VALUE ADDED TAX ACT
(CAP. 42:02)
VALUE ADDED TAX (ELECTRONIC FISCAL DEVICES)
REGULATIONS, 2014

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IN EXERCISE of the powers conferred by section 63 (1) of the Value Added Tax Act, I, DR. MAXWELL MKWEZALAMBA, Minister of Finance, make the following Regulations—

PART I—PRELIMINARY

Citation

1. These Regulations may be cited as the Value Added Tax (Electronic Fiscal Devices) Regulations, 2014.

Interpretation

2. In these Regulations, unless the context otherwise requires—

“certified electronic fiscal device” means electronic fiscal device that has passed through certification procedure as established by Electronic Fiscal Devices Technical Committee;

“certified technician” means an employee of a licensed supplier who is a qualified technician and has been trained and certified by the licensed manufacturer to perform maintenance services on electronic fiscal devices under the instructions of his employer;

“Commissioner General” means the Commissioner General of the Malawi Revenue Authority appointed under Section 17 of the Malawi Revenue Authority Act;
“daily gross takings” means all payments received for goods or services supplied for each day;

“Electronic Fiscal Devices Technical Committee” means a Committee appointed pursuant to under regulation 18 of these Regulations;

“electronic fiscal device” (in these Regulations, otherwise referred to as “EFD”) means a machine designed for use in business for efficient management controls in areas of sales analysis and stock control system which conforms to requirements specified in these Regulations and duly registered under regulation 4, and it includes electronic tax register, electronic fiscal printer and electronic signature device;

“electronic fiscal journal” means a device that forms part of the electronic fiscal device and it stores sales transaction details and allows easier searching for fiscal data inside it in a read-only mode;

“electronic signature device” means a record-signing device used in conjunction with a personal computer system that runs the accounting software that issue letter-headed pre-printed fiscal documents;

“fiscal document” means a fiscal sales receipt, fiscal invoice, fiscal refund receipt, fiscal daily sales, or fiscal periodical summary report;

“fiscal management software” means a computer software of the system which is used to receive all transactions including Z-reports from all electronic fiscal devices connected to it and can generate various reports as required;

“fiscal receipt” means a fiscal document printed by electronic fiscal device for a customer for the supply of goods or services supplied to him bearing the contents as specified by the Commissioner General under the Third Schedule to these Regulations and whose record is stored in the memory of the Electronic Fiscal Device;

“general packet radio service” (in these Regulations, otherwise referred to as “GPRS”) has the meaning as described by the general information and communication technology discipline;

“GSM” means global system for mobile communication as used in general information and communication technology discipline;

“licensed manufacturer” means a person approved by the Malawi Revenue Authority to manufacture, produce and supply electronic fiscal devices to licensed distributors;

“licensed supplier or distributor” means a person approved by the Malawi Revenue Authority to supply, distribute, operate and service electronic fiscal devices in accordance with these Regulations;

“Malawi Revenue Authority” has the meaning ascribed to it under the Malawi Revenue Authority Act;

“sim card” means a hardware assigned to each user's electronic fiscal device that enables it to communicate with the system in a GSM network;
“system” means an electronic information system established by the Commissioner General under these Regulations;

“taxable person” has the meaning as provided under section 2 of the Act;

“user” means a person who is the owner, or employee who is required to use electronic fiscal device and includes the persons registered under the Act and these Regulations;

“Z” has the meaning as an ordinary meaning of the word “summary”; and

“Z-report” means a summary sales report printout generated by an electronic fiscal device on daily, monthly, or annual basis.

3. These Regulations shall apply to any person who, under section 11 (6) of the Act, is required to acquire and use an electronic fiscal device.

PART II—REGISTRATION AND LICENSING

4.—(1) Each of the following persons shall register to the Commissioner General as a user—

(a) a taxable person; or

(b) any other person who may be appointed by the Commissioner General to be eligible for registration as a user for purposes of the Act.

(2) In order to qualify for registration as a user, a person shall satisfy the following conditions—

(a) submit to the Commissioner General the following documents—

(i) a fiscal receipt or fiscal invoice;

(ii) a delivery note;

(iii) a job card or installation sheet from a licensed supplier; and

(iv) a first Z-report generated at installation; and

(b) any other requirement as may be prescribed by the Commissioner General.

(3) Upon registration, a person shall be issued with an identification number as prescribed by the Commissioner General and shall become a registered user.

(4) A registered user shall comply with the terms and conditions issued together with the identification number.

5.—(1) The Commissioner General shall certify an electronic fiscal device before it is used and connected to the system for use by a user.

(2) The certificate prescribed under subregulation (1) shall be permanently marked at a conspicuous place on the electronic fiscal device.
(3) A local supplier shall ensure that certification is obtained prior to the electronic fiscal device being handed over to a user.

(4) The Commissioner General shall not issue a certificate to electronic fiscal device that has not been submitted for certification in accordance with these Regulations, and any user who is found using or attempting to use such a device commits an offence.

6.—(1) A person may apply to the Commissioner General in writing to be granted a local supplier’s licence to supply electronic fiscal devices and the application shall be made in the manner prescribed in the First Schedule to these Regulations.

(2) A person who has applied to the Commissioner General pursuant to subregulation (1), may be granted a licence as a local supplier where such person has complied with the following requirements—

(a) he has a minimum working capital, confirmed by a recent audit of his accounting books, as prescribed by the Commissioner General;

(b) he has a highly qualified technical staff properly trained and certified by the electronic fiscal devices manufacturers to install, configure, repair and service the electronic fiscal devices supplied by the local supplier;

(c) he undertakes to train and support a user as per the terms of the licence;

(d) he has at least five years' experience in supplying fiscal devices or similar information communications technology equipment;

(e) he has passed through all the licensing procedures as set out under the First Schedule to the Regulations;

(f) the application is made in response to a public advertisement calling for such applications; and

(g) he has satisfied any other requirements as may be prescribed by the Commissioner General.

(3) Upon being satisfied with an application under this regulation, the Commissioner General may issue a licence to the applicant.

(4) A local supplier who has been issued with a licence is bound by the terms and conditions stipulated in the Act, these Regulations and the licence.

(5) Where the Commissioner General has established that a local supplier has breached the terms and conditions of a licence, whether intentionally or not, he may—

(a) suspend the licence;

(b) withdraw the licence;

(c) review the terms and conditions of the licence;

(d) issue a monetary penalty;

(e) revoke the licence; or

(f) cancel the licence.
(6) The Commissioner General, in exercising the powers under subregulation (5), shall take into account the nature and gravity of the breach.

7.—(1) A licensed local supplier shall—

(a) comply with the bond requirements fee as provided for in the licence before rolling out;

(b) enter into a binding contractual agreement with any licensed manufacturer for the supply of electronic fiscal devices, and deposit a copy of such agreement to the Commissioner General;

(c) purchase, sell, distribute, operate and service the electronic fiscal devices to any user in Malawi;

(d) obtain approval from the Commissioner General prior to selling or distribution to any intended user;

(e) submit a sample of the model of each electronic fiscal device, together with relevant device instruction manual to the Commissioner General for the purpose of approval;

(f) submit to the Commissioner General relevant data or evidence related to electronic fiscal devices sales he has made to users and such information should relate to all sales invoices, job cards, each user’s particulars including each Taxpayer Identification Number (TPIN);

(g) install, configure and activate the supplied electronic fiscal device at a his place of business or user’s premises;

(h) provide to a user an inspection booklet for each electronic fiscal device supplied and installed at a user’s premises;

(i) keep stock of spare parts and accessories for each model of electronic fiscal devices to be made available to any user for a period of not less than five years from the time when the last batch of the model of the electronic fiscal device and accessories was supplied;

(j) train any user to whom he has supplied the devices on the best ways of administering and operating the electronic fiscal devices;

(k) promptly responds to any call for fix, repair or maintain electronic fiscal devices made by a user to him within 24 hours of receiving such a call;

(l) report to the Commissioner General any call or request received to fix, repair or maintain electronic fiscal devices;

(m) provide an alternative electronic fiscal device, with prior approval obtained from the Commissioner General, where a user’s device is under maintenance;

(n) provide after-sales support at an agreeable fee and maintain the supplied electronic fiscal devices at a users’ premises to ensure smooth operation and running of the devices; and

(o) submit to the Commissioner General any changes relating to the details of his certified technical personnel at all times.
(2) A licensed local supplier shall, after presenting a sample of the electronic fiscal devices to the Commissioner General for certification and testing purposes and after the Electronic Fiscal Device Technical Committee has recommended for approval of the sample, surrender the sample free of charge to be kept in the Commissioner General's custody as evidence of the supplier's product that has been approved or rejected for use by users.

(3) A licensed local supplier shall not sell or distribute electronic fiscal devices to a user without obtaining a prior written approval for such specific sale from the Commissioner General.

(4) A licensed local supplier may, in compliance with the terms and conditions of his licence or upon request by the Commissioner General, open up outlets or branches in various regions within Malawi for convenient, efficient and effective discharge of his obligations stated in the licence and these Regulations.

(5) A licensed supplier shall fix any malfunctions on any electronic fiscal device at a cost to be borne by a user, either as agreed for a specific task or under an annual service level agreement, of the malfunctioning device within a maximum of 48 hours from the time of reporting or the time when the reporting was due.

(6) A licensed supplier shall provide an alternative means of transacting business to a user whose device is going through maintenance and such alternate means shall be used after obtaining approval from the Commissioner General.

8.—(1) A person may apply to the Commissioner General in writing to be granted a licence to manufacture electronic fiscal devices to be supplied to licensed local suppliers.

(2) A person who has applied to the Commissioner General pursuant to subregulation (1), may be granted the licence as a manufacturer where such person has—

(a) a reputable financial position as determined by the Commissioner General at the time when calls for applications are being made;

(b) a proven record of possessing a highly technical expertise in manufacturing, research and development of electronic fiscal devices;

(c) a minimum of six years' experience in manufacturing, research and development of electronic fiscal devices;

(d) a standard policy of product guarantees and warranties covering a period of not less than three years;

(e) undertaken and guaranteed to enter into a contract of supply and service support with licensed local suppliers to supply both certified electronic fiscal devices and spare parts for a period of at least five years regardless of the change of technology, a copy of which contract shall be deposited with the Commissioner General; and

(f) any other requirements as may be prescribed by the Commissioner General.
(3) The Commissioner General may issue a manufacturer’s licence to a manufacturer who has applied and has qualified, permitting the manufacturer to—

(a) produce;
(b) sell;
(c) supply; and
(d) develop electronic fiscal devices.

(4) A manufacturer shall produce electronic fiscal devices in accordance with the terms and conditions of his licence and the requirements set out in the Second Schedule to these Regulations.

(5) A licensed manufacturer may, after being issued with a licence under subregulation (4), enter into a supply agreement with any licensed supplier as the manufacturer deems fit and necessary.

PART III—ELECTRONIC FISCAL DEVICE SYSTEM

9.—(1) The Commissioner General shall establish a system for transmission, receipt, storage and monitoring of fiscal information relating to sales transactions done by users of electronic fiscal devices in the course of their daily business.

(2) The system referred to in subregulation (1) shall—

(a) be electronically connected, be it real time or not, to all users of electronic fiscal devices by using GPRS connection mode as registered under these Regulations;
(b) use a secure fiscal management software compatible with a user’s electronic fiscal devices software, be it the software embedded in the device or the accounting package customized for use by the user; and
(c) be managed, controlled, secured administered by the Commissioner General.

(3) The system established under subregulation (1) shall have the following features—

(a) the technical specifications set out in the Second Schedule to these Regulations;
(b) relevant hardware and software capable of receiving, analyzing, manipulating, disseminating and storing all information generated by registered electronic fiscal devices throughout Malawi;
(c) storage capacity of keeping information for a period of more than six years;
(d) security measures for its hardware and software that will ensure that fiscal receipts and fiscal invoices issued by the system through users’ electronic fiscal devices may not be printed unless the flow of command is through the system;
(e) be able to send commands and messages electronically to a user through an electronic fiscal devices without requiring approval from a user; and
(f) inscribe a secure signature on the fiscal receipt or fiscal invoice indicating that the sale transaction and its corresponding taxes have been officially captured.

PART IV—USERS’ OBLIGATIONS

10.—(1) A person who has qualified for registration under regulation 4 as read with Section 11 of the Act, shall use electronic fiscal devices in his daily business transactions.

(2) A person who is registered under these Regulations, shall conduct all his business transactions within Malawi and shall print a receipt or tax invoice of the transaction using electronic fiscal devices.

(3) A user shall purchase a complete set of electronic fiscal devices from a licensed supplier.

(4) A user shall connect his electronic fiscal devices to the Malawi Revenue Authority’s system and ensure that all his business transactions are electronically recorded and transmitted through a GPRS link into the system through the electronic fiscal devices.

