

**CONFEDERATION OF TANZANIA INDUSTRIES
(CTI)
APPROVED/RECOMMENDED CTI TAX PROPOSALS FOR THE FISCAL YEAR 2024/25**

1.0. Value Added Tax (VAT)

- 1.1. Zero rate Value Added Tax on textile products (Fabric and Garments) made using locally grown cotton. This measure is intended to provide relief to farmers and consumers especially in this period of global economic downturn

2.0. Excise Duty

- 2.1. Reduction of excise duty on locally produced bottled water with HS Code 2201.10.00 and 2201.90.00 from **Tsh 63.80** to **58 per litre**. The measure is intended to support the growth of small-scale factories producing water in the country, provide relief to consumers, and promote the use of clean and safe water.

3.0. Import Duty

- 3.1. Grant duty remission at a duty rate of 10 percent instead of 25 percent for one year on other paper, paperboard, cellulose wadding and webs of cellulose fibres under HS Code 4811.90.00 used to manufacture labels and thermal paper rolls for cash registers, POS and EFD machines.
- 3.2. Grant duty remission at a duty rate of 0 percent instead of 25 percent or 35 percent for one year on inputs under HS codes 3923.50.90; 4819.20.90; 4819.30.00; 4819.50.00; 4821.90.00; and 7607.19.90 used by domestic manufacturers of yoghurt, powdered or UHT milk.
- 3.3. Grant Stay of Application of the EAC CET rate of 10 percent and apply a duty rate of 35 percent on float, toughened and multiple walled insulating units of glass under HS Codes 7005.10.00; 05.21.00; 7005.29.00; 7005.30.00; 7007.19.00; 7007.29.00 and 7008.00.00 for one year.
- 3.4. Grant Stay of application of the EAC CET rate of 35 percent and apply a duty rate of 35 percent or USD 3 per square meter, whichever is higher for one year on ceramic tiles under HS Codes 6907.21.00; 6907.22.00; and 6907.23.00.
- 3.5. Grant Stay of Application of EAC CET rate of 25 percent or USD 200/MT whichever is higher and apply a duty rate of 25 percent or USD 300/MT

whichever is higher for one year on flat-rolled products of iron or non-alloy steel under HS Codes 7210.49.00; 7210.61.00; 7210.69.00; 7210.70.00; 7210.90.00; and 7212.30.00.

- 3.6. Grant Stay of application of EAC CET rate of 35 percent and apply a duty rate of 25 percent or USD 300/MT whichever is higher for one year on Flat-rolled products of iron or non-alloy steel under HS Codes 7212.40.00 and 7212.50.00.
- 3.7. Grant Stay of Application of EAC CET rate of 10 percent and apply a duty rate of 10 percent or USD 300/MT whichever is higher for one year on flat-rolled products of iron or non-alloy steel under HS Code 7212.60.00.
- 3.8. Grant Stay of Application of EAC CET rate of 10 percent and apply a duty rate of 25 percent or USD 300/MT whichever is higher for one year on Iron and steel flat rods products under HS Codes 7225.91.00; 7225.92.00; and 7225.99.00.
- 3.9. Grant Stay of application of the EAC CET rate 35 percent and apply a duty rate of 35 percent or USD 500/MT whichever is higher for one year on corrugated iron sheets under HS Code 7210.41.00.
- 3.10. Grant Stay of application of the EAC CET rate of 25 percent or 35 percent and apply a duty rate of 50 percent for one year on salt under Heading 25.01.
- 3.11. Grant Stay of Application of EAC CET rate of 10 percent and apply a duty rate of 10 percent or USD 300/MT whichever is higher for one year on semi-finished flat rolled products under HS Code 7226.99.00.
- 3.12. Grant Duty Remission at a duty rate of 0 percent instead of 10 percent for one year on corks and stoppers under HS Code 4503.10.00 used as inputs by domestic manufacturers of local wines so as to promote the growth of grapes farming and wine industries in the country as well as employment creation
- 3.13. Grant Duty Remission at a duty rate of 0 percent instead of 25 percent for one year on packaging materials under HS Codes 7310.21.00; 6305.10.00; 3923.50.10; 3923.50.90 and 3920.30.90 used for packing processed coffee.
- 3.14. Grant Duty Remission at a duty rate of 0 percent instead of 25 percent for one year on inputs under HS Code 3920.30.90; 6305.39.00; and 7217.90.00 used by domestic processors of cotton lint.

