



**Block Management System is a concept that is intended to enable taxpayers to access tax services easily than before.**

## Are there any examples in the neighbouring countries where BMS was implemented?

The system has successfully been implemented in neighbouring countries like Zambia, Tanzania, Uganda, Rwanda and Ethiopia.

## What is expected of the target audience?

Block Management System is not a new tax but it is only a concept that is intended to enable taxpayers to access tax services easily than before. In other words, taxpayers will register for tax, pay tax, seek or get any information on taxes within their blocks thus avoiding travel expenses and wasting time travelling to seek the service far from their areas. In addition, the system seeks to enlist more people into the tax net and this will level the playing field.

If more people pay taxes, the Government will collect more revenue resulting in adequate provision of various development projects and social services. Against this background, we encourage all people to support the concept so that it is successfully implemented in the country.

Understanding...

# BLOCK MANAGEMENT SYSTEM



## LIMBE 1

- Chichiri, Maselema, Maone, Limbe Cathedral - Xerographics

*Cardinal points:*

- Chichiri Roundabout - Speedy's Roundabout - Xerographics (including all shops along the Kamuzu Highway on this stretch)

## LIMBE 2

- Illovo Roundabout - Speedy's Roundabout (excluding street vendors and traders in Limbe Market). All shops along Churchill Road up to Illovo Roundabout

*Cardinal points:*

- The land area to the south of the Kamuzu Highway from Speedy's to Limbe Standard bank, Illovo Roundabout to Limbe Market



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*Develop Malawi, Pay Taxes*



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The target audiences for the Block Management System are **Micro, Small and Medium businesses.**

## What is a Block Management System?

**Block Management System (BMS)** is a taxpayer outreach scheme that physically identifies and maps taxpayers and breaks them down into manageable blocks to allow MRA to visit them in person to educate and encourage tax compliance.

## What are the objectives of a Block Management System?

The implementation of BMS in Malawi's tax administration is aimed at:

- Increasing taxpayers' understanding of their tax rights and obligations
- Bringing closer to the taxpayer services like tax registration, payment of taxes and tax education
- Levelling the playing field so that every business person pays their fair share of taxes due to Government

## Who is the target audience for BMS?

The target audiences for the Block Management System are Micro, Small and Medium businesses whose characteristics are illustrated by the table below:

Enterprise size	Employment size	Annual turnover	Assets value
Micro	1-4	Up to K5 million	K1 million
Small	5-20	Above K5 million and less than K50 million	K20 million

## When is MRA implementing the System in Malawi?

The Authority will implement the System in Blantyre City on a pilot basis in the 2021/2022 financial year. After the pilot, BMS will be rolled out in Lilongwe City before extending to other cities in the country.

## How will the BMS implemented and administered?

MRA has demarcated Blantyre and Limbe into blocks that have already been mapped by distinctive boundaries like street names and further subdivided into distinctive blocks. The blocks will be managed by MRA through satellite offices.

The blocks and sub-blocks are as follows:

### BLANTYRE 1 (CENTRAL BUSINESS DISTRICT)

- Kabula, Namiwawa, Mandala and Mount Pleasant excluding street vendors and traders in Blantyre Market.

*Cardinal points:*

- The land area north of Mudi River extending from Msonkho House to Clock Tower- M1 Petroda Filling Station - Kabula - Namiwawa Puma Filling Station - Msonkho House; and Mandala and Mount Pleasant



## BLANTYRE 2

- Kristwick, Wenela, Makata, Chichiri Stadium and Chichiri Shoprite

*Cardinal points:*

- The land area north of Kamuzu Highway extending from Clock Tower to Chichiri Roundabout - encircled by the Makata Road from Chichiri Roundabout to Henry Henderson Institute (HHI); and - encircled by the Chileka Road from HHI to Clock Tower