(5) A user shall issue a fiscal receipt or invoice generated by the electronic fiscal device for the consideration paid to him for supplies made to a customer.

(6) A user with compatible accounting software to the system may be allowed to continue issuing fiscal receipts or invoices using such accounting system:

Provided that the receipt or invoice shall bear an electronic signature issued by electronic signature devices.

(7) A user shall acquire, keep, handle and use electronic fiscal devices with diligence and standard of care as prescribed by licensed manufacturer’s operational manuals.

(8) A user who has electronic signature device shall, for purposes of business continuity and continuous availability of data, back up data on daily basis on his personal computer which the electronic signature device is connected and is required to store the backed up data in a secure place.

(9) Where a user’s electronic fiscal device fails to operate for any reason, the user shall, within a period of 24 hours from such failure—

(a) report the incidence in writing to a licensed supplier and the Commissioner General; and

(b) record in the inspection booklet—

(i) time and kind of failure; and

(ii) time of notification to a local supplier and the Commissioner General.

11.—(1) A licensed supplier shall provide an inspection booklet to a user and such a booklet shall be provided together with the electronic fiscal devices at installation.
(2) Once the inspection booklet for each electronic fiscal device is provided, a user shall ensure that the booklet is at a place where the electronic fiscal device is installed.

(3) A user shall, in case of a failure of an electronic fiscal device to operate, immediately stop using the device and record in the inspection booklet the time and kind of the failure and the exact time of notification to a local supplier and the Commissioner General;

(4) A user shall ensure that every record entered into the inspection booklet is legible and appropriately signed, listing the name and identity of the person responsible for entering the records, date and time of the incident of the failure.

(5) An inspection booklet provided under subregulation (1) shall contain the following information—

(a) details of inspections made and the findings by a licensed supplier or his certified technician with regard to the proper keeping of the inspection booklet, the general condition of the machine and the condition of its seal and the times of the machine breakdown, if any;

(c) explanation for any unreported defect and a copy of such explanation, where the machine is found to be defective; and

(d) notification of machine failure, the time of removal and attachment of the seal, the time the machine is put to use after repair, description of the defect, the period for which the machine was not in use, as well as other relevant information about the machine as may be required by the Commissioner General.

PART V—ELECTRONIC FISCAL DEVICE OPERATIONS

12. A user may procure and purchase electronic fiscal devices from any licensed supplier as is convenient for his business dealings.

13.—(1) Where a user has erroneously entered data or information into an electronic fiscal device, he shall proceed to print the erroneous information and keep the record thereof for further reconciliation and rectification with the Commissioner General.

(2) Where an error referred to in subregulation (1) has occurred, a user shall proceed to enter correct data and information into his electronic fiscal device and thereby issue a correct fiscal receipt to his intended customer.

14. A user shall not transfer any electronic fiscal device to any other person for resale or any use, be it temporary or permanent and the electronic fiscal device shall only be used by the user who purchased it.

15. A user shall ensure that an electronic fiscal device is at a place which is accessible and conspicuous to customers at his place of business.
16.—(1) A licensed supplier shall supply electronic fiscal devices capable of performing the following electronic operations—

(a) receiving, manipulating, transmitting to the system, storing, and printing information as entered into it by a user;

(b) recording sales and issue fiscal receipts in form and manner prescribed in the Third Schedule to these Regulations;

(c) keeping memory as a read only fiscal memory and capable of storing data for at least five years;

(d) cannot reverse entered sales data or any other information including dates and time of completed transaction;

(e) create an in built reconnection reports of fiscal memory;

(f) using approved paper rolls that can capture all important details of a users’ business transactions;

(g) cannot delete any information or data that entered into the electronic fiscal device;

(h) send an alarm to alert operators in case of memory disconnections;

(i) receiving and displaying alert messages from operations resulted from any malpractice, error, or any inconsistent action noticed in the system;

(j) allowing Commissioner General and his officers to view, read, and print all on-going daily business transactions performed by users;

(k) creating an in built link device that connects the user with the system;

(l) providing security features for both hardware and software;

(m) capable of being used for instant recording of sales via electronic journal, instant issuance of fiscal receipts and instant storage of tax information.

(n) capable of issuing Z-sales reports; and

(o) capable of recording errors that occur in the course of a user’s transactions

17.—(1) Electronic fiscal devices shall be used in all categories of business transactions relating to supply of goods or services involving users whereby each user shall use an electronic fiscal device suitable to the category, operation and type of his business transactions.

(2) A user shall enter into his electronic fiscal device all required information relating to his business transactions and issue fiscal receipts or invoices to his customers.

(3) Where user’s customers are not present during or after sale or purchase transactions, the user shall proceed to enter into his electronic fiscal device all required information pertaining to the transactions made and keep any generated fiscal receipts thereof.

(4) Each generated fiscal receipt or invoice shall bear a fiscal logo.
PART VI—ADMINISTRATION

18.—(1) Commissioner General shall appoint Electronic Fiscal Device Technical Committee (in these Regulations otherwise referred to as the “Committee”), which shall be responsible for all matters relating to technical aspects of electronic fiscal devices and its administration under these Regulations.

(2) The Committee shall consist of the following members—

(a) the Commissioner of Domestic Taxes at the Malawi Revenue Authority;
(b) the Director of Information and Communication Technology at the Malawi Revenue Authority;
(c) the Director of Corporate and Legal Services at Malawi Revenue Authority;
(d) the Director General of the Malawi Bureau of Standards; and
(e) any other person as the Commissioner General may appoint to represent any of the members from the Malawi Revenue Authority or in addition to the members.

(3) Where the Commissioner General has appointed additional member to the Committee pursuant to subregulation (2) (e), the total number of members shall not exceed seven.

(4) The Committee shall advise the Commissioner General on all matters pertaining to implementation of these Regulations including—

(a) advising on all matters pertaining to the governance of electronic fiscal devices operations;
(b) advising on the issuance of electronic fiscal devices certificate of usage upon satisfaction of the specified technical and functional characteristics;
(c) inspecting the electronic fiscal device for which the certificate is issued as well as the repair activity operations;
(d) rejecting the usage of defective electronic fiscal device; and
(e) advising to cancel a licence of a supplier where there is proof of noncompliance with these Regulations.

(5) The secretary to the Committee shall be accountable to the chairman of the Committee and shall have the following duties and responsibilities—

(a) properly register applications for licences submitted to the Committee;
(b) prepare agenda for Committee meetings;
(c) keep minutes of Committee meetings;
(d) prepare periodical performance reports as may be required; and
(e) carry out any other tasks assigned by the chairman of the Committee.

