

GOVERNMENT OF ZAMBIA

ACT

No. 13 of 2012

Date of Assent: 19th December, 2012

An Act to amend the Property Transfer Tax Act.

[21st December, 2012]

ENACTED by the Parliament of Zambia.

Enactment

1. (1) This Act may be cited as the Property Transfer Tax (Amendment) Act, 2012, and shall be read as one with the Property Transfer Tax Act, in this Act referred to as the principal Act.

Short title and
commencement

Cap. 340

(2) This Act shall come into operation on 1st January, 2013.

2. Section *two* of the principal Act is amended in subsection (1)—

Amendment
of section 2

(a) by the insertion, in the appropriate places, of the following new definitions:

“ group of companies ” means a holding company together with all its subsidiaries;

“ holding company ” means a company that—

(a) holds the majority of the voting rights in another company;

(b) is a member of another company and controls a majority of the voting rights on its own or pursuant to an agreement entered into with the other members; or

(c) is a member of another company and controls, and has the right to appoint or remove a majority of, the board of directors in that other company; and

“ mining right ” has the meaning assigned to it in the Mines and Minerals Development Act, 2008; and

(b) by the deletion of the definition of “ property ” and the substitution therefor of the following:

Act No. 7 of
2008

“property” means—

- (a) any land in the Republic;
- (b) any share issued by a company incorporated in the Republic; or
- (c) a mining right issued under the Mines and Minerals Development Act, 2008, or an interest therein.

Act No. 7 of
2008

3. Section *four* of the principal Act is amended by the deletion of subsection (2) and the substitution therefor of the following:

(2) The rate of tax shall be five percent of the realised value of the land or shares and in the case of a mining right or an interest in the mining right, ten percent of the realised value of the mining right.

Amendment
of section 4

4. Section *five* of the principal Act is amended—

(a) by the insertion immediately after subsection (2) of the following new subsection:

(3) Where the property to be valued is a mining right or an interest in a mining right, the realised value of the mining right or interest shall be the actual price of the mining right or interest at the time of the transfer of that mining right or interest or as determined by the Commissioner-General, whichever is higher; and
(b) by the re-numbering of subsections (3), (4) and (5) as subsections (4), (5) and (6) respectively.

Amendment
of section 5

5. Section *nine* of the principal Act is amended—

(a) by the insertion immediately after subsection (4) of the following new subsection:

(5) Notwithstanding any other written law, the Minister responsible for mines, the Director of Mines or the Director of Geological Survey, as applicable, shall not approve the transfer, assignment, encumbrance or other dealing with a mining right or interest therein, if the transferor fails to pay the tax due in respect of the transfer, assignment, encumbrance or other dealing with a mining right or interest therein, under this Act; and

(b) by the re-numbering of subsections (5) and (6) as subsections (6) and (7) respectively.

Amendment
of section 9

6. The principal Act is amended by the insertion, immediately after section *twelve* of the following new section: