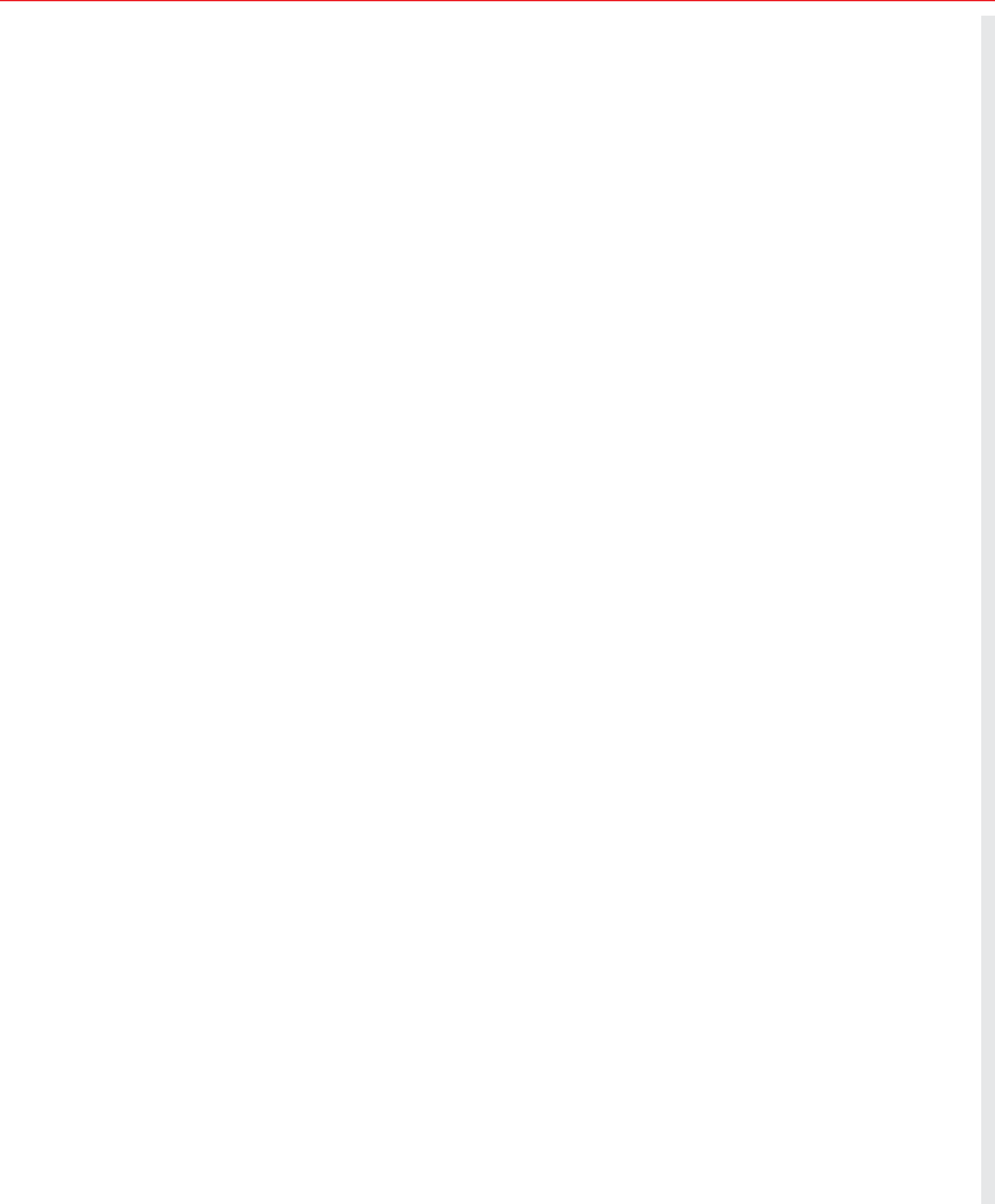




2017 CITIZENS' BUDGET

PROMOTING TRANSPARENCY AND DISSEMINATION OF BUDGET INFORMATION TO THE PEOPLE

“RESTORING FISCAL FITNESS FOR SUSTAINED INCLUSIVE GROWTH AND DEVELOPMENT.”





WHY SHOULD EVERYONE IN ZAMBIA READ THE 2017 CITIZENS' BUDGET?

The Minister of Finance on 11th November, 2016 presented the National Budget to the National Assembly. The National Budget contains the plans that Government is proposing to carry out in 2017. These plans include key changes in the way Government will raise and spend money.

