

THE VALUE ADDED TAX (AMENDMENT) BILL, 2019

MEMORANDUM

The object of this Bill is to amend the Value Added Tax Act so as to -

- (a) provide for the mandatory use of electronic fiscal devices;
- (b) provide for the payment of tax by suppliers of electronic services in the Republic;
- (c) require the use of an electronic payment machine as a payment option of sale by a taxable supplier; and
- (d) provide for matters connected with, or incidental to, the foregoing.

L. KALALUKA,
Attorney-General

N.A.B. 19, 2019

20th November, 2019

A BILL

ENTITLED

An Act to amend the Value Added Tax Act.

ENACTED by the Parliament of Zambia.

Enactment

1. (1) This Act may be cited as the Value Added Tax (Amendment) Act, 2019, and shall be read as one with the Value Added Tax Act, in this Act referred to as the principal Act.

Title and commencement

Cap. 331

5 (2) This Act shall come into operation on 1st January, 2020.

2. Section 2 of the principal Act is amended by the insertion of the following definitions in the appropriate places in alphabetical order:

Amendment of section 2

10 “electronic commerce” means the buying, selling, advertising or marketing of goods and services using the internet, mobile telecommunication networks and other electronic commerce infrastructure;

15 “electronic service” means a service capable of delivery of data across multiple electronic commerce platforms; and

“electronic payment machine” means a payment terminal used by a taxable supplier to receive a payment.

20 3. Section 7 of the principal Act is amended by the deletion of subsections (3) and (4) and the substitution there for of the following:

Amendment of section 7

(3) A taxable supplier shall issue a tax invoice for the supply of goods and services using an electronic fiscal device.

25 (4) Despite subsection (3), the Commissioner-General may approve the issuance of a tax invoice using an approved computer application or pre-printed tax invoice by a taxable supplier.