainland, 2003/04 – 2014/15**

Year	Other Items of Domestic Taxes and Charges				Change of Collection between Years	
	Departure Charges	Motor Vehicle Licenses	Stamp Duty and the Use of Telecommunication Traffic Monitoring System (TTMS)/DRD Non -Tax Revenue	Total Other Domestic Taxes	Amount	Percent
2003/04	8.6	7.6	15.8	32.0		
2004/05	8.6	1.4	15.8	25.8	-6.2	-19.4
2005/06	9.5	14.9	5.6	30.0	4.2	16.3
2006/07	14.4	17.1	4.8	36.3	6.3	21.0
2007/08	16.2	52.5	5.3	74.0	37.7	103.9
2008/09	16.9	62.3	4.5	83.7	9.7	13.1
2009/10	21.1	70.1	6.1	97.3	13.6	16.2
2010/11	23.3	101.3	7.0	131.6	34.3	35.3
2011/12	23.2	117.6	11.0	151.8	20.2	15.3
2012/13	35.2	147.8	11.1	194.1	42.3	27.9
2013/14	42.4	158.4	19.4	220.2	26.1	18.4
2014/15	53.1	184.4	10.7	248.2	28.0	12.7
<b>Total</b>	<b>272.5</b>	<b>935.4</b>	<b>117.1</b>	<b>1325.0</b>		
<b>Percent</b>	<b>20.6</b>	<b>70.6</b>	<b>8.8</b>	<b>100.0</b>		

Source: Tanzania Revenue Authority, 2015

**Figure 3. 7: Other Domestic Taxes and Charges (in TZS Billion), Tanzania Mainland, 2003/04 – 2014/15**



### iii) International Trade Taxes

Table 3.9 and Figure 3.8 show the revenue collected through the international trade taxes in Tanzania Mainland during the 2003/04 to 2014/15 period. The international trade taxes are categorized into import duties, excise duties, VAT on imports, fuel levy and non tax revenue. The table shows that VAT on imports made the largest contribution (40.1 percent) to the revenue collected from international trade taxes followed by excise duties (23.5 percent), import duties (20.8 percent), fuel levy (15.0 percent) and non tax revenue (0.6 percent).

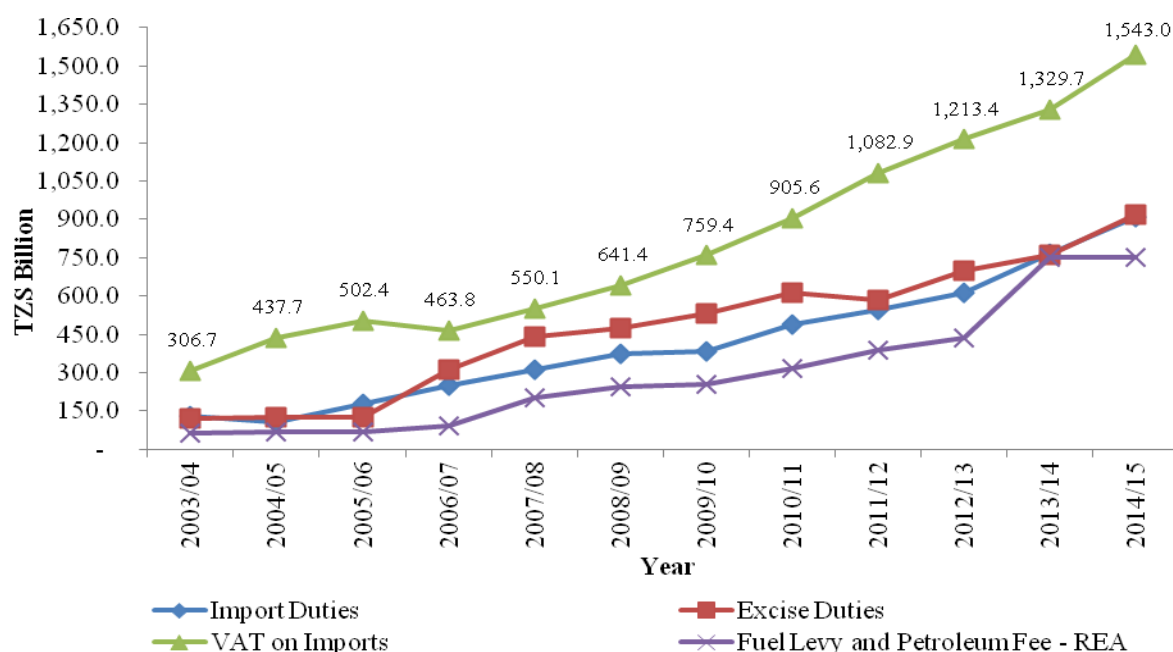
Table 3.9 also shows a steady growth of the revenue collected from international trade taxes. The highest growth rate was observed in year 2007/08 with an increase of 33.8 percent from the preceding year followed by year 2006/07 (28.2 percent) and year 2013/14 (22.1 percent). The worst year was 2009/10 with the growth of 11.1 percent followed by year 2011/12 (12.0 percent).

**Table 3. 9: International Trade Taxes (TZS Billion) by Type of Tax, Tanzania Mainland, 2003/04 – 2014/15**

Year	Import Duties		Excise Duties		VAT on Imports		Fuel Levy and Petroleum Fee - REA		Non-Tax Revenue		Total International Trade Taxes	Changes in Collection between Years	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent		Amount	Percent
<b>2003/04</b>	132.3	21.1	120.6	19.2	306.7	48.8	64.1	10.2	4.5	0.7	628.2		
<b>2004/05</b>	106.9	14.3	127.6	17.0	437.7	58.4	67.8	9.1	9.3	1.2	749.3	121.1	19.3
<b>2005/06</b>	177.8	20.1	126.5	14.3	502.4	56.9	69.4	7.9	7.5	0.8	883.6	134.3	17.9
<b>2006/07</b>	251.4	22.2	312.0	27.5	463.8	41.0	94.8	8.4	10.4	0.9	1,132.5	248.8	28.2
<b>2007/08</b>	313.0	20.7	440.3	29.1	550.1	36.3	200.4	13.2	11.5	0.8	1,515.4	382.9	33.8
<b>2008/09</b>	373.9	21.4	475.3	27.2	641.4	36.7	246.1	14.1	12.0	0.7	1,748.7	233.3	15.4
<b>2009/10</b>	383.3	19.7	533.8	27.5	759.4	39.1	256.0	13.2	10.9	0.6	1,943.4	194.7	11.1
<b>2010/11</b>	489.0	20.9	614.3	26.3	905.6	38.8	315.3	13.5	12.1	0.5	2,336.4	392.9	20.2
<b>2011/12</b>	546.3	20.9	583.6	22.3	1,082.9	41.4	390.5	14.9	12.9	0.5	2,616.3	279.9	12.0
<b>2012/13</b>	610.9	20.6	697.4	23.5	1,213.4	40.8	436.3	14.7	13.8	0.5	2,971.8	355.5	13.6
<b>2013/14</b>	766.7	21.1	761.9	21.0	1,329.7	36.7	750.3	20.7	18.7	0.5	3,627.3	655.5	22.1
<b>2014/15</b>	910.9	22.0	916.9	22.2	1,543.0	37.3	750.3	18.1	17.3	0.4	4,138.5	511.2	14.1
<b>Total</b>	<b>5,062.6</b>	<b>20.8</b>	<b>5,710.2</b>	<b>23.5</b>	<b>9,736.0</b>	<b>40.1</b>	<b>3,641.6</b>	<b>15.0</b>	<b>1,41.0</b>	<b>0.6</b>	<b>24,291.3</b>		

*Source: Tanzania Revenue Authority, 2015*

**Figure 3. 8: International Trade Taxes (TZS Billion) by Type of Tax, Tanzania Mainland, 2003/04 – 2014/15**



### Import Duties

Import duties comprise of non-petroleum import duties and other import and export charges. Table 3.10 shows that, out of TZS 5,062.4 billion collected as import duties from 2003/04 to 2014/15, 94.3 percent was contributed by non-petroleum import duties and only 5.7 percent by import duties from other import and export charges. The largest percent contribution to import duties by non-petroleum import was 100 percent in 2005/06 while the smallest was 85.7 percent in 2014/15. This shows that, with the exception of 2005/06 when there was no collection, the contribution of other import and export charges ranged from 0.1 percent in 2003/04 to 14.3 percent in 2014/15 which was a significant contribution by the item.

**Table 3. 10: Import Duties (TZS Billion) by Type of Duty, Tanzania Mainland, 2003/04 – 2014/15**

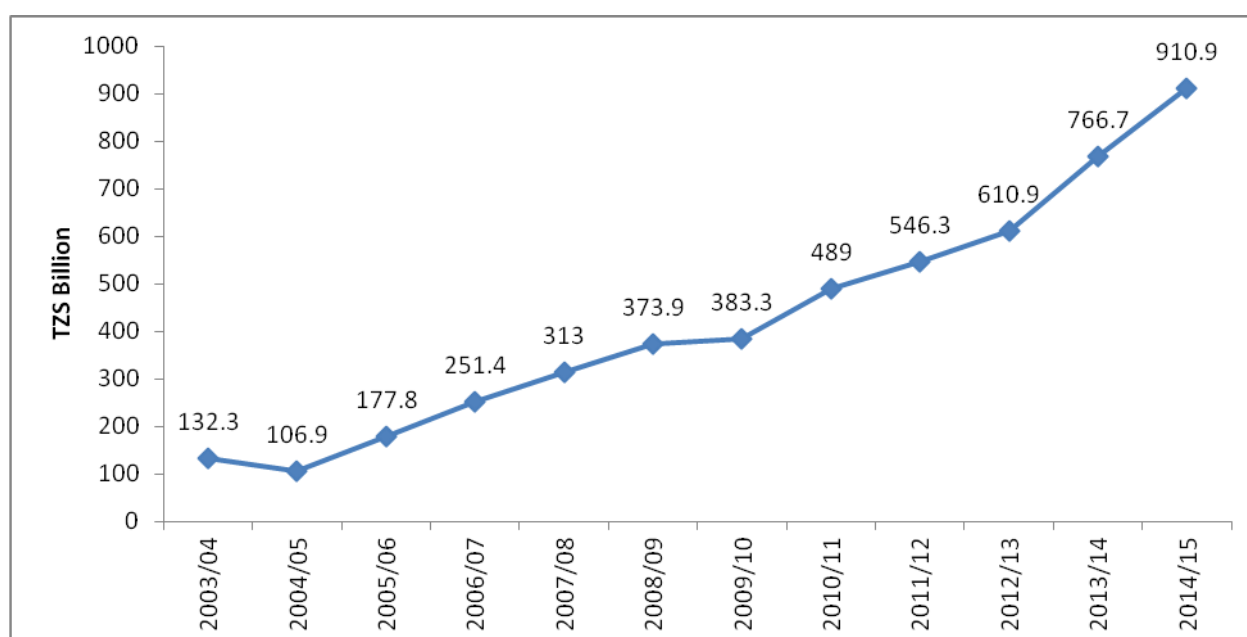
Year	Non-Petroleum Imports		Other Import and Export Charges		Total Import Duties	Changes in Collection between Years	
	Amount	Percent	Amount	Percent		Amount	Percent
2003/04	132.2	99.9	0.1	0.1	132.3		
2004/05	106.6	99.7	0.3	0.3	106.9	-25.4	-19.2
2005/06	177.8	100.0	0.0	0.0	177.8	70.9	66.3
2006/07	245.5	97.6	6.0	2.4	251.4	73.6	41.4
2007/08	304.5	97.3	8.6	2.7	313.0	61.6	24.5
2008/09	366.7	98.1	7.2	1.9	373.9	60.9	19.5

<b>2009/10</b>	377.0	98.3	6.4	1.7	383.3	9.4	2.5
<b>2010/11</b>	459.9	94.0	29.1	6.0	489.0	105.7	27.6
<b>2011/12</b>	509.7	93.3	36.6	6.7	546.3	57.3	11.7
<b>2012/13</b>	580.9	95.1	29.9	4.9	610.9	64.5	11.8
<b>2013/14</b>	734.8	95.8	31.1	4.2	766.7	155.8	25.5
<b>2014/15</b>	781.0	85.7	130.0	14.3	910.9	144.2	18.8
<b>Total</b>	<b>4,776.5</b>	<b>94.3</b>	<b>286.1</b>	<b>5.7</b>	<b>5,062.4</b>		

*Source: Tanzania Revenue Authority, 2015*

Table 3.10 also shows changes in collections in each year. The only decrease in revenue was 19.2 percent in 2004/05. The highest rate of change was 66.3 percent which was observed in 2005/06. In absolute terms, the largest increase was observed in 2013/14 (TZS 155.8 billion) and the smallest increase was observed in 2009/10 with an increase of only TZS 9.4 billion, the Figure 3.9 shows an upward trend of the total import duties.

**Figure 3. 9: Total Import Duties (TZS Billion), Tanzania Mainland, 2003/04 – 2014/15**



### ***Excise Duties***

Excise duties comprise of taxes on wines and spirits, non-petroleum and petroleum excise duties. Table 3.11 shows that out of the total revenue (TZS 5,710.2 billion) collected during 2003/04 to 2014/15 period, about 87.3 percent was collected as petroleum excise duties and 12.7 percent was collected as non-petroleum excise duties. Wines and spirits' contribution accounted for only 0.1

percent of the total excise duties. The table also shows increase in revenue collection from TZS 120.6 billion in 2003/04 to TZS 440.3 billion in 2007/08 and TZS 916.9 billion in 2014/15.

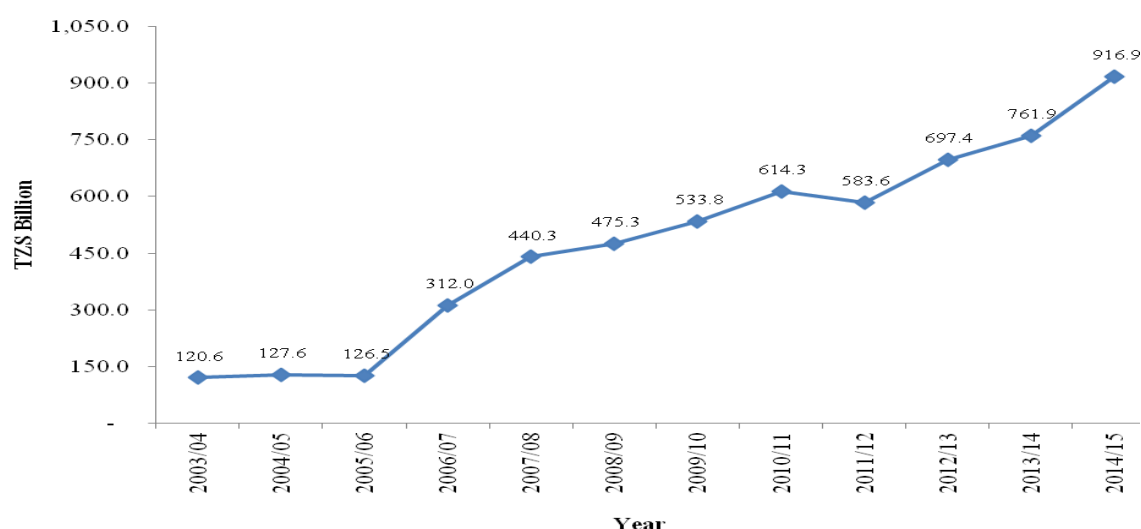
Table 3.11 also shows that the rate of increase of excise duties collection fluctuated over the 2003/04 to 2014/15 period. The worst performances in revenue collection were in years 2005/06 and 2011/12 when the growth of revenue were negative 0.9 and 5.0 percent respectively. The largest growth rate in revenue collection was recorded in 2006/07 as 146.6 percent. Another significant increase was recorded in 2007/08 as 41.1 percent. Table 3.11 summarizes revenue collections for the rest of the years.

**Table 3. 11: Excise Duties (TZS Billion) by Type of Duty, Tanzania Mainland, 2003/04 – 2014/15**

Year	Wine and Spirits Excise Duties		Non-Petroleum Excise Duties		Petroleum Excise Duties		Total Excise Duty	Changes in Collection between Years	
	Amount	Percent	Amount	Percent	Amount	Percent		Amount	Percent
2003/04	n.a.	n.a.	4.6	3.8	116.0	96.2	120.6		
2004/05	n.a.	n.a.	11.8	9.2	115.8	90.8	127.6	7.0	5.8
2005/06	n.a.	n.a.	10.1	8.0	116.4	92.0	126.5	- 1.1	- 0.9
2006/07	1.3	0.4	19.5	6.2	291.2	93.3	312.0	185.5	146.6
2007/08	1.2	0.3	22.7	5.2	416.4	94.6	440.3	128.3	41.1
2008/09	n.a.	n.a.	31.5	6.6	443.7	93.4	475.3	35.0	7.9
2009/10	n.a.	n.a.	40.6	7.6	493.2	92.4	533.8	58.5	12.3
2010/11	n.a.	n.a.	70.8	11.5	543.5	88.5	614.3	80.5	15.1
2011/12	n.a.	na	58.8	10.1	524.8	89.9	583.6	-30.7	-5.0
2012/13	0.6	0.1	68.3	9.8	628.4	90.1	697.4	113.8	19.5
2013/14	0.1	0.0	124.3	16.3	637.5	83.7	761.9	64.5	9.2
2014/15	-	-	260.9	28.5	656.0	71.5	916.9	155.1	20.4
<b>Total</b>	<b>3.2</b>	<b>0.1</b>	<b>724.0</b>	<b>12.7</b>	<b>4,982.9</b>	<b>87.3</b>	<b>5,710.2</b>		

*Source: Tanzania Revenue Authority, 2015*

**Figure 3. 10: Total Excise Duties (TZS Billion), Tanzania Mainland, 2003/04 – 2014/15**



### ***VAT on Imports***

Table 3.12 shows collection of VAT on imports. The revenue collected increased from TZS 306.7 billion in 2003/04 to TZS 550.1 billion in 2007/08 and reached TZS 1,543.0 billion in 2014/15.

Table 3.12 also shows variations in growth rates throughout the period under discussion. The highest growth rate was recorded in 2004/05 (42.7 percent) followed by year 2011/12 (19.6 percent), while the lowest growth rate was observed in 2013/14 with 9.6 percent.

**Table 3. 12: VAT on Imports (TZS Billion), Tanzania Mainland, 2003/04 – 2014/15.**

Year	VAT on Imports	Changes in Collection between Years	
		Amount	Percent
2003/04	306.7		
2004/05	437.7	131.0	42.7
2005/06	502.4	64.8	14.8
2006/07	463.8	-38.7	-7.7
2007/08	550.1	86.3	18.6
2008/09	641.4	91.3	16.6
2009/10	759.4	118.0	18.4
2010/11	905.6	146.2	19.3
2011/12	1,082.9	177.3	19.6
2012/13	1,213.4	130.5	12.1
2013/14	1,329.7	116.3	9.6
2014/15	1,543.0	213.3	16.0
<b>Total</b>	<b>9,736.0</b>		

*Source: Tanzania Revenue Authority, 2015*



## CHAPTER FOUR

### Government Finance Statistics

#### 4.0 Introduction

This chapter explains government finance performance attained in line with standard Government Finance Statistics (GFS) methodology prepared by the International Monetary Fund (IMF). The GFS was designed to provide statistics that enable policymakers and analysts to study developments in the financial operations, fiscal position, and liquidity situation of the general government sector or the public sector in a consistent and systematic manner.

#### 4.1 Government Revenue

In this report, analysis of government revenue is divided into two broad categories of local or internal resources and external resources. Internal resources refer to revenue collected through domestic and international taxes together with borrowing from domestic institutions such as banks, social security institutions, among others, while external resources cover all grants, loans and assistance provided by development partners.

Table 4.1 shows that the government revenue increased from TZS 2,558.0 billion in 2003/04 to TZS 5,982.8 billion in 2007/08 and reached TZS 14,784.3 billion in 2014/15. The largest change was observed in 2007/08 with an increase of 34.2 percent, followed by 2004/05 (28.9 percent) and 2011/12 (27.3 percent). The smallest rate of change was observed in 2014/15 with only 3.9 percent.

