

## JULY 2021 – BOTSWANA | TANZANIA TAX CHANGES FOR 2021-2022

*It is important that employers note the following:*

### Botswana tax changes

Following the Budget Speech delivered in February 2021, the Income Tax Amendment Act 2021 and the Income Tax (Amendment) Act Commencement Order 2021 were published in June 2021. The Act gives the full tax rates not disclosed in the Budget Speech.

Herewith the tax rates, effective 1 July 2021:

#### Residents

Annual Taxable Income (Pula)	Tax payable	
0 – 48,000	0	
48,001 – 84,000	0	+ 5% over 48,000
84,001 – 120,000	1,800	+ 12.5% over 84,000
120,001 – 156,000	6,300	+ 18.75% over 120,000
156,001 and over	13,050	+ 25% over 156,000

#### Non-Residents

Annual Taxable Income (Pula)	Tax payable	
0 – 84,000		5%
84,001 – 120,000	4,200	+ 12.5% over 84,000
120,001 – 156,000	8,700	+ 18.75% over 120,000
156,001 and over	15,450	+ 25% over 156,000

To view the Income Tax Amendment Act, 2021, follow the [link](#).

### Tanzania tax rates

During the Budget Speech delivered on 10 June, the Minister proposed to reduce PAYE (pay as you earn) rates for the lowest band from 9% to 8%.

The Finance Act 2021, published on 30 June 2021, gives effect to the new rates.

The new annual rates are as follows:

Total Annual Income (TSZ)	Tax rate
0 – 3,240,000	0%
3,240,001 – 6,240,000	8% of the amount in excess of 3,240,000

6,240,001 – 9,120,000	TSZ 240,000 plus 20% of the amount in excess of TSZ 6,240,000
9,120,001 – 12,000,000	TSZ 816,000 plus 25% of the amount in excess of TSZ 9,120,000
Above 12,000,000	TSZ 1,536,000 plus 30% of the amount in excess of TSZ 12,000,000

### Tanzania SDL

The Minister has increased the minimum threshold number of employees for the purpose of Skills and Development Levy (SDL) from the current four employees to ten employees.

To view the Finance Act, 2021, follow the [link](#).

**Contact our legislation team at [info@crs.co.za](mailto:info@crs.co.za) if you require any additional information.**

© 2021 CRS Technologies (Pty)Ltd. All rights reserved.