(6) The Committee shall submit report to the Commissioner General from time to time as may be required.
(7) The advice of the Committee shall not be binding but shall be a guide to the decision to be made by the Commissioner General.

19.—(1) The Commissioner General shall create or select a specific mark and register it with the Registrar of Trade Marks for purposes of establishing a fiscal logo or may opt to use any of the already registered marks of the Malawi Revenue Authority.

(2) The fiscal logo referred to in subregulation (1) shall be a duly registered business mark to be used as an identification emblem in all fiscal documents.

(3) Every document printed and issued by an electronic fiscal device shall have a fiscal logo.

(4) The Commissioner General shall, prior to the use of the selected fiscal logo, issue a public notice in the newspaper of wide national circulation in order to inform the public on the selection of fiscal logo and its use.

(5) The Commissioner General may, at any time and after having sufficiently informed the general public, for reasons he deems fit, change a fiscal logo.

20.—(1) A user shall ensure that all records entered into his electronic fiscal devices are safely kept and secured by the authorized security measures provided by the Commissioner General.

(2) A user shall not tamper with records kept in his electronic fiscal devices and shall ensure that the records are retained therein for at least five years from the date of entering the records in pursuant to subregulation (1).

21.—(1) The procedure provided for in the Act shall apply when the Malawi Revenue Authority conducts inspections.

(2) The Commissioner General may, in case of detention or seizure of an electronic fiscal device for any reason, issue a notice in writing to a user authorizing the use of manual receipts and invoices or provide the user with temporary electronic fiscal device for use pending the outcome of the investigation or closure of the matter that caused the detention or seizure.

(3) Where an electronic fiscal device is restored to a user after detention or seizure, the user shall key in the electronic fiscal device all the information contained in the manually issued receipts and invoices at the start of operation of an electronic fiscal device.

22.—(1) The Commissioner General may launch an investigation on a user, where he has reasonable grounds to believe that the conduct of the user in dealing or handling electronic fiscal devices is contrary to the Act or these Regulations.

(2) Where the Commissioner General in the course of investigations against a user, discovers that any provision of the Act or these Regulations has been contravened, he may notify the user, in writing, the contravention committed and a penalty imposed as a result of the contravention.
(3) Where a user receives the notification referred to in subregulation (2), he may, within a period of seven days, respond to the notice, either denying the alleged infringement, stating his grounds for the denial in writing, or admit and request the Commissioner General to compound the offences committed and settle in accordance with the provisions of sections 46 to 49 of the Act.

(4) Where a user denies all the allegations contained in the notification referred to in subregulation (2), the Commissioner General may proceed to take any enforcement action as authorized by the Act and the Regulations or institute criminal proceedings against the user.

23.—(1) The Commissioner General shall set periodic technical maintenance for users’ electronic fiscal devices by way of notice issued through the system, or to the public through a newspaper with a national wide circulation.

(2) A user shall ensure that his electronic fiscal device undergoes periodic technical maintenance service within the time frame prescribed by the Commissioner General in a notice issued either through the system or the public.

(3) The technical maintenance service mentioned in subregulation (2) shall be performed by a licensed supplier’s certified technician.

(4) A user may request a licensed supplier to provide maintenance services of the electronic fiscal device, provided that a copy of the request shall be sent to the Commissioner General, specifying the user’s physical address and the nature of the request.

(5) The expenses for periodic maintenance of an electronic fiscal device and any other maintenance on request shall be borne by the user of the serviced device.

(6) A user shall, during maintenance services, use alternative means of transacting business as provided for in these Regulations.

(7) A licensed supplier shall, once an approved technician has been appointed by the supplier, immediately and in writing, notify the Commissioner General the name, qualifications, and the authorization of the technician and such details shall be recorded and kept in the Commissioner General’s register.

(8) Where the Commissioner General has reasons to believe that any approved technician is not suitable, or capable of performing any of the functions and duties required under these Regulations, he may prohibit such technician from conducting maintenance services of the electronic fiscal devices or activities relating to the administration of these Regulations and shall strike out the name of such technician from the register.

(9) A licensed supplier and the user shall notify the Commissioner General in writing of each technical maintenance done on users' electronic fiscal device, notwithstanding inspection booklet, within a period of fourteen days from the date of the maintenance service.
PART VII—OFFENCES

24. A user of an electronic fiscal device or any person who is required to use an electronic fiscal device, who fails to do so without approval, commits an offence and, shall be liable to—

(a) a penalty imposed by the Commissioner General of K500,000;

or

(b) upon conviction, to a fine of K1,000,000 or imprisonment for two years.

25. Any person who, with intent to defraud, takes steps to use electronic fiscal device in a manner that is aimed at misleading, deceiving, or manipulating information sent to a system or the Commissioner General, commits an offence and shall, in addition to payment of tax which is payable, be liable to—

(a) a penalty imposed by the Commissioner General of twice the amount of tax involved or K5,000,000, whichever amount is greater; or

(b) upon conviction to imprisonment for two years.

26. Any person who, without prior authorization, tampers with or causes an electronic fiscal device to perform improperly, commits an offence and shall be liable to—

(a) a penalty imposed by the Commissioner General of K500,000;

or

(b) upon conviction, to a fine of K1,000,000 or to imprisonment for two years.

27. A person who violates any obligation as a user or local supplier under these Regulations, shall be liable to a penalty imposed by the Commissioner General of K500,000.

28.—(1) A person who, after purchasing goods or services, fails to demand and retain a fiscal receipt or fails to report a refusal by a user to issue a fiscal receipt as required by these Regulations, commits an offence and shall be liable to a penalty imposed by the Commissioner General of the three times the tax payable.

(2) A person who, after selling goods or services, fails to issue and retain a duplicate fiscal receipt or fiscal invoice or refuses to issue a fiscal receipt or invoice upon demand as required by these Regulations, commits an offence and shall be liable to—

(a) a penalty imposed by the Commissioner General of K500,000;

or

(b) upon conviction, a fine of K1,000,000 or to imprisonment for two years.

29. A person who commits an offence under these Regulations for which no specific penalty is provided shall be liable to—

(a) a penalty imposed by the Commissioner General of a minimum K500,000; or

(b) upon conviction to a fine of K1,000,000 or to a term of imprisonment for two years.
PART VIII—GENERAL PROVISIONS

30.—(1) The Commissioner General may, for any good reason, deregister any identification number issued to a user under these Regulations.