Citizens are, therefore, encouraged to read this booklet, which has been produced to make it easier for them to understand the proposed 2017 National Budget. All citizens should tell their area Member of Parliament of any concerns that they may have with regard to the Budget. This will help their Member of Parliament to discuss the citizens' ideas on the proposed Budget during the Parliamentary debates.

Citizens are also encouraged to listen to Parliament Radio in order to follow the debates by Members of Parliament on the proposed National Budget.



THEME OF THE 2017 BUDGET

The recent past has been challenging for the people of Zambia. For example, low copper prices and increased load shedding, meant that the Government was not able to collect the amount of taxes it expected from various businesses including mining companies. In addition, Government had to keep spending a lot of money buying fuel and electricity for many activities in the country. As a result, there has been less money to pay for other Government programmes such as building of roads, schools, hospitals and providing drugs that are needed.

Therefore, in 2017, the Government plans to get back on track with development plans to create more jobs and opportunities for all citizens in the country and to make sure that our children have a bright future. This will require some difficult decisions to be made but this will be for the good of everyone. The Government will do this through what is called the Economic Recovery Programme, which is also known as “Zambia Plus”.

ZAMBIA PLUS IS BUILT ON THE FOLLOWING FIVE (5) PILLARS:

- 1) Increasing the collection of more money from within the country and making sure the money is spent on very important (core) programmes;
- 2) Spending more money on programmes that help the poor (vulnerable) to protect them from difficult times;
- 3) Removing corruption and making sure that people know where and how Government is spending their money;
- 4) Making sure that the programmes that Government carries out are in the budget and the money spent on them is what was planned; and
- 5) Making sure Government direction or policy is reliable to allow more private businesses to create more jobs.

This is why the subject of the 2017 Budget is “Restoring Fiscal Fitness for Sustained Inclusive Growth and Development.”

WHAT IS GOVERNMENT'S FOCUS IN 2017 TO GET BACK ON TRACK WITH ITS DEVELOPMENT PLANS?



- Encourage private businesses to get into making different types of goods which they can sell to other countries so that Zambia can stop depending on copper mining for development (diversification);
- Make sure that the prices of goods and services are stable and do not increase by more than 9 percent by the end of 2017;
- Limit the amount of money borrowed from within Zambia to no more than K3.8 billion;
- Make sure Government has enough foreign currency to allow the country to import goods that are needed for up to 3 months;
- Complete the building of schools, universities, hospitals and other buildings for which constructions have already started;
- Encourage the private businesses to create more jobs;
- Encourage more people to start participating in agriculture by growing, processing or selling different types of crops and animals; and
- Collect more money through taxes by increasing the number of tax payers and using computer systems so that more people pay the correct amount of taxes.

WHAT IS THE TOTAL AMOUNT OF MONEY THE GOVERNMENT WILL SPEND IN 2017 AND WHAT ARE THE SOURCES OF MONEY?



In 2017 Government plans to spend K64.5 billion. This money will come from taxes collected by the Zambia Revenue Authority (ZRA), fees and other charges collected by various Ministries and Government institutions and borrowing from within and outside the country. The government will also get money from donations from different countries and organisations.

SOURCES OF MONEY

	(K'Million)	(K'Million)	% Share of GDP
TOTAL DOMESTIC REVENUE, GRANTS & FINANCING		64,510.30	27.7%
A. Total Domestic Revenue and Domestic Financing		46,775.99	20.1%
I. Total Domestic Revenue		42,939.79	18.4%
Total Tax Revenue		37,622.46	16.1%
Income Tax		19,647.92	8.4%
<i>Company income Tax</i>	4,858.31		
<i>PAYE</i>	9,815.29		
<i>Withholding & Other</i>	3,083.38		
<i>Mineral Royalty</i>	1,890.94		
Value Added Tax		9,463.34	4.1%
Customs and Excise		7,992.62	3.4%
<i>Custom Duty</i>	3,224.20		
<i>Excise Duty</i>	4,700.00		
<i>Export Duty</i>	68.41		
Other Revenues		518.58	0.2%
Non Tax Revenues		5,317.33	2.3%
II. Domestic Financing		3,836.20	1.6%
B. Total Foreign Grants & Financing		17,734.31	7.6%
<i>Project Grants</i>	2,231.47		
<i>Programme Loans</i>	8,033.33		
<i>Project Loan</i>	7,469.51		

HOW WILL THE TOTAL AMOUNT OF MONEY BE DISTRIBUTED IN THE 2017 BUDGET?

