

**THE PROPERTY TRANSFER TAX (AMENDMENT)
BILL, 2012**

MEMORANDUM

The object of this Bill is to amend the Property Transfer Tax Act so as to—

- (a)* introduce property transfer tax at ten percent on the transfer, assignment, encumbrance or other dealing in a mining right or interest;
- (b)* provide for the basis for determining the value for a mining right at the time of its transfer, assignment, encumbrance or other dealing with the mining right or interest;
- (c)* revise the conditions for the approval of the transfer of a mining right or interest by the Minister responsible for mines; and
- (d)* provide for matters connected with, or incidental to, the foregoing.

M. MALILA,
Attorney-General

A BILL

ENTITLED

An Act to amend the Property Transfer Tax Act.

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

Act No. 7 of 2008

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

N.A.B. 13, 2012