

**CONFEDERATION OF TANZANIA INDUSTRIES  
(CTI)**

**TAX MEASURES THAT COULD HAVE NEGATIVE IMPACT ON INDUSTRIAL  
DEVELOPMENT.**

Below are some tax measures that require more advocacy to the Government as they negatively affect the manufacturers in the country;

- Introduce excise duty at the rate of Shilling 7,000 per litre on imported Un-denatured Ethyl Alcohol and Shilling 5000 on locally produced Un-denatured Ethyl Alcohol of an alcoholic strength by volume of 80% vol or higher (Ethanol) with HS Code 2207.10.00 except Un-denatured Ethyl Alcohol used for purposes other than manufacturing scheduled article upon recommendations of the responsible Minister in the respective use
- Amend the Excise (Management and Tariff) Act, CAP 147 to introduce excise duty at the rate of Shilling 300 per Kilogram on imported and locally manufactured Tomato Sauce and Tomato Ketchup (Other than Tomato Paste) with HS Code 2103.20.00 and Chilli Sause and Chilli Ketchup (other than chili paste) and Mango pickle with HS Code 2103.90.00.
- Introduce excise duty at the rate of Shilling 500 per Kilogram of locally manufactured and imported solvent based paints and vanishes (paint or varnish that dissolves in a non-aqueous medium) of heading 32.08.
- Amend the Railway Act, 2017 by increasing railway development levy from 1.5 percent of CIF value to 2 percent of CIF value. Furthermore, the revenue collected from this source shall be remitted 50 percent to the Railway Development Fund and 50 percent to Road Fund.
- Grant Stay of application of EAC CET rate of 10 percent and apply a duty rate of 25 percent for one year on cotton yarn under headings 52.05; 52.06; and 52.07 except HS Code 5205.23.00
- Grant Stay of Application of the EAC CET rate of 50 percent and apply a duty rate of 35 percent on imported Kanga and Vitenge under HS Codes 5208.51.10; 5208.52.10; 5211.51.10; 5209.51.10; 5212.15.10; 5513.41.10; and 5514.41.10 for one year