The K64,510.30 million that has been planned to be spent in the 2017 budget will be distributed as follows:

WHERE THE MONEY WILL BE SPENT

	K'Million	Share of Budget
General Public Services	17,970.34	27.9%
Domestic Debt Payment	4,969.31	
External Debt Payment	6,497.23	
Public Affairs and Summit	100.00	
Constituency Development Fund	218.40	
Local Government Equalisation Fund	887.85	
Compensation and Awards	100.00	
Defence	3,204.45	5.0%
Public Order and Safety	2,342.97	3.6%
Economic Affairs	20,132.60	31.1%
Farmer Input Support Programme	2,856.40	
Strategic Food Reserve	942.50	
Rural Electrification Fund	114.52	
Road Infrastructure	8,644.50	
Dismantling of Arrears	3,269.51	
o/w Fuel Imports	500.00	
Electricity Imports	661.80	
Empowerment Funds	219.03	
o/w Agriculture & Industrial Credit Guarantee Fund	20.00	
Environmental Protection	616.47	1.0%
Climate Change Resilience	347.99	
Housing and Community Amenities	822.81	1.3%
Water Supply and Sanitation	391.70	

HOW WILL THE TOTAL AMOUNT OF MONEY BE DISTRIBUTED IN THE 2017 BUDGET? (CONTINUED...)

Health	5,762.03	8.9%
Drugs and Medical Supplies	769.09	
Medical Infrastructure and Equipment	267.51	
Recreation, Culture and Religion	323.50	0.5%
Education	10,641.93	16.5%
School Infrastructure	638.04	
University and College Infrastructure	368.58	
Student Loan Scheme	314.85	
School Feeding Programme	35.55	
Skills Development Fund	233.50	
Social Protection	2,693.21	4.2%
Public Service Pension Fund	1,655.00	
Social Cash Transfer	552.00	
o/w GRZ Contribution	500.00	
GRAND TOTAL	64,510.30	100%

WHAT THE GOVERNMENT PLANS TO DO FOR:

1. The poor in our community-



- a. **Social Cash Transfer Scheme:** The Government will put aside K552 million in 2017 for helping poor households to adjust to the increase in prices of goods and services. The 2017 allocation is an increase from K302 million in 2016.
- b. **Food Security Pack:** The Government will increase the number of people that will be supported under the Food Security Pack from 30,000 to 40,000 in 2017. The programme will help encourage the poorest small scale farmers by providing them with seeds and fertilizer.



c. Public Welfare Assistance Scheme: The Government will put aside money to enable the poor and vulnerable go to school and get medical help and also assist stranded people who may have been dumped or abandoned and have no other means of assistance, through the Public Welfare Assistance Scheme under the Ministry of Community Development and Social Services.

d. Home Grown School Feeding Programme: Government will increase the number of school children who will benefit from the school feeding programme from 1 million pupils in 2016 to 1.25 million pupils in 2017. The feeding programme will improve the learning ability of school going pupils and prevent malnutrition.



e. Women's Development Programme: Government will increase the number of women who benefit from this programme from 7,000 in 2016 to over 30,000 in 2017. Under this programme, the provision of small loans will be improved by adding 25,000 more women each year over 3 years. In addition this programme will, for the first time, support 14,000 girls from poor households to help them stay in school. There will also be distribution of free pads (sanitary towels) to girls in rural areas.

2. Pensioners: Government will double the amount allocated towards pensions from K805 million to K1.66 billion in order to reduce the time retirees need to wait before they get their pension.



3. People to start participating in agriculture

- a. **Cashew Nut Infrastructure Support Programme:** Start the Cashew Nut Infrastructure Support Programme in Western Province, at a cost of US\$55.4 million. This programme will benefit 600,000 people;
- b. **Emergent Farmer Support Programme:** Provide money to at least 1,000 farmers countrywide through the Emergent Farmer Support Programme for farmers to get modern farming equipment to increase output;
- c. **Irrigation schemes:** Set up 20 irrigation schemes and promote the use of dambos for irrigation at a cost of K428.5 million so that farmers can grow crops before and after the rainy season;



- d. **Farmer Input Support Programme (FISP):** Provide K2.9 billion to the Farmer Input Support Programme and use only the e-voucher system to provide support to farmers. Through this system farmers will be given a card which they can use at shops to pay for any farming inputs that they need;

- e. Provide K942.5 million to allow the **Food Reserve Agency** to buy crops from farmers to make sure that the country has enough food stock; and



- f. Put aside K18.3 million to help fish farmers improve their businesses; K30 million for construction of dip tanks and K10 million for the Cordon Line to reduce the spread of diseases in animals.