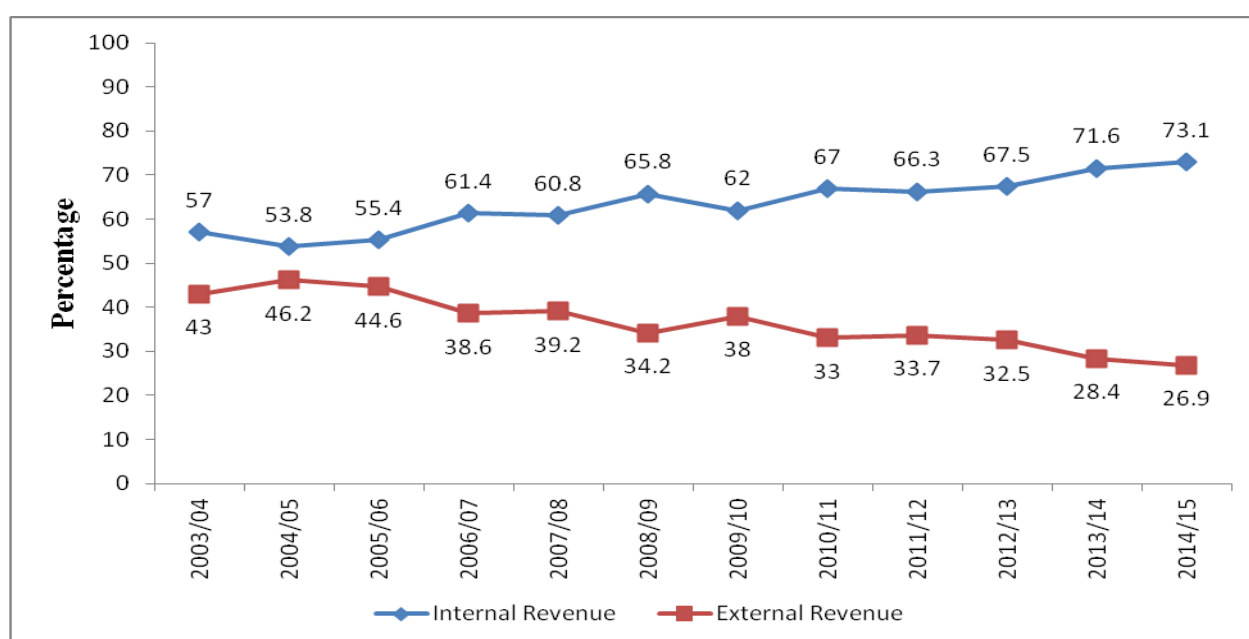
**Table 4. 1: Government Revenue (TZS Billion) by Source, Tanzania Mainland, 2003/04 – 2014/15**

Year	Internal Revenue (Incl. LGAs)		External Revenue		Total Government Revenue	Change in Government Finance between Years	
	Amount	Percent	Amount	Percent		Amount	Percent
2003/04	1459.3	57.0	1098.7	43.0	2558.0		
2004/05	1773.7	53.8	1523.7	46.2	3297.4	739.4	28.9
2005/06	2124.8	55.4	1712.4	44.6	3837.2	539.8	16.4
2006/07	2739.0	61.4	1719.1	38.6	4458.1	620.9	16.2
2007/08	3634.6	60.8	2348.2	39.2	5982.8	1524.7	34.2
2008/09	4293.1	65.8	2229.0	34.2	6522.1	539.3	9.0
2009/10	4661.5	62.0	2853.0	38.0	7514.5	992.4	15.2
2010/11	5736.3	67.0	2819.2	33.0	8555.5	1041.0	13.9
2011/12	7221.4	66.3	3670.9	33.7	10892.3	2336.8	27.3
2012/13	8442.6	67.5	4069.2	32.5	12511.8	1619.5	14.9
2013/14	10182.5	71.6	4040.0	28.4	14222.5	1710.7	13.7
2014/15	10810.7	73.1	3973.5	26.9	14784.3	561.8	3.9
Total	63079.5	66.3	32056.9	33.7	95136.5		

Source: Ministry of Finance, 2015

Internal revenue contributed more than external revenue to total government revenue. From year 2010/11 to 2014/15 internal revenue contributed twice or more of what external revenue contributed to total government finance. The internal contributions in the respective years were 67.0 percent, 66.3 percent, 67.5 percent, 71.6 percent and 73.1 percent. The decrease in the share of external revenue in the government finances is a sign of improvement of economic growth. The share of external revenue was highest in 2004/05 with 46.2 percent, followed by 44.6 percent in 2005/06 and 43.0 percent in 2003/04.

**Figure 4. 1: Percentage contribution to Total Government Finance by Internal and External Revenue, Tanzania Mainland, 2003/04 – 2014/15**



## 4.2 Internal Revenue

Table 4.2 and Figure 4.2 show internal government revenue collected from 2003/04 to 2014/15 in Tanzania Mainland. The table shows that internal revenue increased from TZS 1,459.3 billion in 2003/04 to TZS 11,199.2 billion in 2014/15. Out of the total internal revenue collected in 2014/15, TZS 10,097.9 billion (90.2 percent) was tax revenue, TZS 712.8 billion (6.4 percent) was non tax revenue and TZS 388.5 billion (3.5 percent) was revenue from local government authorities.

Over the period 2003/04 to 2014/15 the share of tax revenue in the internal government revenue was largest at 91.6 percent, followed by non -tax revenue (6.3 percent) and revenue from local government authorities (2.0 percent).

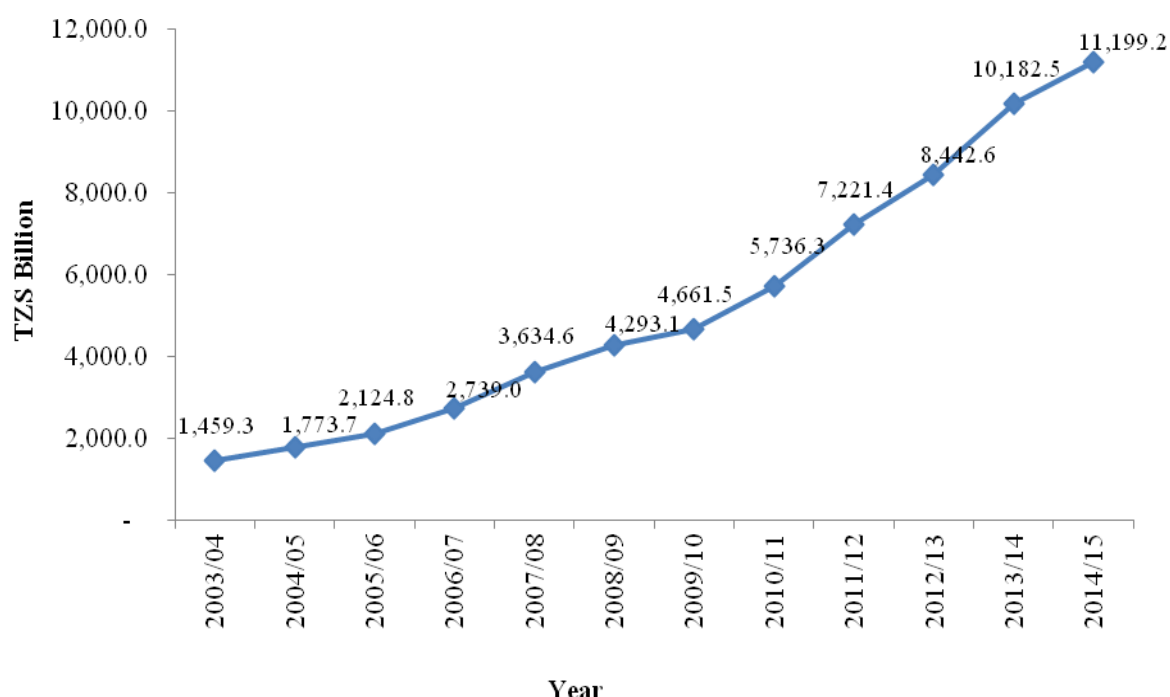
**Table 4. 2: Internal Government Revenue (TZS Billion) by Type, Tanzania Mainland, 2003/04 – 2014/15**

Year	Tax Revenue		Non-Tax Revenue		Revenue from LGAs		Total Government Finance from Internal Revenue	Change in Government Finance between Years	
	Amount	Percent	Amount	Percent	Amount	Percent		Amount	Percent
<b>2003/04</b>	1,342.8	92.0	116.5	8.0	n.a	n.a	1,459.3		
<b>2004/05</b>	1,615.2	91.1	158.5	8.9	n.a	n.a	1,773.7	314.4	21.5
<b>2005/06</b>	1,946.4	91.6	178.4	8.4	n.a	n.a	2,124.8	351.1	19.8
<b>2006/07</b>	2,529.4	92.3	209.6	7.7	n.a	n.a	2,739.0	614.2	28.9
<b>2007/08</b>	3,359.3	92.4	275.3	7.6	n.a	n.a	3,634.6	895.6	32.7
<b>2008/09</b>	4,043.7	94.2	249.4	5.8	n.a	n.a	4,293.1	658.5	18.1
<b>2009/10</b>	4,427.8	95.0	233.7	5.0	n.a	n.a	4,661.5	368.4	8.6
<b>2010/11</b>	5,293.3	92.3	284.7	5.0	158.3	2.8	5,736.3	1,074.8	23.1
<b>2011/12</b>	6,480.5	89.7	545.4	7.6	195.5	2.7	7,221.4	1,485.1	25.9
<b>2012/13</b>	7,730.0	91.6	491.8	5.8	220.8	2.6	8,442.6	1,221.2	16.9
<b>2013/14</b>	9,294.4	91.3	572.8	5.6	315.2	3.1	10,182.5	1,739.9	20.6
<b>2014/15</b>	10,097.9	90.2	712.8	6.4	388.5	3.5	11,199.2	1,016.7	10.0
<b>Total</b>	<b>58,160.7</b>	<b>91.6</b>	<b>4,028.9</b>	<b>6.3</b>	<b>1,278.3</b>	<b>2.0</b>	<b>63,468.0</b>		

Source: Ministry of Finance, 2015

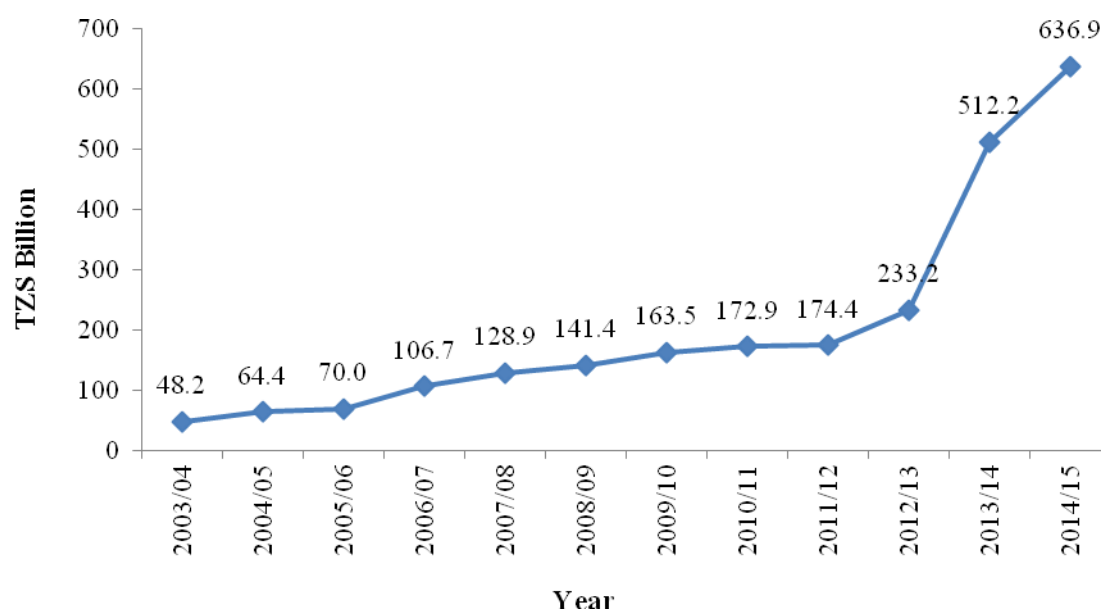
Tax collection done by the TRA has improved government finance as indicated in Table and Figure 4.2. Government finance increased by TZS 314.4 billion in 2003/04 and TZS 895.6 billion in 2007/08. However the change declined to TZS 658.5 billion in 2008/09 and TZS 368.4 billion in 2009/10 but started to increase in the following year and reached TZS 1,739 billion in 2013/14 and dropped to TZS 1,016.7 in 2014/15. The improvement of government finance enables the government to increase its ability to fund its recurrent expenditure, development projects and other necessary amortizations.

**Figure 4. 2: Trend of Government Finance from Internal Revenue (TZS Billion), Tanzania Mainland, 2003/04 – 2014/15**



In 2003/04, a total of TZS 48.2 billion was paid to the debtors. The repayment increased to TZS 70.0 billion in 2005/06 and TZS 163.5 billion in 2009/10 before reaching TZS 636.9 billion in 2014/15.

**Figure 4. 3: Repayment of Government Loans (TZS Billion), Tanzania Mainland, 2003/04 – 2014/15**



*Note: repayment of government loans equal to Refund Account in Appendix III (domestic revenue)*

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### **4.3 External Revenue**

During the period 2003/04 to 2014/15 the Government continued to improve and to strengthen the relationship with development partners and international financial institutions which could also help in securing grants and concessional loans. The purpose of these loans and grants is to complement Government financing efforts in the implementation of economic growth and poverty reduction initiative through various strategies and development plans, which include MKUKUTA, the Millennium Development Goals and the National Development Vision 2025 among others.

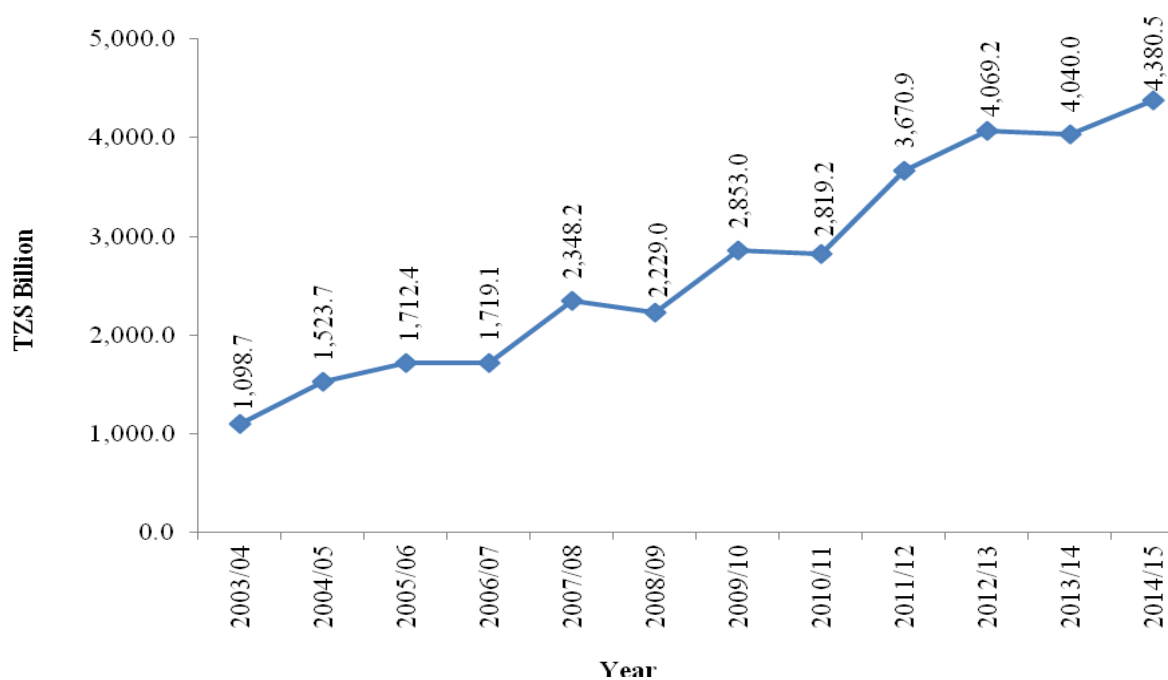
**Table 4. 3: Distribution of Government Finance from External Revenue (TZS Billion) by Type of Support, Tanzania Mainland, 2003/04 – 2014/15**

Year	Grants		Basket Support		Import Support		Project Loans		Concessional Loans		Total External Revenue	Changes in Revenue between Years	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent		Amount	Percent
2003/04	494.9	45.0	94.3	8.6	0.0	0.0	509.5	46.4	0.0	0.0	1,098.7		
2004/05	993.0	65.2	156.7	10.3	65.4	4.3	308.6	20.3	0.0	0.0	1,523.7	425.0	38.7
2005/06	1,043.4	60.9	82.3	4.8	257.7	15.0	329.0	19.2	0.0	0.0	1712.4	188.7	12.4
2006/07	971.6	56.5	47.3	2.8	267.0	15.5	433.2	25.2	0.0	0.0	1,719.1	6.7	0.4
2007/08	1,573.2	67.0	200.6	8.5	365.0	15.5	209.4	8.9	0.0	0.0	2,348.2	629.1	36.6
2008/09	1,257.3	56.4	151.4	6.8	331.5	14.9	488.8	21.9	0.0	0.0	2,229.0	-119.2	-5.1
2009/10	1,405.2	49.3	194.0	6.8	558.3	19.6	695.5	24.4	0.0	0.0	2,853.0	624.0	28.0
2010/11	1,627.4	57.7	220.7	7.8	173.8	6.2	643.4	22.8	153.9	5.5	2,819.2	-33.8	-1.2
2011/12	1,855.1	50.5	172.2	4.7	246.9	6.7	595.4	16.2	801.3	21.8	3,670.9	851.7	30.2
2012/13	1,447.0	35.6	280.9	6.9	543.8	13.4	734.4	18.0	1063.0	26.1	4,069.2	398.3	10.8
2013/14	1,399.0	34.6	188.6	4.7	733.8	18.2	524.0	13.0	1194.5	29.6	4,040.0	-29.2	-0.7
2014/15	869.6	19.9	202.0	4.6	483.9	11.0	850.0	19.4	1975.1	45.1	4,380.5	340.5	8.4
<b>Total</b>	<b>14,936.7</b>	<b>46.0</b>	<b>1,991.1</b>	<b>6.1</b>	<b>4,027.1</b>	<b>12.4</b>	<b>6,321.2</b>	<b>19.5</b>	<b>5,187.8</b>	<b>16.0</b>	<b>32,463.9</b>		

Source: Ministry of Finance, 2015

External revenue increased from TZS 1,098.7 billion in 2003/04 to TZS 2,348.2 billion in 2007/08 and reached TZS 4,380.5 billion in 2014/15. According to Table 4.3, a total of TZS 32,463.9 billion in external revenue was received from development partners from 2003/04 and 2014/15. Of this, 46.0 percent was given as grants, followed by project loans (19.5 percent), concessional loans (16.0 percent), import support (12.4 percent) and basket funds accounted for 6.1 percent.

**Figure 4. 4: Trend of Government Finance from External Revenue (TZS Billion), Tanzania Mainland, 2003/04 – 2014/15**



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## CHAPTER FIVE

### Conclusion

The 2015 Tax and Government Finance Statistics Report, reveals that there was an improvement in tax collections by the Government through Tanzania Revenue Authority. Revenue collection increased from TZS 1,385.1 billion in 2003/04 to TZS 2,017.9 billion in 2005/06 and reached TZS 10,665.2 billion in 2014/15. However, variations on percentage increase during the reference period have been observed.

The contribution and trend of indirect taxes from broad category of consumption taxes, other domestic taxes and charges, and international trade taxes shows that out of TZS 38,870.5 billion collected revenue between 2003/04 and 2014/15, 62.5 percent was contributed by taxes from international trade, followed by consumption taxes (34.1 percent) while other domestic taxes and charges contributed only 3.4 percent.

The report further reveals that there was an improvement in government financing through internal revenue compared to external revenue. The government finances increased from TZS 2,558.0 billion in 2003/04 to TZS 3,837.2 billion in 2005/06 and reached TZS 14,784.3 billion in 2014/15. Looking at the share of contribution to the government finances, internal revenue contributed more than external revenue in 2003/04 where it contributed (66.3 percent) compared to external revenue (33.7 percent). Its contribution dropped to 53.8 percent in 2004/05, but increased thereafter to 65.8 percent in 2008/09 and reached 73.1 percent in 2014/15. The decline of external revenue to the government finances is a sign of improvement in the country's economic growth, thus increasing the Government's ability to finance recurrent and development budgets.



