



MONTHLY TAX UPDATE

JULY 2022

Contact Details

c. +263 775 911 383
e. info@taxmatrix.co.zw
a. 14185 Gunhill Ave, Gunhill, Harare

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We are honoured to present our July 2022 Monthly Tax Update (“MTU”) which is designed to keep businesses and individuals informed of the latest tax issues and also bring value to both.

Each month we will consider the latest changes to the tax rules – legislative, case law, and Authorities announcements and interpretations that bring relevancy to the business environment.

Monthly Tax Updates ensure that our valued members are kept in tune with changes in the tax arena. They provide you an opportunity to stay on top of developments that directly and indirectly affect you and your clients/business. The focus is on key guidance from legislation, tax agencies and the courts that represent new interpretations, as well as guidance on new laws.

The updates are accompanied by an insightful commentary pointing out the key takeaway points from the material. Aside to what our regular Newsletters provide, MTUs are meant to help you:

- Identify new tax planning opportunities.
- Keep you updated with all changes in the tax world.
- Keep you aware of current revenue and fiscal announcements and interpretations.
- Recognize pitfalls many professionals miss.
- Minimize compliance errors and offer practical and effective tax solutions.

The contents of this month's MTU edition are as follows:

- Rebate of duty on Capital Equipment imported for use in specified industries
- Amendment of the Customs and Excise Tariff
- Prohibition Order of Exportations of Unprocessed Granite
- National Social Security Authority: Pensions and Other Benefits Scheme
- Customs and Excise (Tariff) (Amendment)
- Court Case: Interdict to resist disposal of Tanker in possession of ZIMRA
- Clay Bricks exempted from VAT
- VAT Exemption on Tourism Ends
- Tax Issues of Employer Sponsored Loans
- Resident shareholders' tax on excessive management fees
- Mosi-Oa-Tunya Gold Coin Now In the Market

A handwritten signature in blue ink, appearing to read 'Marvellous Tapera'.

Marvellous Tapera
Chief Executive officer



1. Matrix Group News!

Matrix Tax School brings you the Matrix Tax Summer School



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SUMMER SCHOOL
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Speakers:



Marvellous Tapera
Chief Executive Officer
Matrix Tax School



Simon Gwenzi
Author & Lecturer in VAT
(ICAZ)/ (ZITA)



Leonora Mawire
Managing Consultant
Leonora & Associates Consulting



Simbarashe Hamudi
Commercial Training Manager
Matrix Tax School

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Early Bird	\$960	\$640	30/09/2022
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Alfa
Rose

vmadamu@taxmatrix.co.zw | +263 782 802 384
rmotsi@taxmatrix.co.zw | +263 775 911 538

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2. New Legislative Provisions

Mid Term Budget Highlights

The Minister of Finance and Economic Development, Honourable Professor Mthuli Ncube has through his midterm fiscal policy proposed several changes to tax law as follows:

Payment of certain taxes in foreign currency: Taxpayer to separate in any return of income rendered by him/her part of the income received in a foreign currency and that in Zimbabwean dollars or rendered separate return in foreign currency. It further empowers the Commissioner to require separate return in foreign currency where he/she is not happy with income split as aforesaid.

Withholding tax on importations: The presumptive tax is being revised from 10% to 30 % of the value for duty purposes (VDP) of the commercial goods being imported by the traders concerned.

Intermediated Money Transfer Tax: The definition of financial institution is amended to incorporate money transfer agent services, the transfer value exempt from IMTT is revised from USD10 to USD5 for USD transactions, an exemption from IMTT inbound foreign currency remittances, a review of the tax-exempt transactions from ZWL\$1,000 to ZWL\$2,500, the maximum tax payable per transaction is reviewed from the current ZWL\$1,320,000 to ZWL\$3,300,000 on transactions with values exceeding ZWL\$165 million. In the case of foreign currency denominated transfers, the maximum tax payable per transaction is revised upwards from US\$10,000 to US\$20,000 on transactions with values exceeding US\$500,000.

Resident shareholders: Resident shareholders' tax on excessive management fees payable to any resident affiliated company to be deemed dividend subject to 15% withholding tax.