(2) Where the Commissioner General deregisters an identification number pursuant to subregulation (1), the person whose number has been deregistered shall stop using the device on which the identification number had been issued.

(3) Where a user has been deregistered under these Regulations, the electronic fiscal device shall be disconnected from the system.

(4) Where a user’s device has been disconnected in accordance with subregulation (3) above, the user may apply to have the electronic fiscal device reconfigured by the Commissioner General for further usage.

31.—(1) A person who is dissatisfied with a decision of an officer of the Malawi Revenue Authority, other than the Commissioner General, in administration of these Regulations may lodge an appeal to the Commissioner General in accordance with the procedure provided for in section 43 of the Act.

(2) An appeal under subregulation (1) shall be in writing, and shall specify in detail the grounds, supported by relevant documents, upon which the appeal is founded.

(3) The Commissioner General shall determine the appeal within thirty days of receipt of the appeal and, where necessary, after oral submissions by the appellant.

(4) Any person dissatisfied with the determination of the Commissioner General on any appeal lodged may appeal in accordance with Section 44 of the Act.

32.—(1) A user is authorized to recover the cost of the initial purchase or first batch against value added tax return on the month immediately after the purchase.

(2) A user shall off-set any money spent in purchasing the initial or first batch of electronic fiscal devices in the manner set out in the Fourth Schedule to these Regulations.

(3) For avoidance of any doubt, the term “first batch” as applied in these Regulations means the first purchase order of electronic fiscal devices to be made by the identified user in subregulation (1).

33.—(1) A person to whom a fiscal receipt or invoice is issued as a customer shall demand and retain the receipt or invoice in his possession or at a reasonable place and shall, upon request made by the Commissioner General, or any officer authorized by the Commissioner General, produce and deliver the required receipt or the invoice.

(2) A customer who, having demanded a fiscal receipt or invoice after obtaining goods or services, is refused to be issued with such receipt or invoice, shall immediately report to the Commissioner General through the quickest means of such refusal or denial.

34. The Value Added Tax (Electronic Tax Registers) Regulations, 2011 are hereby repealed.
PART IX—TRANSITIONAL ARRANGEMENTS

35. A user who has not acquired an electronic fiscal devices shall, Transitional provision upon coming into force of these Regulations, continue to use manual tax invoices or receipts until such a period as the Commissioner General may, by notice issued in the newspaper of national wide circulation, authorize.

FIRST SCHEDULE (reg. 6 (1) and (2))

ELECTRONIC FISCAL DEVICE SUPPLIER’S LICENSING PROCEDURE

For the purpose of suppliers licensing/registration/certification and EFV certification, the following documentation and process is adopted before the device is certified and the supplier is licensed by the Commissioner General—

(a) a detailed specification of the machines the supplier plans to introduce in the market, in compliance with the specifications prescribed in these Regulations;

(b) names of the licensed manufacturers of the devices;

(c) certificate of the licensed manufacturers;

(d) names of countries where the devices have successfully been operating;

(e) a brief explanation of its security features for both the software and hardware;

(f) information on whether the devices can securely interface with users’ accounting systems in case a user is already using other devices capable of transmitting information to the Malawi Revenue Authority’s central database;

(g) brief background of the supplier’s business and experience in dealing with similar devices;

(h) supplier’s detailed training program for the operation and programming of the devices, the length of time required for this training, the training fees, if any;

(i) the technical, maintenance and repair services that the supplier shall provide and the replacement parts the supplier shall keep in their inventory;

(j) the minimum amount of capital the supplier plans to allocate to the project;

(k) expected minimum and maximum selling price of the devices;

(l) a bank guarantee which the supplier shall provide;

(m) supplier’s bankers;

(n) a list of qualified technical staff with details of their qualifications, capable of performing periodic maintenance and carry out any repair works on the devices;

(o) any other relevant information the supplier’s may wish to include in the business plan or as requested; and

(p) further to the above mentioned information, the following documents shall also be required—

(i) operation and maintenance catalogues;

(ii) photographs/block diagram;

(iii) components lists;

(iv) descriptive reports and security features write-up;

(v) sample of all documents printed by the devices, if any; and

(vi) a certificate of the safety of the electronic fiscal device.
SECOND SCHEDULE

TECHNICAL SPECIFICATIONS FOR ELECTRONIC FISCAL DEVICES

PART I—GENERAL TECHNICAL REQUIREMENTS

1. An electronic fiscal device shall have the following general technical requirements—

   (a) language support—all information technologies must provide support for English. Specifically, all display technologies and software must be certified by the International Organization for Standardization;

   (b) dates—all information technologies must properly display, calculate, and transmit date data, including, but not restricted to 21st century date data;

   (c) electrical power—all active equipment must have in-built power adapter or external power adapter to operate on: voltage range and frequency range of AC 220v 41–20v, 50Hz – 60Hz to 6, or + 24. All active equipment must include power plugs in British standard;

   (d) environmental—unless otherwise specified, all equipment must operate in environments of temperature, humidity, and dust conditions of, −10 to + 60 degrees centigrade, 20–80 percent relative humidity, and 0–40 grams per cubic meter of dust; and

   (e) safety—

      (i) unless otherwise specified, all equipment must operate at noise levels no greater than 65 decibels; and

      (ii) all electronic equipment that emit electromagnetic energy must be certified as meeting emission standard, US FCC class B or EN 55022 and EN 50082–1, or the equivalent.

PART II—HARDWARE SPECIFICATIONS

Physical Features

2. An electronic fiscal device shall have the following physical features—

   (a) to have a fiscal memory in-built in Raisin Epoxy that cannot be erased by mechanical, chemical or electromagnetic interference;

   (b) to have a screw with a sealable top that can be sealed with lead or wax and sealed with a unique seal issued to the supplier. The machine should not be opened unless the seal is broken and screw removed;

   (c) to have a port preferred USB and ETHERNET or RS 232 ports that can facilitate connection to the computer;

   (d) to have display screen showing the inputs and output of the electronic fiscal device to user and customer at the same time;

   (e) to have display screen capable of taking up to 13 digits inclusive of 2 decimal places;

   (f) to have backup battery which can go for at least forty-eight hours without external power supply or can use external battery in areas without electricity; and

   (g) to have real time clock;
Electronic Journal Capabilities

3. An electronic fiscal device shall have the following electronic journal capabilities—
   (a) shall have multi-media card, electronic fiscal journal or signal device electronic fiscal journal that records all the transactions and other information that are printed on the electronic fiscal device;
   (b) the first electronic journal shall activate the start of fiscalization and hence begin recording the Sales data and produce fiscal receipts without which a machine cannot function;
   (c) the activated electronic fiscal device shall send a message to the system for registration to enable it send the daily Z-sales report. The message shall contain at least a serial number, date and time of activation, and licence number of the electronic fiscal device;
   (d) the electronic journal data should neither be deleted nor re-used;
   (e) electronic fiscal journal cannot be reused when it is full;
   (f) the electronic fiscal devices should record the data as from the date when the electronic journal was last updated and keep a record of all previous changes; and
   (g) the electronic fiscal journal can be moved to a card reader to allow viewing of the transactions details stored. The data inside electronic fiscal journal is automatically managed in a read-only memory.