## Appendices

### Appendix I: Classification and Recording of Revenue System

<b>1</b>	<b>Revenue</b>	<b>12 Social Contributions</b>
<b>11</b>	<b>Taxes</b>	12.1 Social security contributions
11.1	Taxes on income, profits and capital gains	12.1.1 Employee contributions
11.1.1	Payable by individuals	12.1.2 Employer contributions
11.1.2	Payable by corporations and other enterprises	12.1.3 Self-employed or non-employed contributions
11.1.3	Un-allocable	12.1.4 Un-allocable contributions
11.2	Taxes on payroll and workforce	122 Other social contributions
11.3	Taxes on property	12.2.1 Employees contributions
11.3.1	Recurrent taxes on immovable property	12.2.2 Employer contributions
11.3.2	Recurrent taxes on net wealth	12.2.3 Imputed contributions
11.3.3	Estate, inheritance and gift taxes	<b>13 Grants</b>
11.3.4	Taxes on financial and capital transactions	13.1 From foreign governments
11.3.5	Other non-recurrent taxes on property	13.1.1 Current
11.3.6	Other recurrent taxes on property	13.1.2 Capital
11.4	Taxes on goods and services	13.2 From international organizations
11.4.1	General taxes on goods and services	13.2.1 Current
11.4.1.1	Value added taxes	13.2.2 Capital
11.4.1.2	Sales taxes	13.3 From other general government units
11.4.1.3	Turnover and other general taxes on goods and services	13.3.1 Current
11.4.2	Excises	13.3.2 Capital
11.4.3	Profits of fiscal monopolies	<b>14 Other revenue</b>
11.4.4	Taxes on specific services	14.1 Property income
11.4.5	Taxes on use of goods and on permission to use goods or perform activities	14.1.1 Interest
11.4.5.1	Motor vehicle taxes	14.1.2 Dividends
11.4.5.2	Other taxes on use of goods and on permission to use goods or perform activities	14.1.3 Withdrawals from income of quasi- corporations
11.4.6	Other taxes on goods and services	14.1.4 Property income attributed to insurance policyholders
11.5	Taxes on international trade and transactions	14.1.5 Rent
11.5.1	Customs and other import duties	14.2 Sales of goods and services
11.5.2	Taxes on exports	14.2.1 Sales by market establishments
11.5.3	Profits of export or import monopolies	14.2.2 Administrative fees
11.5.4	Exchange profits	14.2.3 Incidental sales by non-market establishments
11.5.5	Exchange taxes	14.2.4 Imputed sales of goods and services
11.5.6	Other taxes on international trade transactions	14.3 Fines, penalties and forfeits
11.6	Other taxes	14.4 Voluntary transfers other than grants
11.6.1	Payable solely by business	14.4.1 Current
11.6.2	Payable by other than business or unidentifiable	14.4.2 Capital
		14.5 Miscellaneous and unidentified revenue

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## Appendix II: Local Revenues

Taxes, levies, fees and revenue sources which LGAs are mandated to raise under the Local Government Finances Act are as follows:

1. Taxes on property
  - Property rates.
2. Taxes on goods and services
  - Crop fees (maximum 5 percent of farm-gate price); and
  - Forest produces fees
3. Taxes on specific services
  - Guest house levy.
4. Business and professional licenses
  - i) Commercial fishing license fees;
  - ii) Intoxicating liquor license fee;
  - iii) Private health facility license fee;
  - iv) Taxi license fee;
  - v) Plying permit fees; and
  - vi) Other business licenses fees.
5. Motor vehicles, other equipment and ferry licenses
  - Vehicle license fees; and
  - Fishing vessel license fees.
6. Other taxes on the use of goods, permission to use goods
  - i) Forest produce license fees;
  - ii) Building materials extraction license fee;
  - iii) Hunting licenses fees;
  - iv) Muzzle loading guns license fees; and
  - v) Scaffolding/Hoarding permit fees.
7. Turnover taxes
  - Service levy.
8. Entrepreneurial and property income
  - i) Dividends;
  - ii) Other domestic property income;
  - iii) Interest; and
  - iv) Land rent.
9. Administrative fees and charges

- 
- i) Market stalls/slabs dues;
  - ii) *Magulio*<sup>1</sup> fees;
  - iii) Auction mart fees;
  - iv) Meat inspection charges;
  - v) Land survey service fee;
  - vi) Building permit fee;
  - vii) Permit fees for billboards, posters or hoarding;
  - viii) Tender fee;
  - ix) Abattoir slaughter service fee;
  - x) Artificial insemination service fee;
  - xi) Livestock dipping service fee;
  - xii) Livestock market fee;
  - xiii) Fish landing facilities fee;
  - xiv) Fish auction fee;
  - xv) Health facility user charges;
  - xvi) Clean water service fee;
  - xvii) Refuse collection service fee;
  - xviii) Cesspit emptying service fee;
  - xix) Clearing of blocked drains service fee;
  - xx) Revenue from sale of building plans;
  - xxi) Building valuation service fee;
  - xxii) Central bus stand fees;
  - xxiii) Sale of seedlings;
  - xxiv) Insurance commission service fee;
  - xxv) Revenue from renting of houses;
  - xxvi) Revenue from renting of assets; and
  - xxvii) Parking fees.

10. Fees fines, penalties and forfeitures

- i) Stray animals penalty;
- ii) Share of fines imposed by Magistrates Court;
- iii) Other fines and penalties; and

**NB:** LGAs are not allowed to collect any taxes, levies or fees which are not on this list.

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<sup>1</sup> *Local Open Markets*

### Appendix III: Trends in Government Finance, Tanzania Mainland, 2003/04 - 2014/15

TZS Billion											
Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
A. Domestic Revenue (Incl.											
Revenue from LGAs)	1,459.3	1,773.7	2,124.8	2,739.0	3,634.6	4,293.1	4,661.5	5,736.3	7,221.4	8,442.6	10,182.5
Domestic Revenue	1,459.3	1,773.7	2,124.8	2,739.0	3,634.6	4,293.1	4,661.5	5,577.9	7,025.9	8,221.8	9,867.2
1. Tax Revenue	1,342.8	1,615.2	1,946.4	2,529.4	3,359.3	4,043.7	4,427.8	5,293.3	6,480.5	7,730.0	9,294.4
Import Duty and Excise Duty	352.3	350.5	452.4	765.6	965.5	1,130.9	1,214.6	1,512.1	1,538.6	1,845.2	2,243.4
Value Added Tax (VAT)	548.6	731.6	845.8	861.0	1,111.0	1,333.8	1,488.4	1,632.9	2,072.6	2,375.0	2,647.7
Imports	316.0	439.8	502.4	431.6	550.3	641.4	729.0	905.6	1,082.9	1,240.1	1,329.5
Domestic	232.6	291.8	343.4	429.4	560.7	692.4	759.0	727.3	989.7	1,134.8	1,318.2
Income Tax	366.6	465.5	581.2	790.9	1,028.9	1,257.9	1,388.7	1,719.8	2,311.4	3,036.1	3,791.7
Other Taxes	123.5	132.0	137.0	218.6	382.8	462.5	499.4	601.4	732.3	706.9	1,123.8
Refunds Accounts	-48.2	-64.4	-70.0	-106.7	-128.9	-141.4	-163.5	-172.9	-174.4	-233.2	-512.2
2. Non-Tax Revenue	116.5	158.5	178.4	209.6	275.3	249.4	233.7	284.7	545.4	491.8	572.8
3. Revenue from LGAs								158.3	195.5	220.8	315.2
B. Total Expenditure	2,516.9	3,248.4	3,972.6	4,474.7	5,209.0	6,811.9	8,173.7	9,439.4	10,764.5	13,543.0	13,958.2
1. Recurrent Expenditure	1,780.1	2,017.5	2,661.9	3,137.5	3,398.0	4,681.5	5,562.2	6,690.4	6,989.8	9,043.3	10,032.1
2. Development Expenditure	736.8	1,230.9	1,310.7	1,337.2	1,811.0	2,130.4	2,611.3	2,749.0	3,774.7	4,499.7	3,926.0
Local Funds	133.0	239.7	296.1	503.3	567.4	906.0	1,004.5	984.5	1,872.3	2,314.7	2,121.2
Foreign Funds	603.8	991.2	1,014.6	833.9	1,243.6	1,224.4	1,606.8	1,764.5	1,902.4	2,185.0	1,804.8
C. Deficit/Surplus (A-B)	-1,045.9	-1,474.7	-1,847.8	-1,735.7	-1,574.4	-2,518.8	-3,512.2	-3,861.4	-3,543.1	-5,100.4	-3,775.7
D. Financing	1,045.9	1,474.7	1,847.8	1,735.7	1,574.4	2,518.8	3,512.2	3,703.1	3,543.1	5,100.4	3,775.7
1. External Sources	1,053.5	1,416.6	1,604.7	1,689.4	2,302.8	2,201.5	2,784.9	2,776.3	3,590.4	3,942.5	3,858.8
Grants	494.9	993.0	1,043.4	971.6	1,573.2	1,257.3	1,405.2	1,627.4	1,855.1	1,447.0	1,399.0
Basket Support	94.3	156.7	82.3	47.3	200.6	151.4	194.0	220.7	172.2	280.9	188.6
Import Support/OGL Loans	-	65.4	257.7	267.0	365.0	331.3	558.3	173.8	246.9	543.8	733.8
Project Loans	509.5	308.6	329.0	433.2	209.4	488.8	695.5	643.4	595.4	734.4	524.0
Concessional Loans								153.9	801.3	1,063.0	1,194.5
Amortization (foreign)	-45.1	-107.1	-107.7	-29.7	-45.4	-27.3	-68.3	-42.9	-80.5	-126.7	-181.2

2. Internal Sources	-7.6	58.1	243.1	46.3	-728.4	317.3	727.2	926.8	-47.2	1,157.9	-83.1
Non-Bank Borrowing	21.4	145.0	219.2	212.5	-19.8	1.1	-24.7	337.5	263.6	401.4	21.2
Bank Borrowing	0.0	0.0	129.7	25.5	-316.8	212.6	593.0	906.8	71.3	667.9	205.5
Proceeds from Privatization	9.8	0.0	33.3	0.0	0.0	45.0	9.6	-	-	-	-
Payment of Arrears	0.0	0.0	0.0	0.0	0.0	0.0	714.3	720.2	1,326.9	1,734.5	-1,528.2
NBC Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Recapitalization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjustment to Cash	50.8	53.2	37.1	-60.4	-78.3	275.3	595.0	162.6	-198.5	440.0	300.8
Amortization (local)	0.0	0.0	-19.0	0.0	-14.6	0.0	-723.7	-720.2	-1,326.9	-1,734.5	-1,528.2
Expenditure Float	-89.5	-140.1	-157.2	-131.3	-298.9	-216.7	-436.2	-480.1	-183.6	-351.4	-610.6

