



Malawi Revenue Authority

NEW INCOME TAX RATES

EFFECTIVE 1ST JULY 2021

1. EMPLOYMENT INCOME

Annual rates

| Taxable Income | Rate |
|--------------------|------|
| First K1,200,000 | 0% |
| Next K10,800,000 | 25% |
| Next K24,000,000 | 30% |
| Next K36,000,000 | 35% |
| Excess of K72,0000 | 40% |

Monthly rates

| Taxable Income | Rate |
|----------------------|------|
| The first K100, 000 | 0% |
| Next K900,000 | 25% |
| Next K2, 000,000 | 30% |
| Next K3,000,000 | 35% |
| Excess of K6,000,000 | 40% |

Fortnightly rates

| Taxable Income | |
|---------------------------|-----|
| First K46,153.84 | 0% |
| Next K415,385. 60 | 25% |
| Next K923, 076. 92 | 30% |
| Next K1,384, 615.38 | 35% |
| Excess of K2, 769, 230.76 | 40% |

Weekly rates

| Taxable Income | |
|----------------------------|-----|
| First K23,076.92 | 0% |
| Next K207,692.30 | 25% |
| Next K461, 538.46 | 30% |
| Next K692, 307.69 | 35% |
| Excess of K1, 384, 615. 38 | 40% |

2. BUSINESS INCOME

I. Sole Trader and Partnerships

| Annual Taxable Income | Rate |
|------------------------|------|
| First K1, 200,000 | 0% |
| Excess of K1, 200, 000 | 30% |
| Monthly Taxable Income | Rate |
| First K100,000 | 0% |
| Excess of K100,000 | 30% |

II. Companies incorporated in Malawi

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|-----------------------|-----|
| Annual taxable income | 30% |
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III. Companies incorporated outside Malawi

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|-----------------------|-----|
| Annual taxable income | 35% |
|-----------------------|-----|