Qualification as an SEZ operator: Minister reaffirms that operators qualifying for special economic zone tax incentives are those with an investment license and exporting 100% of their goods or services.

ZWL\$ PAYE tables: To include the period from 1 August to 31 December 2022 to provide for tax-free threshold per month of ZWL\$50,000 and top rate of 40% on amounts exceeding ZWL\$1,000, 000.

Bonus Tax Free Threshold in ZWL: Reviewed upward review to ZWL\$500,000, with effect from 1 November 2022.

Deferment of Value Added Tax: This is to apply on imported capital equipment with least a minimum value of US\$500,000, with effect from 1 September 2022.

Value Added Tax Registration Threshold: This is reduced from USD60, 000 to USD40 000 in a period of 12 months with effect from 1 September 2022.

Claiming of Input Tax: To repeal the law that gives the Commissioner discretion to allow claiming of input tax on tax invoices that have prescribed (older than 12 months) with effect from 1 August 2022.

Payment of VAT in Foreign Currency: The amendment of the definition of legal tender for Value Added Tax purposes to include electronic currency in line with the provisions of the Reserve Bank Act.

Returning Residents: To pay Value Added Tax on motor vehicles imported with effect from 1 January.

Input Tax offset: Registered operators may opt to pay duty in foreign currency to facilitate offsetting of output and input tax in the same currency.

Exemption of Clay Bricks from VAT: VAT exemption on supply of clay bricks and regularising the zero rating of the same for the period before 1 August 2022.

Rates of Capital Gain Withholding tax: CGWT rates on marketable securities to be reviewed from 1% to 1.5% of the price at which the security was sold if such security was held for 270 days on the date of its sale. In the event that the security was held for less than 270 days on the day of its sale the withholding tax rate of 40% applies. The same rules apply on unlisted marketable securities.

Capital Gain Tax Act: CGT laws to be revised to deem non-transfer of ownership of the specified asset until CGT clearance certificate is issued by ZIMRA. Furthermore, no court of law shall take judicial notice of any such purported acquisition of a specified asset on which such tax is payable until the CGT certificate has been issued by the ZIMRA.

Exchange Control: The usage of foreign currency in transaction has been permitted for the period from 1 January 2021 to December 2025. Any person who borrows foreign currency or receives credit from a financial institution must repay the loan back in the foreign currency. Furthermore, persons found selling goods or services at a rate above 10% of the current RBZ interbank rate are to be penalised.

Review of Tax Incentives: These are to be withdrawn where the taxpayers are not returning the favour to the government, in the form of being productive, selling at official rates, responsible pricing etc.

Cessation of Business for Purposes of Debt Management: As a way of recovering outstanding debts temporary closure of operations for business that owe ZIMRA will be effected.

Sharing of Information between Government Departments: The Minister proposed mandatory sharing of data on non-residents with work permits between ZIMRA and Department of Immigration.

Adjustments of Monetary Amounts in Tax Statutes: A review will make the minister proposed review of monetary values in various tax statutes that were last reviewed in December 2021 which are no longer reflecting the current macroeconomic environment. This Minister's decision is to make sure that the government collect enough revenue.

Non-Payment of Tax: Non-remittance of tax will be a criminal offence and there will be penalties thereof in the same way as non-payment.

Export Tax on Un-Beneficiated Platinum: The government suspends export tax on exports of matte.

Mining Royalties: They are to be paid in both local and foreign currency in the ratio of 50:50 with effect from 1 February 2022 and supporting legislation to be enacted.

Mines and Minerals: Royalty rates: An upward review of the mining royalty rate for platinum to 5% from the current 2.5%. Royalty on lithium also fixed at 5%.

Amendment of the Customs and Excise Tariff

The law and Interpretation

Statutory Instrument 121 of 2022 has amended the first Schedule of the Customs and Excise (Tariff) (Notice), 2017, published in Statutory Instrument 53 of 2017. This notice may be cited as the Customs and Excise (Tariff) (Amendment) Notice, 2022 (No.31). The amendment is mainly charging 0 % on the items that constitute capital equipment and other products.

Decision Impact

The Government is trying to get full revenue. Taxpayers can advantage of those items charged 0% although some of the items listed may not constitute that which is listed. The taxpayers in specific industries will still continue to benefit from the government reliefs even though rebate of duty on capital equipment was repelled since most of the goods are now classified at 0 %. However in the case of capital equipment on plants, there is need to check if all the components of a plants qualifies for the goods that are being charged customs duty at 0 %.

Rebate of duty on Capital Equipment imported for use in specified industries

The law and Interpretation

Statutory Instrument 130 of 2022 is amending Customs and Excise (General) (Amendment) Regulations, 2001, published in Statutory Instrument 154 of 2001 by repealing Rebate of duty on Capital Equipment imported for use in specified industries. This rebate had been gazetted by Statutory Instrument 6 of 2016 which defined capital equipment as capital equipment” means-

- a) Such plant, equipment or machinery which is used exclusively for mining purposes on a registered mining location as defined in the Mines and Minerals Act [Chapter 21:05] as the Minister may approve, in consultation with the Minister responsible for administering the Mines and Minerals Act [Chapter 21:05]; or
- b) Such plant, equipment or machinery which is or will be used exclusively for manufacturing or industrial purposes in, on or in connection with a factory as the Minister may approve, in consultation with the Minister responsible for industry; or
- c) Such plant, equipment or machinery which is or will be used exclusively for agricultural purposes as the Minister may approve, in consultation with the Minister responsible for agriculture ; or
- d) Such plant, equipment or machinery which is or will be exclusively for the energy generation and or distribution as the Minister may approve, in consultation with the Minister responsible for energy.

Decision Impact

This SI6/2016 was no longer serving its purpose following the gazetting of SI 121 of 2022 which provides for 0% customs duty on capital equipment.

Payment for Electricity and Related Services in Foreign Currency by Exporters and Partial Exporters

The Law and Interpretation

Statutory Instrument 131 of 2022 may be cited as the Exchange Control (Payments for Electricity and Related Services in Foreign Currency by Exporters and Partial Exporters) Order, 2022. The Statutory Instrument is giving ZESA the power to bill exporters and partial exporters in United States Dollars at the international cross rate prevailing on the date of payment for the supply of electricity.

Decision Impact

This will guarantee the exporter of electricity, ZESA is also able to recapitalize.

Prohibition Order of Exportations of Unprocessed Granite

The law and Interpretation

Statutory Instrument 127 of 2022 has banned the export of unprocessed granite with immediate effect, except with the authorization of the Minister in writing. Pre-existing valid contracts for the export of unprocessed granite will be allowed to continue until they expire. Any person who contravenes or fails to comply with this notice shall be guilty of an offence and liable to a fine not exceeding level 9 (ZWL\$60,000) or twice the value of the base mineral in respect of which the offence is committed or whichever is greater; or imprisonment for a period not exceeding two years, or to both such fine and such imprisonment.

Decision Impact

The banning of unprocessed granite will promote local value addition and then increase the export value of the processed granite.

National Social Security Authority: Pensions and Other Benefits Scheme

The law and Interpretation

The Minister of Public Service, Labour and Social Welfare, has through SI 136 of 2022 amended the Rate of Retirement Pension to a minimum of ZWL\$8,960 with a 20% increase across the board with effect from 1st April, 2022. The minimum Retirement Grant to be 12 times the minimum Retirement Pension payable at the time of processing the claim. The Funeral Grant has been revised from ZWL\$15,000 to ZWL\$26, 880 with effect from the 1st of April, 2022.

Decision Impact

The amendment is in line with the inflation and exchange rates

Customs and Excise (Tariff) (Amendment)

The law and Interpretation

Statutory Instrument 129 of 2022 is amending Statutory Instrument 53 of 2017 with respect to Customs and Excise Tariff by substituting it with the following: The excise duty rates stated in United States dollars shall be adjusted to prevailing weekly foreign currency exchange rates for purposes of conversion to local currency.

"Heading No.	Commodity Code	Description of goods	Quantity data	Rate of duty
	2710.12.12	---- Leaded petrol	1. Kg 2. M3 3. L	US\$0.30/L
	2710.12.13	---- Unleaded petrol	1. Kg 2. M3 3. L	US\$0.30/L
	2710.12.14	--- Leaded petrol imported using free funds for own use by companies or by designated fuel service stations for sale in foreign currency	1. Kg 2. M3 3. L	US\$0,30/L

	2710.12.15	--- Unleaded petrol imported using free funds for own use by companies or by designated fuel service stations for sale in foreign currency	1. Kg 2. M3 3. L	US\$0.30/L
	2710.19.13	---- Power kerosene, having a density at 20°C (expressed in kilograms per litre) of no lower than 0.796 and a flash point (closed test at sea level) of not lower than 21°C and not higher than 44°C imported using free funds for own use by companies or by designated fuel service stations for sale in foreign currency.	1. Kg 2. M3 3. L	US\$0.30/L
	2710.19.14	---- Other power kerosene.	1. Kg 2. M3 3. L	US\$0.30/L
"Heading No.	Commodity Code	Description of goods	Quantity data	Rate of duty
	2710.19.15	---- Other Illuminating or heating kerosene, other than that of tariff 2710.19.19	1. Kg 2. M3 3. L	US\$0.30/L
	2710.19.17	---- Other power kerosene, imported using free funds for own use by companies and designated fuel service stations for sale in foreign currency.	1. Kg 2. M3 3. L	US\$0.30/L
	2710.19.18	--- Illuminating or heating kerosene, having a density at 20°C (expressed in kilograms per litre of not less than 0.8962 and a flash point (Closed test at sea level) of less than 66°C, imported using free funds for own use by companies or by designated fuel service stations for sale in foreign currency.	1. Kg 2. M3 3. L	US\$0.30/L
	2710.19.19	---- Other	1. Kg 2. M3 3. L	US\$0, 30/L".
	2710.19.20	--- Other Illuminating or heating kerosene, other than that of tariff 2710.19.19 imported using free funds for own use by companies or by designated fuel service stations for sale in foreign currency.	1. Kg 2. M3 3. L	US\$0.30/L
	2710.19.29	--- Diesel	1. Kg 2. M3 3. L	US\$0.30/L

"Heading No.	Commodity Code	Description of goods	Quantity data	Rate of duty
	2710.19.31	- - - Diesel imported using free funds for own use by companies or by designated fuel service stations for sale in foreign currency.	1. Kg 2. M3 3. L	US\$0.30/L

Decision Impact

The measure is good for decision makers since the prices are now gazetted in foreign currency



3. Court Case

Interdict to resist disposal of Tanker in possession of ZIMRA

Case name	Bauxim Logistics (Private) Limited vs ZIMRA HH138/22
	<ul style="list-style-type: none"> • Bauxim Logistics is a logistics company in the business of transporting fuel. • One of its tankers was seized by ZIMRA after being found with water. • The request to have the ZIMRA release the tanker was unsuccessful. • The company issued a notice to ZIMRA seeking release of the tanker and threatening litigation but did not receive any response hence the current case.
Jurisdiction	<ul style="list-style-type: none"> • High Court of Zimbabwe, Harare
Issues	<ul style="list-style-type: none"> • Whether or not ZIMRA has the right to oppose the application • Whether or not the matter is urgent
Decision date	<ul style="list-style-type: none"> • 9 March 2022
Decision	<ul style="list-style-type: none"> • That the appeal be struck off the roll with costs.

The Facts

Bauxim Logistics Pvt Ltd is company duly registered according to the laws of Zimbabwe and is in the business of cross border transportation of fuel in its tankers. One of its tankers was seized by ZIMRA at Zambia border post having been found laden with water and not fuel. The company's driver flee the scene and has since not been found. Bauxim's application to the court had nothing to deal with the criminal implications but rather it is pushing for the release of its tanker which is in the custody of ZIMRA. It made representations to ZIMRA to try and get the tanker and trailer released but to no avail... It filed an urgent chamber application with the High Court of Harare seeking an interdict to prohibit ZIMRA from disposing of its tanker and trailer. Hence the current court case.