Fiscal Memory Capabilities

4. An electronic fiscal device shall have a fiscal memory capable of recording the following data—
   (a) the date and time of commencing and ceasing the daily operations;
   (b) the EFDs identification number. This is a unique number that identifies the user and the EFD itself;
   (c) the tax rates assigned to the description of goods and services;
   (d) the value of the sales without the tax, the value of sales exempted from tax divided into categories of individual tax rates, total amount of the tax and the total amount of the sales, including tax;
   (e) the serial numbers and the dates for the resetting of the report every twenty four hours;
   (f) the numbers and dates of the resetting of the register memory and the information on the initiation of resetting and the methods of its performance;
   (g) all amendments, corrections and cancellations;
   (h) a minimum of 2,400 daily Z-sales reports;
   (i) reconnection reports each time the fiscal memory is disconnected; and
   (j) the recorded data in the memory and record that data in the control paper roll electronic fiscal journal.

Printing Capabilities

5. An electronic fiscal device shall have the following printing capabilities—
   (a) print the daily, monthly and annual reports;
(b) print the sales records from its memory as per standard time units (day, month, year);
(c) automatic self-generation of daily Z-reports every twenty-four hours;
(d) print on every receipt the words “MRA” with a non-standard font;
(e) print data recorded in the memory and by commands given through the keyboard;
(f) inserting the unique licence number of the electronic fiscal device on each issued fiscal receipt;
(g) use of fiscal paper and ink with ultra violet the Malawi Revenue Authority logo made in a unique, non-standard form on the electronic fiscal device in order to allow inspectors to identify genuine fiscal receipts;
(h) reprint a fiscal receipt or any other document in case of disconnection or paper jam;
(i) ability to easily replace paper rolls;
(j) equipped with sharp paper cutters; and
(k) use English language.

**Security and Reliability**

6. An electronic fiscal device shall have the following security and reliability—

(a) has a password—
   (i) that will be uniquely used by a user and the facility to change password; and
   (ii) with a minimum length of six digits;
(b) must be registered on protected memory and not modified;
(c) must be kept free from computer virus attack;
(d) has internal authentic data management;
(e) has intrinsic protection against unauthorized actions;
(f) has application upgrades that run independently without confronting security functions;
(g) can automatically save configured data and records on permanent memory;
(h) can automatically handle electronic journal memory of all sorts;
(g) has rechargeable internal batteries as well as power supplies;
(h) can print Z-sales report before any configuration change;
(i) cannot allow update of stored data or reverse of transactions; and
(j) has a unique serial number from the manufacturer allocated for Malawi, signifying that it can only be used in Malawi.

**Connectivity**

7. An electronic fiscal device shall have the following connectivity—

(a) an internal GPRS modem that allows transmission of data upon every daily Z-closure to the Malawi Revenue Authority over GSM Network using a SIM card issued by approved GSM network provided by the Malawi Revenue Authority and encrypted with a unique algorithm;
(b) all Z-data should be transmitted to and confirmation received from the system. The EFD should be capable of re-transmitting the “Z”-report in case a network failure occurs; and

(c) shall allow status queries to be made using the GPRS modem from the Commissioner General and be able to transmit requested information on transactions and statistics upon request immediately. A detailed exhaustive description of the protocol must be provided and secured with unique encrypted codes.

Programming Capabilities

8. An electronic fiscal device shall have the following programming capabilities—

(a) programming of taxes with only twenty changes and ten changes for headers. These changes must be recorded on electronic fiscal memory;

(b) configuration in the electronic fiscal device via a connected keypad and through a standard personal computer;

(c) programming of at least six different tax codes;

(d) a date format for all printed documents to be in the form of DD-MM-YYYY:HH:MM:SS;

(e) should not erase the programmed and recorded data when the internal battery of the machine becomes weak or discharged completely;

(f) allow direct printing of all recorded data on both fiscal memory and electronic journal from the electronic fiscal device using a keypad device or viewing and printing from a standard personal computer by connecting the device using a personal computer interface such as USB, RS232 or Ethernet; and

(g) should not reverse the electronic fiscal device dates and time less than last transactional date.

Devices Compliance

9. An electronic fiscal device shall have the following device compliance—

(a) approved by internationally recognized bodies; and evidence must be provided to the Commissioner General for the accreditation of such bodies prior to approving the use of electronic fiscal devices in Malawi;

(b) certified as relevant device for performance of work intended. A certificate with full annexes of all tests performed on the electronic fiscal device and results thereon must be submitted to the Commissioner General for approval; and

(c) supplied with its manual, software, accessories and all necessary documentations.

PART III—FISCAL MANAGEMENT SOFTWARE

10. A fiscal management software is intended to run on the system that shall be used to receive all transactions or Z-reports from all electronic fiscal devices and generate various required reports. The software shall have the following minimum features—

1. architectural requirement: must be able to run in 64x bits servers;

2. operating system platform requirement—
(i) must be able to run in either Linux or Windows platform; and
(ii) must be a web based application to enable the Commissioner General’s officers access central server remotely;

3. database requirement: must be able to connect on the oracle 11g database;

4. interface requirement: must be able to interface with the system running on the above mentioned platforms and database;

5. security requirement: must have user management console and authenticate Commissioner General’s officers on login;

6. operational requirements—
(i) The software must be capable of browsing and connecting to an electronic journal of any fiscal device in the network and retrieve in a read-only mode the transactions entered;
(ii) must allow the Commissioner General’s officers to change tax rates to all electronic fiscal devices centrally as required by the tax laws;
(iii) the software shall send a confirmation message to newly activated devices to enable them send daily Z-report; and
(iv) must allow the Commissioner General’s officers to produce customized reports;

7. operational reports:
The fiscal software must allow the Commissioner General’s officers to produce the user defined reports described as follows—

(a) Daily Gross Sales:
The daily report shall contain the following information for any given trader—
(i) serial number of the transaction, location of the taxpayer;
(ii) user identification number of the electronic fiscal device;
(iii) taxpayer identification number (TPIN) of the customer and gross sales amount;
(iv) discounts (if any);
(v) net value—number of transactions between every two hours;
(vi) value added tax rate;
(vii) value added tax amount; and
(viii) total gross sales and cumulative totals by distinguishing between taxable, exempt and zero rated.

