

From the Team

April 2024

Zimbabwe USD - Change in Bonus Tax-Free Threshold

Zimbabwe Revenue Authority (ZIMRA) has issued public notice 09 of 2024, dated 24 January 2024, stating that the bonus tax free threshold for ZWL bonuses increased to ZWL 7,500,000.00 with effect from 1 November 2023 to 31 December 2023, and that the new bonus exemption threshold is USD 400.00 or the ZWL equivalent with effect from 1 January 2024.

Therefore, from 1 January 2024,

- bonuses paid in ZWL are subject to a bonus exemption threshold of USD 400.00 multiplied by the prevailing exchange rate on the date of payment of the bonus, and
- bonuses paid in USD are subject to a bonus exemption threshold of USD 400.00.

Please click the [link](#) to review the public notice 09 of 2024.

Bonus Tax Free Threshold

The bonus tax free threshold values:

Bonus Tax Free Limit USD 2023	Bonus Tax Free Limit USD 2024
700.00	400.00

How Does It Work?

- The bonus tax free threshold has been changed from USD 700.00 to USD 400.00 in Zimbabwe USD.
- When processing an earning on the tax code, BONUS, the captured input will be subject to the bonus tax free threshold of USD 400.00.

Paymaster Impact

- The system will take the year-to-date bonus into account and automatically recalculate the note component, Excess Taxable Bonus, by applying the new bonus tax free threshold.
- If a bonus has been paid in January, but no bonus is paid in February, the taxable income will be updated with the amount calculated on the note component, Excess Taxable Bonus.
- If the February run is already closed, attach an interim run to February called ZimbabweBonus StatutoryUpdate, which will not be billed, for the changes to take effect.
- All customer payrolls have been recalculated.