- 3.15. Continue to grant Duty Remission at a duty rate of 0 percent instead of 25 percent or 10 percent on raw materials used to manufacture sanitary pads and baby diapers
- 3.16. Grant Stay of Application of EAC CET rate of 10 percent and apply a duty rate of 10 percent or USD 125/MT whichever is higher for one year on iron and steel products under HS Code 7209.16.00; 7209.17.00; 7209.18.00; 7209.25.00; 7209.26.00; 7209.27.00; 7209.28.00; 7209.90.00; 7211.23.00; 7211.90.00; 7226.92.00; and 7225.50.00.
- 3.17. Grant Stay of Application of EAC CET rate of 25 percent or USD 200/MT whichever is higher and apply a duty rate of 25 percent or USD 250/MT whichever is higher for one year on Iron and steel reinforcement bars and hollow profiles under HS Codes 7213.10.00; 7213.20.00; 7213.99.00; 7306.30.00; 7306.50.00; 7306.61.00; 7306.69.00; and 7306.90.00.
- 3.18. Grant Stay of Application of EAC CET rate of 10 percent and apply a duty rate of 25 percent on paper and paper products under HS Code 4804.29.00 for one year.
- 3.19. Grant Duty Remission at a duty rate of 10 percent instead of 35 percent on imported wheat grain under HS Codes 1001.99.10 and 1001.99.90 for one year.
- 3.20. Grant Duty Remission at a rate of 0 percent instead of 10 percent on Refined Bleached Deodorized (RBD) Palm Stearin under HS Code 1511.90.40 for one year
- 3.21. Grant Stay of Application of the EAC CET rate of 25 percent and apply a duty rate of 25 percent or USD 1.35/kg whichever is higher for one year on safety matches under HS Code 3605.00.00.
- 3.22. Grant Stay of Application of the EAC CET rate of 25 percent and apply a duty rate of 60 percent for one year on mineral water under HS Code 2201.10.00.
- 3.23. Continue grant duty remission on raw materials and industrial inputs used to manufacture textiles and leather footwear.
- 3.24. Grant Stay of Application of the EAC CET rate of 25 percent and apply a duty rate of 0 percent for one year on milk cans under HS Codes 7310.10.00 and 7310.29.90 in order to provide relief to the dairy sector in the country

- 3.25. Grant Duty Remission at a duty rate of 0 percent instead of 10 percent for one year on organic surface-active agents under HS Codes 3402.31.00; 3402.39.00; and 3402.49.00 used by manufacturers of detergents and liquid soaps.
- 3.26. Grant Duty Remission at a duty rate of 0 percent instead of 25 percent or 10 percent for one year on raw material under HS Codes 3208.20.10; 3208.20.20; 3208.90.20 and 3210.00.10 used in leather processing in order to promote growth of local leather industries
- 3.27. Grant Duty Remission at a duty rate of 0 percent instead of 25 percent for one year on packaging materials for processed tobacco under HS Code 5310.10.00 in order to reduce costs to processors of tobacco
- 3.28. Grant Duty Remission at a duty rate of 0 percent instead of 25 percent for one year on packaging materials under HS Codes 4819.20.90; 5407.44.00; and 3923.29.00 used by local manufacturers of tea (blenders).
- 3.29. Grant Duty Remission of 10 percent instead of 25 percent for one year on CKD for three-wheel motorcycle excluding chassis and its components under HS Code 8704.21.90.
- 3.30. Grant Stay of Application of EAC CET rate of 10 percent and apply a duty rate of 10 percent or USD125/MT whichever is higher for one year on flat-rolled products under HS Codes 7212.20.00.
- 3.31. Grant Stay of application of EAC CET rate of 25 percent and apply a duty rate of 35 percent for one year on imported finished baby diapers under HS Code 9619.00.90.
- 3.32. Grant Duty Remission at a duty rate of 0 percent instead of 10 percent for one year on raw materials under HS Codes 1901.90.10; 3302.10.00; and 3505.10.00 used to manufacture food flavors.
- 3.33. Grant Duty Remission at a duty rate of 0 percent instead of 10 percent or 25 percent for one year on inputs under HS Codes 4804.39.00; 4805.11.00; 4805.19.00; 4805.24.00; and 4805.25.00 used to manufacture corrugated boxes.
- 3.34. Grant Duty Remission at a duty rate of 10 percent instead of 35 percent for one year on inputs under HS Code 3401.20.10 noodles used to manufacture soap.