4. Schools, Colleges and Universities

Provide K10.6 billion for the education sector. This will allow Government to pay teachers' salaries, employ more teachers and continue the building of schools, colleges and universities. This money will include:

- K233.5 million for the Skills Development Fund which will be used to support training for trade skills such as carpentry, mechanics and building;
- K314.9 million to pay for university students; and
- K1 billion for building schools, universities and colleges.

5. Hospitals and Clinics



Spend a total of K5.8 billion on health care. This will allow Government to buy medicines, medical supplies and employ more medical personnel such as nurses and doctors. The Government will also open up cancer screening centres in each province.

Drugs and Medical Supplies

K769.1 million

Infrastructure and Equipment

K267.5 million

6. Councils

- Increase the money set aside for use by the councils under the **Local Government Equalisation Fund (LGEF)** from K717 million in 2016 to K887.6 million in 2017. This will allow councils to provide better services to the people. In addition, K218.4 million has been allocated to the Constituency Development Fund.



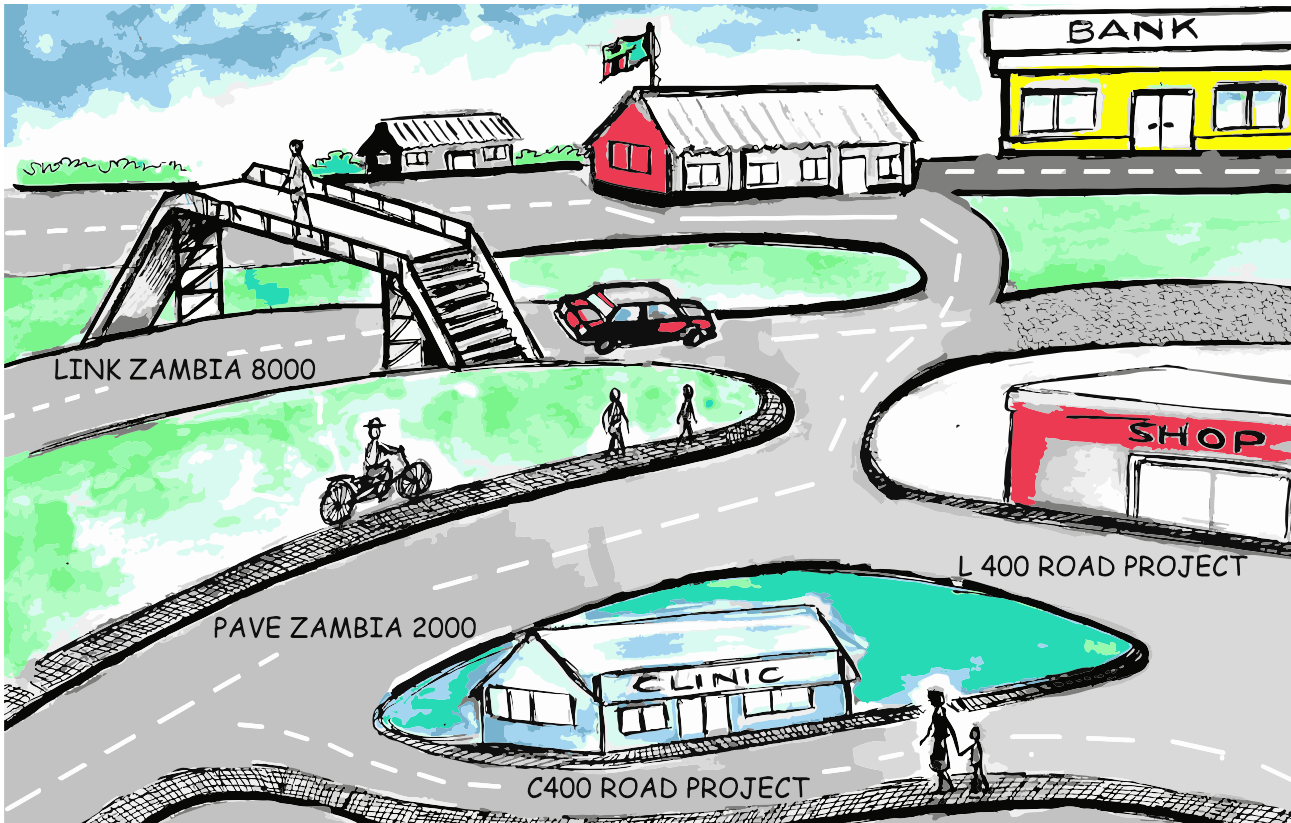
7. Water Supply



- Provide a total of K391.7 million to improve the supply of clean and safe water in the various parts of the country.

8. Road Infrastructure Projects

- To improve the road network in the country, K8.6 billion has been set aside for building and repairing roads.