Source: Ministry of Finance, 2015

#### Appendix IV: Trends in Tax Revenue, Tanzania Mainland, 2003/04 – 2014/15

TZS Million

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
TOTAL Mainland (TRA)	1,316,657.3	1,621,645.0	1,968,592.7	2,575,648.6	3,376,568.3	4,067,262.5	4,437,933.4	5,315,147.6	6,502,599.1	7,739,298.5	9,383,046.9	9,908,996.3
Add Treasury voucher	0.0	15,567.4	38,501.9	64,488.6	33,705.1	47,809.6	31,023.2	29,134.6	36,587.1	27,790.4	24,642.1	20,530.1
Net Collections	1,316,657.3	1,606,077.6	1,930,090.7	2,511,160.0	3,342,863.2	4,019,452.9	4,406,910.3	5,286,013.0	6,466,012.0	7,711,508.1	9,358,404.8	9,888,466.3
Less Tax Refunds	68,442.4	73,916.3	87,851.0	106,713.4	120,747.0	142,178.0	163,518.9	174,119.9	202,629.7	319,615.0	521,704.7	776,684.1
GRAND TOTAL	1,385,099.7	1,679,993.9	2,017,941.7	2,617,873.4	3,463,610.2	4,161,630.9	4,570,429.2	5,460,132.9	6,668,641.7	8,031,123.1	9,880,109.5	10,665,150.4
<b>DIRECT TAXES</b>	405,507.0	510,876.0	637,840.0	853,500.2	1,105,749.1	1,349,848.1	1,497,974.8	1,839,929.2	2,471,508.9	3,149,417.5	3,968,274.4	3,940,821.1
P.A.Y.E.	183,236.7	234,094.7	288,286.2	408,611.6	512,177.1	662,271.4	743,353.3	928,468.9	1,129,468.7	1,395,608.0	1,626,536.9	1,750,804.8
B. Skills & Dev.Levy	37,839.4	43,476.5	53,768.7	61,134.1	76,471.9	91,742.6	110,243.1	120,006.6	138,901.0	155,267.2	168,672.7	216,119.4
Individuals	18,293.8	26,067.9	31,433.7	31,174.2	36,306.8	42,109.7	48,632.0	58,402.8	65,768.3	69,909.0	87,409.3	101,881.9
Corporate Taxes	109,072.1	152,744.1	203,330.7	267,230.9	374,640.1	414,731.8	418,268.2	537,561.6	779,855.4	1,039,725.0	1,483,946.4	1,182,730.0
Withholding taxes	43,468.4	42,605.5	46,946.2	67,976.7	81,132.2	105,279.0	137,674.4	142,110.1	279,425.7	382,932.0	514,628.4	592,916.0
Rental Tax	10,954.8	8,692.7	10,629.8	12,054.4	16,869.0	23,881.6	29,032.9	33,037.5	57,370.9	68,898.2	61,373.4	64,422.3
Gaming Tax						2,664.3	3,247.1	4,057.0	3,302.6	8,861.7	7,185.5	10,245.8

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
All Other direct taxes	2,641.8	3,194.6	3,444.7	5,318.3	8,152.1	7,167.7	7,523.7	16,284.7	17,416.2	28,216.5	18,521.8	21,700.9
Less Refunds	14,000.9	15,851.4	22,135.2	41,093.0	25,884.0	30,580.9	36,747.7	40,834.5	42,014.3	198.1	4,423.6	8,016.8
<b>INDIRECT TAXES</b>	979,592.6	1,169,118.0	1,380,101.7	1,764,373.2	2,357,861.2	2,811,782.8	3,072,454.4	3,620,203.8	4,197,132.8	4,881,705.7	5,911,835.2	6,724,329.3
									0.0	0.0		
<b>CONSUMPTION TAXES</b>	319,398.7	394,065.3	466,504.4	595,592.3	768,471.4	979,289.6	1,031,623.9	1,152,114.5	1,429,040.8	1,715,778.2	2,064,333.7	2,337,663.4
<b>Excises (Domestic)</b>	92,868.7	110,335.5	135,062.9	175,955.0	220,616.0	286,728.5	303,826.5	326,279.2	449,958.5	560,479.3	747,131.4	825,775.2
Beer	44,587.3	52,052.4	60,820.8	73,638.7	91,531.4	106,693.2	105,356.1	115,595.8	150,542.6	179,726.0	186,254.9	202,464.2
Cigarettes	29,886.0	32,816.6	39,541.5	43,296.6	54,241.6	58,510.1	55,236.5	62,138.9	78,501.6	87,288.6	99,608.5	133,886.8
Soft Drinks	7,971.1	10,747.4	12,442.0	14,997.9	17,330.4	21,392.8	24,253.7	26,669.3	34,293.3	43,104.1	52,039.4	37,333.6
Bottled Water								0.0	5,178.2	809.6	10,288.2	14,779.1
<b>Item</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
Mobile Phone	6,989.0	9,731.1	16,800.0	32,307.5	40,234.4	67,680.5	85,617.5	90,189.7	114,552.5	150,047.7	217,501.7	250,937.1
Spirits	49.1	0.0	2.2	9,089.9	11,077.7	17,517.5	24,049.7	29,438.8	52,719.4	69,934.5	78,665.7	118,125.8
All Other Excises (Domestic)	3,386.2	4,988.0	5,456.4	2,624.4	6,200.5	14,934.3	9,313.0	2,246.7	14,170.8	29,568.8	102,773.0	68,248.5
<b>Aggregate VAT</b>	226,530.0	283,729.9	331,441.5	419,637.3	547,855.4	692,561.1	727,797.4	825,835.3	979,082.3	1,155,298.9	1,317,202.4	1,511,888.2
<b>VAT Domestic Products</b>	105,316.1	127,291.7	122,586.9	191,436.3	199,699.0	243,683.5	252,440.9	304,886.9	383,815.7	302,331.0	343,163.8	405,188.4
Beer	26,782.7	32,989.8	36,018.5	47,556.3	56,305.7	66,930.2	66,172.0	80,504.0	90,140.4	105,628.0	118,599.1	136,269.7
Cigarettes	12,567.9	15,304.9	13,055.3	20,800.2	23,536.1	33,032.5	29,060.4	33,850.4	39,102.1	45,696.6	37,608.0	46,143.0
Soft Drinks	5,849.3	6,362.9	7,680.7	10,371.0	13,699.6	20,045.9	19,484.5	25,881.3	27,181.8	34,727.8	41,441.2	47,966.6
Cement	0.0	0.0	0.0	0.0	19,754.8	24,032.4	20,608.9	34,238.2	30,973.8	31,987.2	23,701.4	23,226.2
Sugar	10,823.8	10,862.2	13,295.7	43.2	13,922.6	24,863.9	24,916.6	24,868.9	38,161.3	23,994.0	23,879.6	36,519.1
Others	49,292.4	61,772.0	52,536.7	112,665.5	72,480.1	74,778.5	92,198.6	105,544.1	158,256.3	60,297.2	97,934.4	115,063.8
									0.0	0.0		
									0.0	0.0		
<b>VAT Domestic Services</b>	121,213.9	156,438.1	208,854.6	228,201.0	348,156.4	448,877.5	475,356.6	520,948.4	595,266.6	852,968.0	974,038.5	1,106,699.8
Electricity	8,312.9	13,419.2	13,947.7	20,832.1	31,218.2	42,483.6	55,974.1	31,536.5	27,294.7	78,503.1	97,111.3	137,623.1
Telephones	31,633.8	45,707.5	60,165.9	63,331.5	105,572.2	128,783.0	123,056.2	139,434.9	190,433.8	223,951.4	168,842.2	218,954.5
Retailers	8,004.6	10,779.2	10,524.5	10,276.0	13,372.1	14,771.0	16,051.4	19,882.4	39,548.0	42,085.5	39,730.8	18,631.9

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Wholesalers	7,049.7	7,115.5	10,496.7	9,173.2	10,850.2	13,450.6	14,467.8	17,329.6	17,229.1	26,337.0	24,562.8	25,383.7
Transport	9,348.6	11,221.6	13,239.6	16,678.0	26,679.3	62,291.6	66,955.3	67,503.8	19,880.0	26,915.1	39,893.3	37,091.1
Hotel Services	10,202.2	12,692.3	15,015.3	19,184.4	26,105.6	26,085.3	27,477.9	36,114.3	45,068.5	41,274.6	45,470.1	47,749.2
Other	46,661.9	55,502.6	85,464.9	88,725.9	134,358.8	161,012.4	171,373.7	209,146.9	255,812.6	413,901.3	558,428.1	621,266.3
Less VAT Refunds	51,282.1	54,915.7	62,781.2	62,885.5	87,520.2	102,084.8	116,837.9	121,952.7	137,544.9	231,517.9	433,863.0	505,695.1
Add DRD Treasury Vouchers		7,175.2	8,126.5	8,291.6	10,819.2	15,298.6	6,812.6	8,767.2	9,368.8	6,698.0	6,460.7	7,420.7
Less: Transfer to ZRB									0.0	23,564.9	34,314.4	34,072.9
Less: VETA									11,023.9	10,795.3	8,366.7	67,659.3
Less: Bed night levy									0.0	52,024.2		0.0
Less: MV D/licence												
Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>OTHER Domestic Taxes &amp; Charges</b>	<b>32,019.7</b>	<b>25,760.8</b>	<b>29,977.7</b>	<b>36,329.8</b>	<b>73,996.1</b>	<b>83,768.2</b>	<b>97,397.2</b>	<b>131,722.6</b>	<b>151,841.6</b>	<b>194,128.0</b>	<b>220,188.1</b>	<b>248,197.6</b>
Business Licences	12.3	12.3	6.4	31.4	26.0	15.0	18.9	21.2	0.0	0.0	0.0	
Departure Charges	8,585.5	8,585.5	9,467.9	14,409.3	16,161.6	16,869.4	21,147.0	23,319.6	23,229.7	35,187.2	42,388.0	53,081.4
Motor Vehicle Taxes	7,623.0	1,364.1	14,933.9	17,128.6	52,526.1	62,334.6	70,095.6	101,340.6	117,595.3	147,841.4	158,371.5	184,422.8
Stamp Duty	15,799.0	15,799.0	5,569.6	4,760.6	5,282.4	4,549.3	6,135.6	7,041.2	11,016.6	11,099.4	8,556.9	10,693.3
The Use of Telecommunication Traffic Monitoring System (TTMS)/DRD non tax revenue											10,871.6	
<b>INTERNATIONAL TRADE TAXES</b>	628,174.2	749,291.8	883,619.6	1,132,451.0	1,515,393.6	1,748,725.0	1,943,433.2	2,336,366.7	2,616,250.5	2,971,799.5	3,627,313.4	4,138,468.3
<b>Import Duties</b>	132,302.2	106,893.0	177,795.6	251,444.6	313,028.3	373,948.5	383,329.5	489,010.5	546,334.9	610,865.4	766,706.3	910,936.8
Non-Petroleum Imports	132,220.9	106,561.4	177,795.6	245,477.9	304,477.1	366,748.1	376,975.6	459,863.2	509,701.0	580,944.4	734,797.8	780,977.6
Export Duty Levy(Export duty & levy)	81.3	331.6	0.0	5,966.7	8,551.2	7,200.4	6,353.9	29,147.3	36,633.9	29,921.1	31,908.4	62,581.1
Processing Fee-REA(Petroleum Fee-REA)												14,557.8
Processing Fee-dry cargo-TRA				1,321.8	1,201.6		0.0		0.0	647.4	69.6	52,820.3
<b>Excise Duties</b>	120,587.5	127,615.2	126,507.4	311,984.6	440,301.2	475,254.1	533,795.5	614,293.4	583,606.0	697,393.4	761,879.1	
	4,616.7	11,766.5	10,120.4	19,462.9	22,685.7	31,546.3	40,597.1	70,806.2	58,806.4	68,330.9	124,298.8	916,946.0