Competing arguments

Issue	Taxpayer
Whether or not there is valid opposition to the application	<ul style="list-style-type: none"> • That the application by ZIMRA be made by someone who can swear to the facts. • That ZIMRA's application must set out facts that when the person who filed the application is called to testify, they can be a competent witness. • That the case of <i>Newman Chiadzwa v Herbert Paulkner 1991 (2) ZLR 33 GUBBAY CJ (as he then was)</i> sets out the requirements for this kind of application. • That this argument was justified in terms of the rule 58(4) of the High court rules.

Issue	ZIMRA
Whether or not the matter is urgent	<ul style="list-style-type: none"> • That the application is not urgent as ZIMRA was still doing investigations on the matter within the prescribed time allowed by the law. • That the time taken by ZIMRA is not an inordinate delay considering that tax matters are complex and take time to research and that the period was also interrupted by the festive period annual closure of offices. • That the taxpayer failed to explain reasons for not making its application on time as it took almost 3 months from the date of notice of seizure to apply. • That this application lacks a sense of urgency and should be struck off the roll.

Issue	Court reasoning and decision
Whether the matter is urgent	<ul style="list-style-type: none"> • That there was no urgency since the taxpayer took long to make the application from the time it received the notice of seizure. • That hence there was no need to deal with the other points raised by ZIMRA. • That the application is not urgent and should be struck off the roll of urgent matters.
Whether or not there is a valid opposition to the application	<ul style="list-style-type: none"> • That the non-production or pleading of authority to represent the ZIMRA since the taxpayer's representations were made to the office that she occupies and that the affidavit is on behalf of the corporate Respondent as opposed to a corporate Applicant. • That the point in limine raised by the Applicant is therefore dismissed as lacking in merit

Decision Impact

Taxpayers must ensure they have followed the law in order to minimize costs of premature appeals. Applications must be in accordance with the specific rules of that court or matter at hand to avoid making bare applications and avoiding to pay one's dues.



4. Technical interpretation

Clay Bricks exempted from VAT

The Minister of Finance proposes to exempt clay bricks from VAT, with effect from 1 August 2022. As stated by the Minister in his budget speech, the intention is to make building materials such as bricks cheaper. Meanwhile the Minister has clarified that for the supply of clay bricks made prior to 1 August 2022 is zero rated. The legislation was not so clear regarding zero-rating of clay bricks for this period

Decision Impact

The effect thereof is that the manufacturer will be unable to claim input tax which can result in the increase of the cost base of the manufacturer. If the manufacturer is able to pass on this cost to its customers this may improve shareholder value. If there are not able it means they manufacturer will bear the cost of the extra unclaimed VAT and therefore adding costs to the cost base to the manufacturer. This exemption will result in the Government increasing the revenue and benefitting from this arrangement if the manufacturer does not claim.

VAT Exemption on Tourism Ends

In order to assist the Tourism and Hospitality to recover from the effects of Covid-19 pandemic the Government first issued SI87 of 2021 which provided for the exemption of VAT on domestic tourism. The exemption was further extended for 12 months through SI 8 of 2022. These 12 months are the ones that expired on the 31st of July 2022. In essence the exemption applies on: Supply of accommodation services to domestic tourists, food and beverages served at places of accommodation, Shuttle services, Car rental services, Sport fishing, Safari operations, Touring and exploring national museums and monuments and Recreational activities provided by companies registered with Zimbabwe Tourism Authority (ZTA).

Decision Impact

The exemption ceases to work with effect from the 1st of August 2022. Tourism and Hospitality Sector should with effect from the 1st of August charge VAT on their supplies, if they don't, any amount they would have charged will be considered with VAT and will affect their margins and adjustment of stocks.

