



Malawi Revenue Authority

PUBLIC NOTICE

AMENDMENTS TO THE CUSTOMS AND EXCISE (TARIFFS) ORDER

The Minister of Finance, Economic Planning and Development in his budget statement on Friday, 12th June 2020, announced new measures pertaining to Customs and Excise. The new tax measures became effective on the mid night of 12th June 2020 and these include:

IMPORT DUTY

1. Removal of import duty on off-highway dump trucks for road construction

EXCISE DUTY

2. Reduction of Excise Duty rate on opaque beer from 40% to 30%
3. Amendment to the Second Schedule (Excise Tariff) to the principal Order for the definition of "value of excise ad valorem" to include excisable services
4. Clarification of the base for the 10% excise tax applicable to betting, gambling and lottery services, which is the amount wagered or staked and the value of the lottery ticket

TAX INCENTIVES UNDER CUSTOMS PROCEDURE CODES (CPCs)

5. Amendment of CPCs for Cabinet Ministers and Members of Parliament respectively to allow them to dispose their motor vehicles duty free if they are disposed of after a period of 5 years.
6. Introduction of a CPC to allow churches and similar religious institutions through their mother bodies to import one bus of seating capacity 26 persons or more including the driver duty free in every five years

7. Introduction of a CPC to allow duty free importation of television and radio broadcasting equipment
8. Introduction of a CPC to allow a Paramount Chief to import one motor vehicle duty free in every 5 years
9. Introduction of a CPC to allow top flight football teams and seeded netball teams for national tournaments to import one bus of a seating capacity 26 persons or more including the driver duty free in every five years

ADMINISTRATIVE MEASURES

10. Adjustment of the value addition threshold for qualification into the Industrial Rebate Scheme (IRS) from 20% to 35%

SURCHARGE AND CARBON TAX

11. Introduction of 10% surcharge on imported: exercise books, textbooks, blankets, stick matches, dressed poultry, and eggs
12. Introduction of Carbon Tax on petrol and diesel as part of the domestic pump price at MK5/litre

For more information, you may contact **Abigail Kawamba** on **088484321**, email: akawamba@mra.mw or **Steven Kapoloma** on **0888986200**, email: skapoloma@mra.mw

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