

From the Team

August 2023

Zanzibar – Skills Development Levy Amendments

As per the Finance Act 2023, passed by the House of Representatives of Zanzibar on 21 June 2023, the Vocational Training Levy has been amended in section 27 of the Vocational Training Act, No. 8 of 2006, effective 01 July 2023.

These amendments are as follows:

- The levy shall be paid to the Deputy Commissioner at the end of every month, from every employer who employs five or more employees.
- The levy shall be **4%** of the total gross monthly emoluments payable by an employer to all employees in respect of that month.
- The employer with three or not more than five employees shall file a nil return after every six months through electronic filing system or in a mode indicated by the Deputy Commissioner. An employer who fails to file a return after every six months, commits an offence and shall, upon conviction, be liable to a fine of not less than Five Hundred Thousand Tanzania Shillings.

Click [here](#) for the Finance Act 2023.

Paymaster Impact

- The above changes for Skills Development Levy have been implemented on the system effective 01 July 2023.
- All Tanzanian customer payrolls have been recalculated.
- If the July payroll is already closed and finalised, adjustments must be made utilising the Skills Development Levy Adjustment component in the next open run.
- No other statutory changes have been announced.