- ✓ Chingola - Solwezi
- ✓ Solwezi - Kipushi
- ✓ Kitwe - Chingola dual carriage way
- ✓ Lusaka - Chirundu Link 4
- ✓ Mpika - Chinsali
- ✓ Chinsali - Nakonde

- To make it less expensive for the Government to provide roads, Government will do more work with the private sector using the Public Private Partnership (PPP) model. For example, the Lusaka–Ndola and Ndola–Kasumbalesa roads will be upgraded to dual carriage ways and the Kasomeno–Mwenda road, which joins Zambia to the Democratic Republic of Congo (DRC), will also be upgraded using the Public Private Partnership (PPP) model.



9. Government Borrowings and Arrears





- Government will develop and publish a Medium Term Debt Management Strategy. This is a plan on how to control and manage Zambia’s borrowings.
- K11.5 billion will be set aside to pay back the money borrowed from within and outside the country.
- K3.3 billion will be set aside in order to reduce the amount of money owed to people and companies who have supplied Government with goods and services.

10. Small and Medium Enterprises (SMEs)

- To allow small businesses, including farmers to get loans at an affordable rate K20 million has been provided for the Agricultural and Industrial Credit Guarantee Fund. Government will also access US\$50 million to lend to SMEs.

CHANGES THAT WILL AFFECT BORDER TRANSACTIONS

1. Government will collect money on all local and foreign vehicles each time they cross the border, as follows

Type of Motor Vehicle	Proposed Rate	Image
Trucks with abnormal loads or with abnormal trailers (with or without goods).	US\$75 or Kwacha equivalent	
All type of Trucks with or without goods including road tractors.	US\$60 or Kwacha equivalent	
All types of Passenger buses.	US\$40 or Kwacha equivalent	
All types of Passenger vehicles.	US\$20 or Kwacha equivalent	



2. The Government will change the starting date for counting the five (5) day period for goods transiting (passing) through Zambia. The counting will start from the date when ZRA gives back cleared documents to an importer (date of release) instead of the date of submitting import documents to the ZRA (date of entry).
3. In order to reduce the time spent at the border to clear goods, all the Government departments at the border such as the ZRA, Immigration Department, Zambia Bureau of Standards, the Road Traffic and Safety Agency (RTSA) and Interpol will use the same system (single window) to process imports.
4. The Government will introduce advance ruling on origin for goods coming from countries with which Zambia has trade agreements. This means that ZRA will guide importers on whether the goods they are importing qualify to be imported without a customs duty charged on them. Examples of countries that Zambia has agreements with are Angola, the Democratic Republic of Congo and countries that are members of the Southern Africa Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA).
5. Government will increase the Advance Income Tax (AIT) rate to 15 percent from 6 percent.

*AIT is a tax paid at importation, in addition to customs duty, Value Added Tax (VAT) and excise duty, (where applicable) **in cases where an importer has not shown proof before importation**, to the ZRA, that they are up to date with filing of tax returns and payments of taxes.*

If a person or business has already paid AIT but they have proof that they were compliant (having paid taxes or submitted returns) at the time of the importation they can claim an AIT refund from ZRA, which will be paid back at the end of the charge year.

CHANGES TO BE MADE TO THE CUSTOMS AND EXCISE LAW IN 2017

Customs and Excise is about taxes that are collected on goods when they are coming from outside the country (imported) and when goods are leaving the country (exported) and is usually collected at borders and at airports. This law is also for excise duties and surtax charges on other goods.

In 2017 the Government proposes to:

1. **Increase excise duty on airtime from 15 percent to 17.5 percent.**
2. **Increase the customs duty collected on selected spare parts at 5 percent to 15 percent. The spare parts on which the increase is being proposed are only used in the following machinery:**



- a. Cranes;
- b. Bulldozers, angle dozers, graders, levellers, scappers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers; and
- c. Machines for extracting minerals or ores; pile-drivers and pile-extractors.

3. Increase the customs duty on plastic carrier bags from 25 percent to 40 percent.

4. Increase carbon emission surtax on motor vehicles as follows:



Engine Capacity	Current rate (K) per year	Proposed rate (K) per year
Less than 1500cc including motorcycles	50	70
1501cc - 2000cc	100	140
2001cc - 3000cc	150	200
3001cc and above	200	275

The carbon emission surtax (carbon tax), introduced in 2006 is paid on all motor vehicles being imported, passing through the country, visiting (temporal importation) and those already in the country



5. Remove the percentage rate of 145 on cigarettes and increase the specific excise rate from K200 per 1000 sticks to K240 per 1000 sticks.
6. Reduce customs duty from 25 percent to 5 percent on casings for sausages and polony made from plastic and edible collagen.
7. Introduce a 7.5 percent customs duty on copper concentrates.
8. Remove customs duty on different types of pipes used in irrigation.
9. Remove customs duty on lifting, handling and loading machinery (pulley tackle and hoists and winches).