The system must allow a user to filter the daily report according to taxable, exempt, zero rated sales, or any required label.

(b) Weekly Gross Sales—The weekly gross sales shall contain daily gross sales (Z-daily transaction records).

(c) Monthly Gross Sales—monthly gross sales shall contain daily gross sales (Z-daily transaction records) with weekly sub totals.

(d) Annual Gross Sales—The annual gross sales shall contain daily gross sales (Z-daily transaction records) with monthly sub totals.
(e) Number of EFD interruptions—The electronic fiscal devices interruption report shall contain the following information—
(i) serial numbers of electronic fiscal devices interventions;
(ii) number of interventions;
(iii) licence number of the machine intervened;
(iv) serial number of the machine disconnected;
(v) number of disconnections;
(vi) number of electronic journal replacement;
(x) date and time;
(xi) type of errors and number of errors; and
(xii) receipts/invoices in which errors occurred.

This report must be able to distinguish between disconnections, errors, change of name and interventions to the device.

The system should allow a user to filter report according to taxable, exempt, zero rated sales or any required label.

(f) Daily, Monthly and annual comparable report by sector—number of receipts/invoices issued: sales made in terms of taxable, zero rated and exempt supplies.

(g) Daily, Monthly and Annual Comparable Report by Location—number of receipts/invoices issued; and sales made in terms of taxable, zero rated and exempt supplies.

(h) Daily, Monthly and Annual Comparable Report by Products/Items—number of receipts/invoices issued—sales made in terms of taxable, zero rated and exempt supplies;

The comparable report by sector, location, and item/product as referred in appendix III, IV and V respectively must distinguish between taxable, exempt and zero rated supplies, and contains the following information—
(i) date/period selected for comparison;
(ii) number of receipt/invoice issued;
(iii) sales made; and
(iv) total and cumulative totals.

(i) Comparison between amounts declared in value added tax monthly Return against sales

The comparison report between the amount declared in value added tax monthly return and electronic fiscal devices sales as referred in Appendix IV shall contain the following information—

Sales as per value added tax return (taxable, exempt and zero rated):

- sales as per electronic fiscal device (taxable, exempt and zero rated); and variance (taxable, exempt and zero rated).
THIRD SCHEDULE

REQUIRED RECORDS AND INFORMATION TO BE GENERATED BY ELECTRONIC FISCAL DEVICES

PART I—FISCAL RECEIPT (ELECTRONIC FISCAL DEVICE RECEIPT)

1. The fiscal receipts generated by electronic fiscal device shall have the following contents—
   (i) the words: “START OF LEGAL RECEIPT” at the top and “END OF LEGAL RECEIPT” at the bottom;
   (ii) the name and address of the user of the registered device;
   (iii) taxpayer identification number (TPIN) of the user of the registered device;
   (iv) name, address and TPIN of the purchaser;
   (v) the identification number of the device;
   (vi) the name, quantity, unit price, item description, tax rate chargeable on and the value of the recorded sale of goods or services;
   (vii) the tax amount payable;
   (viii) discounts, mark ups, changes, corrections;
   (ix) the date and time of issue of the receipt;
   (x) the total amount payable, tax inclusive;
   (xi) daily ascending serial number for a legal fiscal receipt; and
   (xii) the fiscal logo.

2. The fiscal invoice generated by electronic fiscal device shall have the following contents—
   (i) the name and address of the user of the registered device;
   (ii) the identification number of the device;
   (iii) taxpayer identification number (TPIN) of the user of the registered device;
   (iv) name, address and TPIN of the purchaser;
   (v) the name, quantity, unit price, item description, tax rate chargeable on and the value of the recorded sale of goods or services;
   (vi) daily ascending serial numbers for legal fiscal invoice;
   (vii) the tax amount payable;
   (viii) discounts, mark ups, changes, corrections;
   (ix) the date and time of issue of the invoice;
   (x) the total amount payable, tax inclusive; and
   (xii) electronic signature beneath or after the end of the business transactions.

Daily Report

3. The electronic fiscal device shall generate “Z”-daily transaction report, even where no daily transaction has taken place and the daily running totals in the working memory give zero.

The information printed on the “Z”-report shall be contained between the phrase “START OF LEGAL RECEIPT” and “END OF LEGAL RECEIPT”.

28th February, 2014
The information to be contained in a daily Report ("Z"-Daily transaction record) from electronic fiscal device shall be as follows—

(i) name or trading name and address of the business;
(ii) taxable goods/services;
(iii) taxpayer identification number (TPIN);
(iv) tax offices which assess the taxpayer/user of the approved electronic fiscal device;
(v) heading “Z”-daily transaction report;
(vi) the serial number of the Z-daily transaction report;
(vii) the identification number of the approved electronic fiscal device;
(viii) the time and date the “Z”-daily transaction report was generated;
(ix) the daily running and cumulative totals, such as—
  • taxable supplies;
  • total gross sales;
  • any reports from the tax data memory since the previous (last) “Z”-daily transaction report was generated stating—
    —the number of revenue receipts generated for the day;
    —changes in value added tax prices (in details from to);
    —discounts, mark ups, changes, corrections
    —number of working memory errors, name changes (in details from .........................
    to ..........................);
    —number of printer disconnections; and
    —number of interventions by authorized engineer or technician;
(x) the reports from the data memory from when the approved electronic fiscal device was registered including the current tax daily transaction, stating—
  • the running value added tax totals (one for each value added tax rate);
  • total gross supplies the electronic fiscal device was commissioned distinguishing between zero-rated, taxable and exempt supplies;
  • number of revenue receipts generated;
  • total number of value added tax rate charges;
  • total number of working memory errors;
  • total number of name changes;
  • total number of spontaneous printer disconnections; and
  • number of interventions by authorized engineer or technician;
(xi) the licence number of the approved electronic fiscal device