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Wines and Spirits	115,970.8	115,848.7	116,387.0	291,199.9	416,413.8	443,707.8	493,198.4	543,487.2	524,799.6	628,415.1	637,510.7	0.0
Non-Petroleum Imports	210,826.2	311,882.8	349,271.2	431,614.3	548,877.8	641,124.3	759,396.5	905,610.8	1,082,917.7	1,213,436.8	1,329,712.0	260,947.4
Petroleum imports	210,826.2	311,882.8	349,271.2	431,614.3	548,877.8	641,124.3	759,396.5	905,610.8	1,082,917.7	1,213,436.8	1,329,712.0	655,998.6
<b>VAT on Imports</b>	95,845.7	125,784.5	153,166.1	32,138.9	1,188.2	253.7						1,542,962.6
Non-Petroleum Imports											124,341.3	1,542,962.6
Petroleum Fee-REA	64,075.3	67,844.8	69,422.7	94,849.7	200,449.3	246,134.3	256,046.3	315,309.3	390,499.3	436,292.1	625,995.2	127,089.8
Fuel Levy	4,537.3	9,271.5	7,456.6	10,419.0	11,548.8	12,010.1	10,865.5	12,142.7	12,892.6	13,811.8	18,679.5	623,217.0
Non-Tax Revenue									0.0	0.0	0.0	17,316.0
Less Customs & Excise Refunds	3,159.4	3,149.2	2,934.6	2,734.8	7,342.8	9,512.4	9,933.3	11,332.8	12,046.6	1,514.6	17,362.6	32,016.7
Less VAT-Mining									0.0	0.0	23,374.4	61,089.5
Less: Transfer to Customs proc. Fees-dry cargo TRA	0.0	8,392.2	30,375.4	56,197.0	22,885.9	32,511.0	24,210.6	20,367.4	27,218.3	21,092.3	18,181.4	48,175.4
Less: Transfer Processing Fee-REA												1,008.3
Less: Transfer Export Duty-Cashewnut Board												18,950.0
CED Treasury Vouchers												13,109.4
Appendix IV:	<b>Trends in Tax Revenue, Tanzania Mainland, 2003/04 – 2014/15</b>											
Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
TOTAL TRA Mainland	1,316,657.3	1,621,645.0	1,968,592.7	2,575,648.6	3,446,485.9	4,119,532.4	4,437,933.4	5,315,147.6	6,502,599.1	7,739,298.5	9,359,835.2	9,908,996.3
<b>Add Treasury voucher Net Collections</b>	0.0	15,567.4	38,501.9	64,488.6	33,705.1	32,511.0	31,023.2	29,134.6	36,587.1	27,790.4	24,642.1	20,530.1
	1,316,657.3	1,606,077.6	1,930,090.7	2,511,160.0	3,412,780.8	4,087,021.3	4,406,910.3	5,286,013.0	6,466,012.0	7,711,508.1	9,335,193.1	9,888,466.3
Less Tax Refunds	68,442.4	73,916.3	87,851.0	106,713.4	120,747.0	142,178.0	163,518.9	174,119.9	202,629.7	319,615.0	521,704.7	776,684.1
<b>GRAND TOTAL</b>	1,385,099.7	1,679,993.9	2,017,941.7	2,617,873.4	3,533,527.8	4,229,199.3	4,570,429.2	5,460,132.9	6,668,641.7	8,031,123.1	9,856,897.8	10,665,150.4
<b>DIRECT TAXES</b>	405,507.0	510,876.0	637,840.0	853,500.2	1,105,749.1	1,349,848.1	1,497,974.8	1,839,929.2	2,471,508.9	3,149,417.5	3,968,274.4	3,940,821.1
<b>P.A.Y.E.</b>	183,236.7	234,094.7	288,286.2	408,611.6	512,177.1	662,271.4	743,353.3	928,468.9	1,129,468.7	1,395,608.0	1,626,536.9	1,750,804.8
<b>B. Skills &amp; Dev.Levy</b>	37,839.4	43,476.5	53,768.7	61,134.1	76,471.9	91,742.6	110,243.1	120,006.6	138,901.0	155,267.2	168,672.7	216,119.4
<b>Individuals</b>	18,293.8	26,067.9	31,433.7	31,174.2	36,306.8	42,109.7	48,632.0	58,402.8	65,768.3	69,909.0	87,409.3	101,881.9
<b>Corporate Taxes</b>	109,072.1	152,744.1	203,330.7	267,230.9	374,640.1	414,731.8	418,268.2	537,561.6	779,855.4	1,039,725.0	1,483,946.4	1,182,730.0
<b>Withholding taxes</b>	43,468.4	42,605.5	46,946.2	67,976.7	81,132.2	105,279.0	137,674.4	142,110.1	279,425.7	382,932.0	514,628.4	592,916.0
<b>Rental Tax</b>	10,954.8	8,692.7	10,629.8	12,054.4	16,869.0	23,881.6	29,032.9	33,037.5	57,370.9	68,898.2	61,373.4	64,422.3
<b>Gaming Tax</b>						2,664.3	3,247.1	4,057.0	3,302.6	8,861.7	7,185.5	10,245.8



Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
All Other direct taxes	2,641.8	3,194.6	3,444.7	5,318.3	8,152.1	7,167.7	7,523.7	16,284.7	17,416.2	28,216.5	18,521.8	21,700.9
Less Refunds	14,000.9	15,851.4	22,135.2	41,093.0	25,884.0	30,580.9	36,747.7	40,834.5	42,014.3	198.1	4,423.6	8,016.8
<b>INDIRECT TAXES</b>	979,592.6	1,169,118.0	1,380,101.7	1,764,373.2	2,427,778.8	2,879,351.2	3,072,454.4	3,620,203.8	4,197,132.8	4,881,705.7	5,888,623.5	6,724,329.3
									0.0	0.0		
<b>CONSUMPTION TAXES</b>	319,398.7	394,065.3	466,504.4	595,592.3	838,389.0	1,046,858.0	1,031,623.9	1,152,114.5	1,429,040.8	1,715,778.2	2,041,191.6	2,337,663.4
<b>Excises (Domestic)</b>	92,868.7	110,335.5	135,062.9	175,955.0	220,616.0	286,728.5	303,826.5	326,279.2	449,958.5	560,479.3	747,131.4	825,775.2
Beer	44,587.3	52,052.4	60,820.8	73,638.7	91,531.4	106,693.2	105,356.1	115,595.8	150,542.6	179,726.0	186,254.9	202,464.2
Cigarettes	29,886.0	32,816.6	39,541.5	43,296.6	54,241.6	58,510.1	55,236.5	62,138.9	78,501.6	87,288.6	104,326.3	133,886.8
Soft Drinks	7,971.1	10,747.4	12,442.0	14,997.9	17,330.4	21,392.8	24,253.7	26,669.3	34,293.3	43,104.1	52,039.4	37,333.6
Bottled Water								0.0	5,178.2	809.6	10,288.2	14,779.1
<b>Item</b>	<b>2003/04</b>	<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
Mobile Phone	6,989.0	9,731.1	16,800.0	32,307.5	40,234.4	67,680.5	85,617.5	90,189.7	114,552.5	150,047.7	217,501.7	250,937.1
<i>Spirits</i>	49.1	0.0	2.2	9,089.9	11,077.7	17,517.5	24,049.7	29,438.8	52,719.4	69,934.5	78,665.7	118,125.8
All Other Excises (Domestic)	3,386.2	4,988.0	5,456.4	2,624.4	6,200.5	14,934.3	9,313.0	2,246.7	14,170.8	29,568.8	98,055.2	68,248.5
<b>Aggregate VAT</b>	226,530.0	283,729.9	331,441.5	419,637.3	617,773.0	760,129.5	727,797.4	825,835.3	979,082.3	1,155,298.9	1,294,060.3	1,511,888.2
<b>VAT Domestic Products</b>	105,316.1	127,291.7	122,586.9	191,436.3	269,616.6	311,251.9	252,440.9	304,886.9	383,815.7	302,331.0	320,021.7	405,188.4
Beer	26,782.7	32,989.8	36,018.5	47,556.3	56,305.7	66,930.2	66,172.0	80,504.0	90,140.4	105,628.0	109,453.2	136,269.7
Cigarettes	12,567.9	15,304.9	13,055.3	20,800.2	23,536.1	33,032.5	29,060.4	33,850.4	39,102.1	45,696.6	33,449.6	46,143.0
Soft Drinks	5,849.3	6,362.9	7,680.7	10,371.0	13,699.6	20,045.9	19,484.5	25,881.3	27,181.8	34,727.8	39,708.2	47,966.6
Cement					36,268.3	32,728.9	21,762.8	25,747.9	22,198.8	29,118.1	21,762.8	23,226.2
Sugar					33,649.3	34,839.5	21,912.3	28,396.7	24,845.5	21,824.6	21,912.3	36,519.1
Others	60,116.2	72,634.2	65,832.4	112,708.8	106,157.6	123,674.9	94,048.9	110,506.6	180,347.1	65,335.8	93,735.6	115,063.8
									0.0	0.0		
	121,213.9	156,438.1	208,854.6	228,201.0	348,156.4	448,877.5	475,356.6	520,948.4	595,266.6	852,968.0	974,038.5	1,106,699.8
<b>VAT Domestic Services</b>	8,312.9	13,419.2	13,947.7	20,832.1	31,218.2	42,483.6	55,974.1	31,536.5	27,294.7	78,503.1	97,111.3	137,623.1
Electricity	31,633.8	45,707.5	60,165.9	63,331.5	105,572.2	128,783.0	123,056.2	139,434.9	190,433.8	223,951.4	168,842.2	218,954.5
Telephones	8,004.6	10,779.2	10,524.5	10,276.0	13,372.1	14,771.0	16,051.4	19,882.4	39,548.0	42,085.5	39,730.8	18,631.9
<b>Retailers</b>	7,049.7	7,115.5	10,496.7	9,173.2	10,850.2	13,450.6	14,467.8	17,329.6	17,229.1	26,337.0	24,562.8	25,383.7
<b>Wholesalers</b>	9,348.6	11,221.6	13,239.6	16,678.0	26,679.3	62,291.6	66,955.3	67,503.8	19,880.0	26,915.1	39,893.3	37,091.1
Transport	10,202.2	12,692.3	15,015.3	19,184.4	26,105.6	26,085.3	27,477.9	36,114.3	45,068.5	41,274.6	45,470.1	47,749.2

