

[No. 10 of 1989

GOVERNMENT OF ZAMBIA

ACT

No. 10 of 1989

Date of Assent: 21st July, 1989

An Act to amend the Bank of Zambia Act, 1985

[21st July, 1989

ENACTED by the Parliament of Zambia.

Enactment

1. This Act may be cited as the Bank of Zambia (Amendment) Act, 1989, and shall be read as one with the Bank of Zambia Act, 1985, hereinafter referred to as the principal Act.

Short title
Act No. 24
of 1985

2. The principal Act is amended by the repeal of section *thirty-three* and the substitution therefor of the following section:

Repeal and
replacement
of section 33

33. (1) Notwithstanding any other provision of this Act, the President may, by statutory instrument and on such terms and conditions as he may impose, for the purpose of withdrawing from circulation, or payment of the face value thereof, call in any notes or coins which the Bank has issued.

President's
powers of
recall

(2) Any person holding or having in his possession any notes and coins which have been issued by the Bank and which have been called in under subsection (1) shall on the publication of the statutory instrument, surrender, in accordance with such terms and conditions as may be imposed by the President, such notes and coins.

(3) Any notes and coins called in under subsection (1) shall cease to be legal tender on a date or dates fixed by the President and shall not be redeemed at their face value after a date or dates fixed by the President.

(4) Any person or partnership who surrenders notes or coins in accordance with subsection (2) and in excess of K10,000 shall pay a withholding tax at the rate of 50 per cent on the excess amount:

Cap. 668 Provided that any tax withheld shall be allowed as a credit or set off by way of assessment, under the Income Tax Act, for the charge year in which such tax is or was withheld against any tax charged or due under the Income Tax Act.

Cap. 668

Cap. 668 (5) Subsection (4) shall not apply to persons or partnerships who or which are exempt from tax under section *fifteen* of the Income Tax Act.

Cap. 668

(6) Subsection (4) shall not apply to the surrender of notes and coins by—

- (a) a dealer as defined by the President in a statutory instrument issued under this section;
- (b) any person, parastatal or partnership who or which maintains a bank account with the Bank;
- (c) a parastatal.

(7) Any person who, with the intention of evading the tax imposed under subsection (4), surrenders, on more than one occasion, within the period prescribed by the President, notes and coins in excess of K10,000 in aggregate, shall be guilty of an offence and shall be liable, upon conviction, to a fine of twice the amount in excess of K10,000 or to imprisonment for a term not exceeding three years, or to both.