Tax Issues of Employer Sponsored Loans

There are tax consequences of employer sponsored below

- Taxable benefit on loans: Any form of loan or credit granted directly or indirectly to an employee, his spouse or child by or on behalf of his employer or a person associated with his employer can create a potential taxable benefit to any employee. The benefit arises if the interest rate on the loan is less than LIBOR plus 5% (or 15% for ZWL\$ loan). Hence the benefit is the differential between these official rates and what the employee is paying. Loans for the purpose of the education or technical training or medical treatment of an employee or of the employee's spouse or child however are exempt benefits.
- Loans given foreign currency: SI118/2022 which states that it is unlawful to loan out in foreign currency and expect repayment in local currency does not apply to loans issued by a person which is not financial institution or dealer. Summarily it states that where the amount given as a loan has been borrowed in foreign currency it should be repaid in the same currency that it was received.

- Loans given regularly: Taxes received in foreign currency and repaid in local currency at the prevailing bank rate can have an effect in that by the time it is paid back it would have lost its value and the employer would have suffered a loss.

Decision Impact

- It is important to mention that LIBOR is in the process of being phased out in the United Kingdom yet this still remains applicable in our law. Therefore the Government may need to gazette the official rate to be used as a reference point for computing benefit in foreign currency
- Employer-Employee loans must be crafted in such a way that is according to the speculated rules so that they pass the test of tax avoidance schemes.

Resident shareholders' tax on excessive management fees

The Finance Bill is proposing an amendment on Resident shareholder's tax to deem as dividends excessive administration, management expenditure or fees (commonly known as "management fees") payable by a local company to its local affiliate. The excessive management fee is the portion of management fees in excess of 1% of the paying entity's total deductible expenditure. Currently only excessive management fees payable to a non-resident affiliate is deemed a dividend. The amendment implies that 15% shareholders tax also applies to excess management fees paid to a resident affiliate (s).

Besides the 1% limit and the new deemed dividend, related party intra group services should be documented in the Transfer Pricing ("TP") Documentation. Services not commensurate to those between independent parties for the same services under the same economic environment are adjusted using TP rules. The first test is whether the services have in fact been provided (the benefit test). If the services have not been provided the full management fee will be disallowed and also treated as dividend subject to 15% withholding tax. The second test issue is whether their charge is at arm's length. If these are found to be excessive they are treated as dividend subject to 15% withholding taxes whether it's paid to a local or to a non-resident affiliate. Services provide benefit if the service recipient would have been willing to perform these services in-house or source these services from external providers. Intra-group services should therefore be charged out when they provide a benefit which enhances the economic and commercial position of another entity. It is acceptable for an arm's length mark-up to be charged for these charges. No charge for services which provide incidental benefit, duplicate services or for costs incurred for the benefit of the shareholder. The deemed dividend does not qualify for any relief provided in terms of DTA. WHT on deemed dividend should be remitted to ZIMRA within 10 days or 30 days of date of accounts (payment to resident and non-resident persons respectively)

Decision Impact

The new law will result in extra tax burden on the recipient of management fee and they may wish to restructure the agreement. The option might be to make the excess a proper dividend, dividend distribution between local entities is exempt from both withholding taxes and Income Tax. Furthermore a dividend arrangement has no VAT implication of dividend.



5. Announcement and Interpretations

Mosi-Oa-Tunya Gold Coin Now In the Market

Pursuant to the resolution of the Monetary Policy Committee of 24 July 2022 and the Bank's Press Statement of 4 July 2022, the Reserve Bank released the first batch of 2,000 Mosi-Oa-Tunya Gold Coins to market. Local agents commenced selling the gold coins on an agency basis, at the initial price of US\$1,823.8 per gold coin or ZWL805, 745.35. Gold coins can also be purchased in denominated currencies such as the South African Rand, Botswana Pula, Australian Dollar, British Pound and Euro. The Bank publish from 26 July 2022, the Mosi-Oa-Tunya gold coin price by 0800 hours daily, which shall be based on the previous day's London Bullion Market Association (LBMA) PM Fix plus 5% to cover the cost of production and distribution of the gold coins.