**Monthly Report**

4.—(1) The approved electronic fiscal device must be capable of reading and printing the contents of the data memory at all times by selecting any calendar period (from .......................... to ..........................) or by selecting two different “Z”-daily transaction record numbers (the first and the last).
(2) The information to be found in a monthly report should include—

(a) name or trading name and address of the business;
(b) taxable goods/services;
(c) taxpayer identification number (TPIN);
(d) tax offices which assess the taxpayer/user of the approved electronic fiscal device;
(e) heading "Z"-monthly report;
(f) the identification number of electronic fiscal device;
(g) the time and date the "Z"-daily transaction report was generated;
(h) for each "Z"-daily transaction record—
(i) the serial number of the "Z"-daily transaction report and the date it was generated;
(ii) the amounts of value added tax for the day covered by the daily transaction report in question (one for each rate);
(iii) the total gross sales covered by the "Z"-daily transaction report in question, distinguishing between zero-rated, taxable and exempt supplies;
(iv) the number of revenue receipts generated for the day covered by the "Z"-daily transaction report in question;
(v) the number of value added tax rate changes for the day covered by the "Z"-daily transaction report in question;
(vi) the number of working memory errors for the day covered by the "Z"-daily transaction report in question;
         The number of name changes for the day covered by the "Z"-daily transaction report in question;
(vii) the number of spontaneous printer disconnections for the day covered by the "Z"-daily transaction report in question; and
(viii) number of interventions by the authorized engineer or technician;
(i) the approved electronic fiscal device tax data memory reports for the period in question, stating—
(i) the running value added tax totals (one for each value added tax rate);
(ii) total gross sales distinguishing between zero-rated, taxable and exempt supplies;
(iii) total of number of value added tax rate changes; total number of working memory errors;
(iv) total number of name changes;
(v) total number of spontaneous printer disconnections;
(vi) total number of interventions by authorized engineer or technician; and
(f) the registration number of the electronic fiscal device.
5.—(1) The approved electronic fiscal device must be able to read and print a summary report of the content of the tax data memory at all times by selecting any calendar period (from .......... to .................) or by selecting two different “Z”-daily transaction report numbers (the first and the last).

(2) The annual report shall contain the following—
   (a) name or trading name and address of the business;
   (b) taxable goods/services;
   (c) taxpayer identification number (TPIN);
   (d) tax office which assesses the owner/user of the Commissioner General approved electronic fiscal device;
   (e) the heading “annual report”;
   (f) the identification number of the approved electronic fiscal device;
   (g) the time and date the “Z”-daily transaction report was generated;
   (h) the approved electronic fiscal device tax data memory reports for the period in question, stating—
      (i) the running value added tax totals (one for each value added tax rate);
      (ii) total gross revenue distinguishing between zero-rated, taxable and exempt supplies;
      (iii) number of revenue receipts generated;
      (iv) total number of value added tax changes;
      (v) total number of working memory errors;
      (vi) total number of name changes;
      (vii) total number of spontaneous printer disconnections; and total number of “interventions” by authorized engineer or technician; and
   (i) the registration number of the electronic fiscal device.

PART II—OPERATIONAL REPORTS

6. The following reports shall be generated by the system from the Malawi Revenue Authority’s database—

   Daily Gross Sales

The daily report shall contain the following information for any given trader—
   (a) serial number of the transaction;
   (b) number of transaction between every two hour period;
   (c) location of the taxpayer;
   (d) licence number of the electronic fiscal device;
   (e) taxpayer identification number (TPIN) of the customer;
   (f) receipt/invoice number;
(g) items sold;
(h) quantity;
(i) unit price;
(j) value;
(k) date of the transaction;
(l) discounts, if any;
(m) net value;
(n) value added tax rate;
(o) value added tax amount; and
(p) total gross sales and cumulative totals by distinguishing between taxable, exempt and zero rated.

The system should allow a user to filter report according to taxable, exempt or zero rated sales, or any required label.

Weekly Gross Sales

The weekly gross sales shall contain daily gross sales (Z-daily transaction records).

Monthly Gross Sales

Monthly gross sales shall contain daily gross sales (Z-daily transaction records) with weekly sub totals.

Annual Gross Sales

The annual gross sales shall contain daily gross sales (Z-daily transaction records) with monthly sub totals.

Number of Electronic Fiscal Device Interruptions

The electronic fiscal device interruption report shall contain the following information:
(a) serial numbers of electronic fiscal device interventions;
(b) number of interventions;
(c) licence number of the electronic fiscal device intervened;
(d) serial number of the machine disconnected;
(e) number of disconnections;
(f) number of electronic journal replacement;
(g) date and time;
(h) type of errors and number of errors; and
(i) receipts/invoices in which errors occurred.

This report should be able to distinguish between disconnections, errors, change of name and interventions to the device.

The system shall allow user to filter report according to taxable, exempt or zero rated sales or any required label.
Daily, monthly and annual comparable report by sector, location and products/items—

(a) Daily, Monthly and annual Comparable report by sector—
   • number of receipts/invoices issued; and
   • sales made in terms of taxable, zero rated and exempt supplies.

(b) Daily, Monthly and annual Comparable report by location—
   • number of receipts/invoices issued; and
   • sales made in terms of taxable, zero rated and exempt supplies.

(c) Daily, Monthly and annual comparable report by products/items—
   • number of receipts/invoices issued; and
   • sales made in terms of taxable, zero rated and exempt supplies.

(d) Total gross supplies since the electronic fiscal device was commissioned, distinguishing between—
   • taxable;
   • exempt; and
   • zero rated supplies.

The comparable report by sector, location, and item/product should contain the following information—

• date/period selected for comparison;
• number of receipt/invoice issued;
• sales made (taxable, exempt or zero rated); and
• total and cumulative totals.

Comparison between amount declared in value added tax monthly return against sales

The comparison report between the amount declared in value added tax monthly return and electronic fiscal device sales shall contain the following information—

• sales as per value added tax return (taxable, exempt and zero rated);
• sales as per electronic fiscal device (taxable, exempt and zero rated); and
• variance (taxable, exempt and zero rated).

FOURTH SCHEDULE

COST FOR ACQUISITION OF ELECTRONIC FISCAL DEVICES

(reg. 32 (2))

1. Cost incurred by a user for the purchase of electronic fiscal devices from a licensed supplier for the first time shall be borne by the Malawi Government. The cost shall be set off from the output tax on submission of the value added tax return, one month following the month of the purchase under the normal refund system.

Made this 26th day of February, 2014.

DR. M. MKWEZALAMBA
Minister of Finance

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