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Hotel Services	46,661.9	55,502.6	85,464.9	88,725.9	134,358.8	161,012.4	171,373.7	209,146.9	255,812.6	413,901.3	558,428.1	621,266.3
Other	51,282.1	54,915.7	62,781.2	62,885.5	87,520.2	102,084.8	116,837.9	121,952.7	137,544.9	231,517.9	433,863.0	505,695.1
Less VAT Refunds							6,812.6	8,767.2	9,368.8	6,698.0	6,460.7	7,420.7
Add DRD Treasury Vouchers									0.0	23,564.9	34,314.4	34,072.9
Less: Transfer to ZRB									11,023.9	10,795.3	8,366.7	67,659.3
Less MV D/license												
Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Less Transfer to VETA									0.0	52,024.2		0.0
<b>OTHER Domestic Taxes &amp; Charges</b>	32,019.7	25,760.8	29,977.7	36,329.8	73,996.1	83,768.2	97,397.2	131,722.6	151,841.6	194,128.0	220,188.1	248,197.6
Business Licenses	12.3	12.3	6.4	31.4	26.0	15.0	18.9	21.2				53,081.4
Departure Charges	8,585.5	8,585.5	9,467.9	14,409.3	16,161.6	16,869.4	21,147.0	23,319.6	23,229.7	35,187.2	42,388.0	184,422.8
Motor Vehicle Taxes	7,623.0	1,364.1	14,933.9	17,128.6	52,526.1	62,334.6	70,095.6	101,340.6	117,595.3	147,841.4	158,371.5	10,693.3
Stamp Duty	15,799.0	15,799.0	5,569.6	4,760.6	5,282.4	4,549.3	6,135.6	7,041.2	11,016.6	11,099.4	8,556.9	4,138,468.3
The Use of Telecommunication	-	-	-	-	-	-	-	-	0.0	0.0	10,871.6	910,936.8
Traffing Monitoring System	628,174.2	749,291.8	883,619.6	1,132,451.0	1,515,393.6	1,748,725.0	1,943,433.2	2,336,366.7	2,616,250.5	2,971,799.5	3,627,243.8	780,977.6
	132,302.2	106,893.0	177,795.6	251,444.6	313,028.3	373,948.5	383,329.5	489,010.5	546,334.9	610,865.4	766,706.3	62,581.1
<b>INTERNATIONAL TRADE TAXES</b>	132,220.9	106,561.4	177,795.6	245,477.9	304,477.1	366,748.1	376,975.6	459,863.2	509,701.0	580,944.4	734,797.8	14,557.8
<b>Import Duties</b>	81.3	331.6	0.0	5,966.7	8,551.2	7,200.4	6,353.9	29,147.3	36,633.9	29,921.1	31,908.4	52,820.3
Non-Petroleum Imports											0.0	916,946.0
<b>Other import charges &amp; Export duty</b>	120,587.5	127,615.2	126,507.4	311,984.6	440,301.2	475,254.1	533,795.5	614,293.4	583,606.0	697,393.4	761,809.5	0.0
<b>Processing Fee</b>				1,321.8	1,201.6		0.0		0.0	647.4	0.0	260,947.4
<b>Excise Duties</b>	4,616.7	11,766.5	10,120.4	19,462.9	22,685.7	31,546.3	40,597.1	70,806.2	58,806.4	68,330.9	124,298.8	655,998.6
Wines and Spirits	115,970.8	115,848.7	116,387.0	291,199.9	416,413.8	443,707.8	493,198.4	543,487.2	524,799.6	628,415.1	637,510.7	1,542,962.6
Non-Petroleum Imports	210,826.2	311,882.8	349,271.2	431,614.3	548,877.8	641,124.3	759,396.5	905,610.8	1,082,917.7	1,213,436.8	1,329,712.0	1,542,962.6
Petroleum imports	210,826.2	311,882.8	349,271.2	431,614.3	548,877.8	641,124.3	759,396.5	905,610.8	1,082,917.7	1,213,436.8	1,329,712.0	127,089.8
VAT on Imports	95,845.7	125,784.5	153,166.1	32,138.9	1,188.2	253.7		0.0	0.0		124,341.3	623,217.0
Non-Petroleum Imports	64,075.3	67,844.8	69,422.7	94,849.7	200,449.3	246,134.3	256,046.3	315,309.3	390,499.3	436,292.1	625,995.2	17,316.0
Petroleum Fee-REA	4,537.3	9,271.5	7,456.6	10,419.0	11,548.8	12,010.1	10,865.5	12,142.7	12,892.6	13,811.8	18,679.5	32,016.7
Fuel Levy	3,159.4	3,149.2	2,934.6	2,734.8	7,342.8	9,512.4	9,933.3	11,332.8	12,046.6	1,514.6	17,362.6	61,089.5
Non-Tax Revenue									0.0	0.0	23,374.4	48,175.4
Less Customs & Excise Refunds	0.0	8,277.0	12,946.9	17,296.6	33,705.1	32,511.0	24,210.6	20,367.4	27,218.3	21,092.3	18,181.4	1,008.3

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Less VAT-Mining												18,950.0
CED Treasury Vouchers												13,109.4

**Source:** Tanzania Revenue Authority

**Appendix IV: Trends in Tax Revenue, Tanzania Mainland, 2003/04 – 2014/15**

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>OTHER Domestic Taxes and Charges</b>	32,019.7	25,760.8	29,977.7	36,329.8	73,996.1	83,768.2	97,397.2	131,722.6	151,841.6	194,128.0	220,188.1	248,197.6
Business Licences	12.3	12.3	6.4	31.4	26.0	15.0	18.9	21.2	0.0	0.0	0.0	0.0
Departure Charges	8,585.5	8,585.5	9,467.9	14,409.3	16,161.6	16,869.4	21,147.0	23,319.6	23,229.7	35,187.2	42,388.0	53,081.4
Motor Vehicle Taxes	7,623.0	1,364.1	14,933.9	17,128.6	52,526.1	62,334.6	70,095.6	101,340.6	117,595.3	147,841.4	158,371.5	184,422.8
Stamp Duty	15,799.0	15,799.0	5,569.6	4,760.6	5,282.4	4,549.3	6,135.6	7,041.2	11,016.6	11,099.4	8,556.9	10,693.3
The Use of Telecommunication Traffic Monitoring System (TTMS)/DRD non tax revenue											10,871.6	
<b>INTERNATIONAL TRADE TAXES</b>	628,174.2	749,291.8	883,619.6	1,132,451.0	1,515,393.6	1,748,725.0	1,943,433.2	2,336,366.7	2,616,250.5	2,971,799.5	3,627,313.4	4,138,468.3
<b>Import Duties</b>	132,302.2	106,893.0	177,795.6	251,444.6	313,028.3	373,948.5	383,329.5	489,010.5	546,334.9	610,865.4	766,706.3	910,936.8
Non-Petroleum Imports	132,220.9	106,561.4	177,795.6	245,477.9	304,477.1	366,748.1	376,975.6	459,863.2	509,701.0	580,944.4	734,797.8	780,977.6
Export Duty Levy(Export duty & levy)	81.3	331.6	0.0	5,966.7	8,551.2	7,200.4	6,353.9	29,147.3	36,633.9	29,921.1	31,908.4	62,581.1
Processing Fee-REA(Petrolleum Fee-REA)												
Processing Fee-dry cargo-TRA												
<b>Excise Duties</b>	120,587.5	127,615.2	126,507.4	311,984.6	440,301.2	475,254.1	533,795.5	614,293.4	583,606.0	697,393.4	761,879.1	916,946.0
Wines and Spirits				1,321.8	1,201.6	—	0.0		0.0	647.4	69.6	52,820.3
Non-Petroleum Imports	4,616.7	11,766.5	10,120.4	19,462.9	22,685.7	31,546.3	40,597.1	70,806.2	58,806.4	68,330.9	124,298.8	14,557.8
Petroleum imports	115,970.8	115,848.7	116,387.0	291,199.9	416,413.8	443,707.8	493,198.4	543,487.2	524,799.6	628,415.1	637,510.7	849,567.9
<b>VAT on Imports</b>	306,671.86	437,667.30	502,437.27	463,753.15	550,066.02	641,377.98	759,396.47	905,610.80	1,082,917.71	1,213,436.80	1,329,712.03	1,542,962.6
Non-Petroleum Imports	210,826.2	311,882.8	349,271.2	431,614.3	548,877.8	641,124.3	759,396.5	905,610.8	1,082,917.7	1,213,436.8	1,329,712.0	655,998.6
Petroleum Fee-REA											124,341.3	127,089.8
VAT on Petroleum	95,845.7	125,784.5	153,166.1	32,138.9	1,188.2	253.7						
<b>Fuel Levy and Petroleum Fee - REA</b>	68,612.6	77,116.3	76,879.3	105,268.8	211,998.1	258,144.4	266,911.8	327,452.0	12,892.6	13,811.8	18,679.5	640,533.0
Fuel Levy and Petroleum Fee - REA	64,075.3	67,844.8	69,422.7	94,849.7	200,449.3	246,134.3	256,046.3	315,309.3	12,892.6	13,811.8	18,679.5	623,217.0
Non-Tax Revenue	4,537.3	9,271.5	7,456.6	10,419.0	11,548.8	12,010.1	10,865.5	12,142.7	0.0	0.0	0.0	17,316.0

[illegible]