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Act

No. 14 of 2024

I assent

DR. LAZARUS McCARTHY CHAKWERA  
PRESIDENT  
18th April, 2024

**ARRANGEMENT OF SECTIONS**

SECTION

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6. Amendment of s. 11(6) of the principal Act
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14. Amendment of s. 57 of the principal Act

**An Act to amend the Value Added Tax Act**

ENACTED by the Parliament of Malawi as follows—

Short title and commencement

**1.—(1)** This Act may be cited as the Value Added Tax (Amendment) Act, 2024.

**(2)** Part II shall come into force on a date to be appointed by the Minister, by a notice published in the *Gazette*.

PART—I

Amendment of s.11 (1) to Cap. 42:02

**2.** Section 11 of the Value Added Tax Act (hereinafter referred to as the “principal Act”) is amended, in subsection (1), by deleting paragraph (b).

Amendment of s.25 (1) of the principal Act

**3.** Section 25 of the principal Act is amended, in subsection (1), by deleting the word “taxable”, appearing immediately after the words “on making” and substituting therefor, the word “a”.

Amendment of the *First Schedule* to the principal Act

**4.** The *First Schedule* to the principal Act is amended, by deleting paragraph 9.

PART—II

Amendment of s.2 of the principal Act

**5.** Section 2 of the principal Act is amended, by deleting the definition of—

(a) “tax invoice” and substituting therefor, a new definition, as follows—

““tax invoice” means a fiscal receipt or invoice generated by an electronic tax invoicing system, upon supply of goods or services, in accordance with this Act;”;

(b) “user” and substituting therefor, a new definition, as follows—

““user” means a person carrying on business or trade who is required to use an electronic tax invoicing system, under this Act;”.

Amendment of s.11 (6) of the principal Act

**6.** Section 11 of the principal Act is amended, in subsection (6), by deleting the words “and upon acquisition of an electronic device” and substituting therefor, the words “as a taxable person”.

Substitution of s.11D of the principal Act

**7.** The principal Act is amended, by deleting section 11D and substituting therefor, a new section as follows—

“Electronic Tax Invoicing System

11D.—(1) The Commissioner General may establish an electronic tax invoicing system for issuing tax invoices and maintaining stock records for the purposes of this Act and any other tax law.

(2) A person carrying on a business or a trade shall issue a tax invoice and maintain a record of stocks through the system established under subsection (1).

(3) The Minister may make regulations providing for the operation of the electronic tax invoicing system.”.

8. The principal Act is amended, by deleting section 25 and substituting therefor, a new section as follows—

Substitution of s.25 of the principal Act

“Issuance of a tax invoice 25.—(1) A person shall, on making a supply of goods or services, issue to the customer or the person supplied, a tax invoice.

(2) The person shall, upon issuing the tax invoice, retain a copy of the tax invoice in a serial number order.

(3) Notwithstanding the provisions of subsection (1), the Commissioner General may—

(a) on application by any person; and

(b) if he is satisfied that owing to the nature of a business, it is impracticable for the person to issue a tax invoice,

allow the person to account for Value Added Tax in such other manner as the Commissioner General may authorize.

(4) Notwithstanding subsection (1), the Commissioner General may, on application in writing by any person, allow the person to issue an invoice other than a tax invoice where, owing to the nature of the business or malfunctioning of the electronic tax invoicing system, as may be certified by a tax officer, it is impracticable for the person to issue a tax invoice.”.

9. Section 46A of the principal Act is amended—

Amendment of s.46A of the principal Act

(a) in the marginal note, by deleting the words “fiscal device” and substituting therefor, the words “ tax invoicing system”; and

(b) by deleting the words “fiscal device”, wherever they appear, and substituting therefor, the words “ tax invoicing system”.

10. Section 46B of the principal Act is amended—

Amendment of s.46B of the principal Act

(a) in the marginal note, by deleting the words “fiscal device” and substituting therefor, the words “ tax invoicing system”; and

(b) by deleting the words “fiscal device” and substituting therefor, the words “ tax invoicing system”.

Amendment  
of s.46C of  
the principal  
Act

**11.** Section 46C of the principal Act is amended—

(a) in the marginal note, by deleting the words “fiscal device and software” and substituting therefor, the words “tax invoicing system”; and

(b) by deleting the words “fiscal device” and substituting therefor, the words “tax invoicing system”.

Amendment  
of s.46D of  
the principal  
Act

**12.** Section 46D of the principal Act is amended—

(a) in the marginal note, by deleting the words “or supplier”;

(b) by deleting the words “or local supplier”; and

(c) by deleting the words, “the Value Added Tax (Electronic Fiscal Devices) Regulations” and substituting therefor, the words “regulations made under this Act”.

Amendment  
of s.46E of  
the principal  
Act

**13.** Section 46E of the principal Act is amended—

(a) in subsection (1), by deleting the words “the Value Added Tax (Electronic Fiscal devices) Regulations” and substituting therefor, the words “regulations made under this Act”; and

(b) in subsection (2), by deleting the words “the Value Added Tax (Electronic Fiscal Devices) Regulations” and substituting therefor, the words “regulations made under this Act”.

Amendment of  
s.57 of the  
principal Act

**14.** Section 57 of the principal Act is amended—

(a) in subsection (1)—

(i) paragraph (d), by deleting the words “fiscal device” and substituting therefor, the words “tax invoicing system”; and

(ii) paragraph (f), by deleting the words “fiscal device” and substituting therefor, the words “tax invoicing system”; and

(b) in subsection (3)(d), by deleting the words “fiscal device” and substituting therefor, the words “tax invoicing system”.

Passed in Parliament this twenty seventh day of March, two thousand and twenty-four.

FIONA KALEMBA  
*Clerk of Parliament*