10. Remove customs duty for a period of 3 years on the following items used by fish farmers:

- | | |
|---|---|
| i. Life Jackets; | ix. Automatic rain gauges; |
| ii. Fish tank water heaters; | x. Water flow meters; |
| iii. Water aerators and air stones; | xi. Water depth detector for measuring water; |
| iv. Air blowers and tubes ; | xii. Water current measuring device; |
| v. Bio-water filters; | xiii. Fish smoking energy saving equipment; |
| vi. Fish feed freeze driers and other warmer driers; | xiv. Crude protein lab analysis equipment; |
| vii. Fish feed packaging equipment and closing equipment; | xv. Moisture analysing equipment; and |
| viii. Dumpy levels or theodolities; | xvi. Plankton nets. |



11. Remove customs duty on the following parts of footwear:

- i. Toe caps;
- ii. Rivets;
- iii. Shoe sole;
- iv. Vamp; and
- v. Counter material.



12. In addition to the existing taxes which are in percentage rates, introduce specific export tax rates of K10 per kg for wood that is not processed eg. cut trees and chopped logs **and K5 per kg for partially processed wood** e.g, laminated wood in order to encourage businesses to set up wood processing plants in Zambia.

Wood



Wool



13. Increase customs duty on cotton wool used for knitting to 15 percent in order to encourage local production of wool.

14. Introduce a 10 percent tax on maize when it is exported from the country (export duty) to encourage citizens to process maize into higher value goods like mealie meal and feedstock.

15. Introduce a 5 percent surtax on anything brought into the country (imported), if the item can be made or grown in Zambia such as sugar, oranges, mangoes and bathing soap. This charge will be in addition to customs duty, excise duty and VAT.

16. Increase customs duty on semi-processed cooking oils from 5 percent to 15 percent.



17. The date on which a business has to submit excise duty returns will change to **the 15th of every month from the 20th of every month.**

18. From 2017, ZRA will only accept applications from people who need to register as clearing agents **using an online application** which will be found on the ZRA website. Manual applications will no longer be accepted.



CHANGES TO BE MADE TO THE INCOME TAX LAW IN 2017

1. **For Pay-as-You-Earn, it is proposed that the amount of the salary that will not be taxed changes from K3,000 to K3,300 per month. This means that people getting K3, 300 and below will not pay Pay-As-You-Earn.**

In addition, the highest PAYE tax rate of 35 percent will be removed and the new highest rate will become 37.5 percent. See table below:

Current System	Rate	Proposed System	Rate
0 – K3,000.00	0%	0 – K3,300.00	0%
K3,000.01 – K3,800.00	25%	K3,300.01 – K4,100.00	25%
K3,800.01 – K5,900.00	30%	K4,100.01 – K6,200.00	30%
Above K5,900,000	35%	Above K6,200.00	37.5%

2. **Businesses that make K800,000 and below in one year are required to pay a tax at the rate of 3 percent of their revenue (Turnover Tax). Starting 2017, the system will change as follows:**

Monthly Turnover Category		Proposed Regime
1	K1 - K4,200	K100 per month+3% of monthly turnover above K3,000
2	K4,200.01-K8,300	K225 per month+3% of monthly turnover above K4,200
3	K8,300.01-K12,500	K400 per month+3% of monthly turnover above K8,300
4	K12,500.01-K16,500	K575 per month+3% of monthly turnover above K12,500
5	K16,500.01-K20,800	K800 per month+3% of monthly turnover above K16,500
6	Above K20,800	K1,025 per month+3% of monthly of turnover above K20,800

3. **The capital allowance for equipment and machinery used in farming and agro processing will be increased to 100 percent from 50 percent.** Under the Income Tax Act, a business involved in farming or agro processing is allowed to claim (depreciation), over a period of two years, the cost of their big inputs such as combined harvesters and tractors from income that is due to be taxed. In 2017 however, a business will be allowed to claim the cost of their implements, plants and machinery within one year in order to allow farmers to have more profits for expansion.
4. **Statutory bodies will be required to pay 10 percent of their rental income to ZRA.**

Examples of statutory bodies are: the National Pension Scheme Authority (NAPSA), Zambia State Insurance Corporation (ZSIC), Zambia Revenue Authority (ZRA) and National Housing Authority (NHA).