- 3.35. Grant Duty Remission at a duty rate of 0 percent instead of 10 percent or 25 percent for one year on inputs under HS Codes 7312.10.00; 7217.20.00; 7408.19.00; 7409.11.00; 7605.21.00; 2710.19.56; 3815.90.00; 5402.19.00; 5903.90.00; 7907.00.00; and 2712.10.00 used to manufacture electrical cables.
- 3.36. Grant Stay of Application of EAC CET rate of 25 percent and apply a duty rate of 25 percent or USD 250/MT whichever is higher for one year on flat-rolled products of iron or non-alloy steel under HS Code 7210.30.00.
- 3.37. Grant Stay of application of EAC CET rate of 35 percent and apply a duty rate of 35 percent or USD 350 per metric ton whichever is higher on nails, tacks, drawing pins, corrugated nails staples (other than those of heading 83.05) and similar articles of iron or steel, whether or not with heads of other materials under HS Code 7317.00.00 for one year.
- 3.38. Grant Duty Remission at a duty rate of 0 percent instead of 10 percent, 25 percent or 35 percent on inputs/raw materials used to manufacture capital goods/equipment for various sectors under headings 72.14; 72.15; 72.16; 32.08; 73.07; 83.11; 85.44; 68.06; 74.19; 72.08; 73.06; 73.12; 73.15; 73.18; 84.82; 84.83; 72.22; 73.04; 84.81; 84.84; 7325; 40.10; and 76.06 for one year
- 3.39. Amend the Import Control Act, CAP 276 by introducing Industrial Development Levy on selected imported goods as follows: 10 percent on wire rods with HS Code 7213.91.90; 10 percent on beer under heading 22.03; 5 percent on non-alcoholic beer with HS Code 2202.91.00; 5 percent on energy drinks with HS Code 2202.99.00; and 10 percent on organic surface-active agents - detergents with HS Code 3402.50.00; and 10 percent on liquid with HS Code 3402.90.00. The measure is intended to support local manufacturing, spur investments and increase exports

4.0. Fees and Charges

- 4.1. Removal of the requirement of TAEC to charge 0.1% of FOB value on exportation of animal products and food stuffs to foreign destination when the countries have no requirement of the radiation certificate. The measure removes the necessity to charge the fee even when the destination countries do not need the radiation certificate.
- 4.2. Reduce the radiation inspection and certification fee from 0.4 % of the FOB Value to 0.2% of the FOB value on finished goods which are imported into the country. The purpose of this measure is to reduce the cost of doing business and encourage investment in the country and production.

- 4.3. Amend the Fire and Rescue Force Act, CAP 427 by reducing a fee chargeable for training wardens on fire prevention and cautionary measures from TZS 500,000 to TZS 200,000. The amendment goes hand in hand with the requirement to conduct training to at least one warden or more in every year instead of the current arrangement which requires at least two wardens.