

GOVERNMENT OF ZAMBIA

ACT

No. 11 of 1982

Date of Assent: 4th April, 1982

An Act to provide for payment by parastatal companies of equity levy instead of income tax where the tax chargeable under the Income Tax Act is of a lesser amount than the equity levy; and to provide for matters connected with or incidental to the foregoing.

[8th April, 1982]

ENACTED by the Parliament of Zambia.

Enactment

1. This Act may be cited as the Equity Levy Act, 1982, and shall be deemed to have come into operation on the 1st April, 1981.

Short title
and
commence-
ment

2. (1) In this Act, unless the context otherwise requires—
“charge year” shall have the meaning ascribed thereto in the Income Tax Act;

Interpreta-
tion

“Commissioner” means the Commissioner of Taxes appointed under the provisions of the Income Tax Act;

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“equity” means such portion of the share capital of any parastatal company as relates to the shares held directly or beneficially by the Government;

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“equity levy” means the levy referred to in section four;

“parastatal company” means a company registered under the Companies Act in which the Government holds, directly or beneficially, fifty per centum or more shares.

Cap. 686

(2) Unless the context otherwise requires, words and expressions not defined in this Act but defined in the Income Tax Act shall, in this Act, have the meaning assigned thereto in the Income Tax Act.

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Cap. 668

3. The Commissioner shall, subject to the directions of the Minister, be responsible for giving effect to the provisions of this Act, and shall for that purpose have all the powers conferred on the Commissioner by the Income Tax Act.

Functions
and powers
of Commis-
sioner

Cap. 668

Equity
levy

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4. (1) In respect of each charge year, every parastatal company shall, in the return of income furnished under section *forty-six* of the Income Tax Act, include—

- (a) a description of its capital structure;
- (b) a description of the shares held directly or beneficially by the Government in such parastatal company and the nominal value thereof; and
- (c) a statement of the equity levy payable in accordance with subsection (2).

(2) There shall be charged, in respect of each charge year, an equity levy at the rate of one and one-half per centum of the equity in every parastatal company:

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Provided that no equity levy shall be payable if the Commissioner is satisfied that the amount of income tax payable under the Income Tax Act by a parastatal company for any charge year is greater than the equity levy payable by it for the same charge year.

Payment
of equity
levy

5. Equity levy shall be paid and shall become due and payable on the 31st July of the year following the charge year to which it relates, or within such longer period as the Commissioner may, in his discretion, allow generally or in relation to any particular case.

Penalty
for late
payment

6. Where any amount of the equity levy is not paid within the period prescribed by or allowed under section *five*, a penalty equal to five per centum of the unpaid amount shall be charged for each month or part thereof for which the equity levy remains unpaid, and for the purposes of recovery and collection such penalty shall be deemed to be a part of the equity levy:

Provided that the Commissioner may, for sufficient cause shown, remit the whole or any part of the penalty.

Recovery,
etc., of
equity levy

Cap. 668

7. Subject to the provisions of this Act, sections *sixty-nine, seventy, seventy-nine, seventy-nine A, seventy-nine B, seventy-nine C, eighty-two B, eighty-three, eighty-four, eighty-six* and *ninety-two* of the Income Tax Act, shall, *mutatis mutandis*, apply to the recovery of the equity levy under this Act.

Offences

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8. Subject to the provisions of this Act, the provisions of Part X of the Income Tax Act, relating to contraventions of the provisions of the Income Tax Act and to penalties for such contraventions shall, *mutatis mutandis*, apply to the contraventions of this Act, as if a contravention of any provision of this Act were a contravention of the provisions of the Income Tax Act.

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Regulations

9. The Minister may, by statutory instrument, make regulations prescribing all matters which are necessary or expedient for the proper carrying out of the purposes of this Act.