The gold coins have the following specifications: Denomination 1 Oz, for the time being, Material Gold, Purity 22 karats (91.67%), Diameter 32 mm, Weight 33.93g, Shape Round, Edge Type Reeded with serial number engraved, Quality Proof, Thickness 2.63mm. The gold coins have the following qualities: Liquid Asset Status, Prescribed Asset Status, Collateral Acceptability, Tradable, Serial numbering and Central Bank buy-back when required by the holder of the gold coin. The Mosi-Oa-Tunya gold coins are being sold with an accompanying bearer certificate with the following security features, Relief background features, Numbering, Guilloche Pattern border, Guilloche Pattern underground, Hologram Feature, Variable QR Code Security paper with watermark

The following selling arrangements are being applied for different buyers:-

- Domestic buyers including individuals may buy in local currency or foreign currency.
- Domestic corporates including institutional investors will be allowed to buy gold coins in local currency or foreign currency, subject to quantity restrictions where it is deemed necessary.
- Exporting entities shall buy Mosi-Oa-Tunya gold coins in foreign currency, from their retained export portions. Notwithstanding this requirement, exporters whose annual export receipts in 2021 were less than US\$1 million, shall require a specific Exchange Control approval to be permitted to utilize a portion of their surrender portion that is payable in local currency, to purchase the gold coins.
- Local banking institutions shall not be allowed to buy Mosi-Oa-Tunya gold coins for own portfolios up until such a time as the Reserve Bank may grant the permission. Thus, for the time being, banks can only receive the coins from the Reserve Bank for onward selling to their customers on behalf of the Reserve Bank.
- Non-resident (international) buyers shall only buy the Mosi-Oa-Tunya gold coins in denominated foreign currencies.

Decision Impact

The gold coins are an alternative investment product for those who want to store value. Gold is a safe and secure reserve asset throughout the world. Purchases of the gold coins will be done in line with KYC principles. In this regard, the Bank will not allow banks to lend for the purposes of purchasing gold coins as this will put pressure on the ability of banks to settle their transaction at the Reserve Bank.



6. Contact Us

For a detailed discussion of how these issues might affect your business and our other group offerings, please contact:

Marvellous Tapera

Chief Executive Officer

Matrix Group

+263 772349740

mtapera@taxmatrix.co.zw

Tafadzwa Mhonde

Head of Tax

Tax Matrix

+263 774 454 016

tafadzwa@matrixtaxschool.co.zw

Allan Chikosha

Manager Business Services

Tax Matrix

+263 774 072 552

achikosha@taxmatrix.co.zw

Simbarashe Hamudi

Head of Tax School

Matrix Tax School

+263 775 399 536

simbarashe@taxmatrix.co.zw

Alfa Madamu

Head of Business Development

Matrix Tax School

+263 778 363 600

vmadamu@taxmatrix.co.zw

Gasper Chawapiwa

Senior Consultant Business Services

Tax Matrix

+263 772 279 452

gasper@taxmatrix.co.zw

7. Disclaimer Clauses

The information contained in this MTU is for general guidance only and is not intended as a substitute for specific advice in considering the tax effects of particular transactions. Whilst a lot of care has been taken in the compilation of the information and opinions contained in this publication, no liability is accepted for the consequences of any inaccuracies contained in this guide. The information does not constitute a legal advice nor can it be relied on in any dispute with the tax authorities and shall not constitute any legal or tax opinion in this or any jurisdiction. The analysis contained in this MTU is based on the current legal framework which is subject to change and Tax Matrix (Pvt) Ltd or its employees assume no obligation to update or otherwise revise the materials contained in this or any of its MTUs. In making their considerations, recipients or people with access to the MTU are advised to make their own independent assessments, and, in this regard, to consult Tax Matrix or their own professional advisors before taking any action. The information and opinions contained in this MTU is valid as at the date of uploading on the website, preparation or compilation, any of its contents may be subject to change without notice. The information contained and opinions contained in this MTU are for the purpose of general information ("the purpose") and for no other purpose. The company disclaims any responsibility for the use of the information contained herein for a different purpose or context. The information contained and opinions contained herein must not be copied, published, reproduced or distributed in whole or in part to others at any time by the recipients. Tax Matrix (Pvt) Ltd retains all intellectual copyright information contained and opinions contained in this MTU. Recipients should seek the written permission of the company before distributing copies of information and opinions contained in the MTU to third parties.