5. **Everyone who wants to change ownership of a motor vehicle will be required to get a Tax Clearance Certificate from ZRA before they can be allowed to change ownership at the Road Transport and Safety Agency (RTSA).** A tax clearance certificate shows that a tax payer is registered with ZRA, files the required tax documents and pays their taxes.
6. **The penalty charged for late submission of turnover tax returns (businesses whose sales are less than K800,000 per year) will be reduced to K150 from K900.** This is to encourage small businesses to follow the tax rules and submit returns timely.
7. The date on which a business has to submit Pay-As-You-Earn (PAYE) and provisional income tax returns to ZRA will change **from the 14th to the 10th of the month or quarter in which they are required.**
8. In 2017 it will be mandatory for all bank account holders to have Taxpayer Identification Number (TPIN) from ZRA.

CHANGES TO BE MADE TO THE VALUE ADDED TAX (VAT) LAW IN 2017

VAT is a tax that is charged at 16 percent on various goods and services. When one has a business that is registered for VAT with the ZRA, they are allowed to claim the VAT paid on goods and services bought for use in their business e.g. VAT paid on office furniture, fuel and air conditioners. This is called input VAT.

1. **In the 2017 a business will no longer be allowed to claim the VAT paid on the following goods:**

<ol style="list-style-type: none"> i. All goods and services that were bought by a company or institution before they registered for VAT; ii. Motor vehicle parts; iii. Petrol; iv. 10 percent of diesel; v. Domestic refrigeration equipment (fridges); 	<ol style="list-style-type: none"> vi. Air conditioners; vii. Mobile phones; viii. Television sets ix. Digital satellite ; x. Decoders ; xi. Video players; xii. Window blinds and curtains; and xiii. Construction of houses for staff.
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2. The VAT law will be changed to make it clear that when people pay for a bus, train, helicopter or plane ride, for tourism purposes such as sight-seeing or adventure, VAT should be charged.



3. ZRA will no longer allow a number of individual Companies to register for VAT as a group. This means that the VAT Group Registration Scheme will be stopped (abolished).
4. A tax invoice or similar document used to claim input VAT will only be valid for three **(3) months instead of the current six (6) months.**
5. The date on which a business has to submit VAT returns will change to the **16th of every month from the 21st of every month.**
6. The Commissioner General will be allowed to appoint a person or business who is buying goods or services where VAT is charged, to withhold the VAT they are supposed to pay to the supplier and instead take it directly to ZRA. This will ensure that VAT collected by suppliers of goods and services is actually received by ZRA.

USE OF INFORMATION TECHNOLOGY SYSTEMS TO IMPROVE TAX COLLECTION

Government will work to ensure it collects the correct amount of taxes and also make the payment of taxes easier for citizens. In this regard, businesses in different industries, especially those who produce goods that attract excise duty or shops that sell goods and collect VAT on behalf of the Government will be required to link their transaction systems to ZRA to ensure that they are paying taxes and the correct tax amounts.

SKILLS DEVELOPMENT LEVY

Private sector business employers will be charged a Skills Development Levy at 0.5 percent of the amount of money they pay to employees (e.g. salary, allowances and bonus payment). This money will go into a Skills Development Fund. The private sector and the government will together manage the money in the Fund to improve the skill base of various industries.

CHANGES THAT WILL AFFECT FEES, CHARGES AND FINES RELATING TO PUBLIC SERVICES IN 2017

The Government has proposed changes to the fees for various public services provided by Government departments. These changes are as follows:

1. **Ministry of Home Affairs – Zambia Police Service:** The police report fee that is paid when reporting a crime at a police station will reduce **from K22.50 to K10** while certification of documents fees will **increase from K5 to K10 per stamp** print. Fire arm licences will increase as follows:





No.	Description	Current Fee	Proposed Fee
1.	Repair, Test or Proof Permit	K250	K1,000
2.	Tourists Import and Export Permit	K50	K1,500
3.	Certificate of Exemption (Antique Firearms	K250	K500
4.	Firearms Certificate	K20	K500
5.	Authority to possess, carry and use Firearms owned by an association	K70	K500
6.	Resident Export Permit non-Zambian	K100	K700
7.	Resident Export Permit Zambian	K100	K500
8.	Certificate of Registration as a firearm dealer	K250	K2000
9.	Firearms dealer's Import Permit	K250	K1,500
10.	Transfer Certificate	K20	K200
11.	Receipt for firearms or Ammunitions Deposited in public warehouse non – Zambian	K20	K250

2. Ministry of Home Affairs – Immigration Department: Fees paid for immigration permits and transit and border crossing visas will change as follows:

No.	Description	Current Fee	Proposed Fee
1.	Residence Permit	K4,000	K5,000
2.	Employment Permit	K3,000	K6,000
3.	Renewal of Employment Permit	K3,500	K7,000
4.	Investor Permit	K2,000	K4,000
5.	Permit for Renewal of Investor Permit	K2,500	K5,000
6.	Temporal Employment Permit	K3,000	K4,500
7.	Temporal Permit (prohibited immigrants)	K4,000	K6,000
8.	Study Permit	K1,500	K2,250
9.	Residence Permit for Spouses	K500	K750
10.	Cross Border Visa Fee	K1,000	K1,500
11.	Transit Visa Fee	K2,000	K3,000



3. Ministry of Labour and Social Security: The ministry will change the fees for plant and factory inspection as well as fees for aptitude tests and career guidance.

a. Aptitude test, career guidance fees will change as follows:

No.	Description	Current Fee	Proposed Fee
1.	Government Aptitude tests	K45	K90
2.	Government Consultation & Advisory	K250	K500 per exercise
3.	Parastatal Aptitude tests	K60	K120
4.	Parastatal Consultation & Advisory	K250	K800 per exercise
5.	Private Aptitude tests	K75	K150
6.	Private Consultation & Advisory	K250	K1,000 per exercise
7.	Career Guidance	K80	K100 per candidate

4. Ministry of Agriculture: Fees paid for Import and Export Permits will increase from K52.50 per 30 metric tonnes to K105 per 30 metric tonnes.

5. Ministry of Fisheries and Livestock:

a) Government will introduce a standard pricing mechanism for the sale of bulls at K5,000 and for the sale of Cows, Heifers and Steers at K3,000.

Cow: A cow is a female animal that has had at least one calf.

Heifer: A heifer is a female animal that has never had a calf.

Bull: A bull is a mature male animal that is used for breeding.

Steer: A steer is a male animal that has been sterilised.



b) Fees for Veterinary clinical consultations, verbal discussions only, will be set at K50.

c) Fees for miscellaneous veterinary services will be changed as follows:

No.	Miscellaneous Veterinary Services	Current Fess	Proposed Fees
1.	Pregnancy diagnosis per animal	K5	K10
2.	Slaughter permit per batch of animals not exceeding 100 for livestock and 10,000 for birds (Immature and Pregnant Animals)	-	K50
3.	Meat Inspections	-	K50
4.	Cattle dipping(per animal)	-	K5
5.	Brand Registration Fee	K2	K100
6.	Brand Renewal Fee	K2	K50
7.	Artificial insemination per animal (for labour)	-	K50
8.	Fertility testing	-	K250
9.	Field Tests (rapid disease or product tests)	-	K50

d) Fees for Export Inspections and Permits for health purposes will change as follows:

No.	Health Certificates for Export Purposes	Current fee	Proposed fee
1.	Minimum cost of a health certificate (10 domestic animals or less)	-	K100
2.	Large Ruminants (cattle, horses and similar species including game) per 50 animals	K45	K250
3.	Small ruminants (Goats, sheep and similar species including game) per 50 animals	K21.60	K150
4.	Small animals (dogs, cats and similar) per animal	K27	K50
5.	Game animals per 10 animals	-	K500

e) Fees for Export Inspections and Permits for Poultry health purposes will change as follows:

No.	Health Certificates for Export Purposes for Poultry	Current Fee	Proposed Fee
1.	Up to 1,000 birds	K5	K50
2.	1,001 to 20,000 birds	K50	K100
3.	Above 20,001 birds up to 100,000	K90	K150
4.	Tortoise/ornament fish per consignment not exceeding 100 animals	K100	K150
5.	Livestock Products and Stock feed per 30 metric tonnes	K100	K150

f) Fees for Export inspections and Permits for Sanitation of Animal Products will change as follows:

No.	Export inspections and Permits for Sanitation of Animal Products	Current Fee	Proposed Fee
1.	Game Trophies (per trophy, previously was per consignment)	K50	K100
2.	Per 100 kg hides for Cattle products	K39.60	K50
3.	Per 100 kg horns for Cattle products	K39.60	K50

g) Fees for Non-commercial Export Permits will change as follows:

No.	Non-Commercial Export Permits	Current Fee	Proposed Fee
1.	Minimum cost of an export permit (5 domestic animals or less)	-	K50
2.	Consignment of animal products 20 kg and less	-	K50

h) Fees for Commercial Export Permits will change as follows:

No.	Commercial Export Permits	Current Fee	Proposed Fee
1.	Large Ruminants (cattle, horses and similar) (per consignment not exceeding a truck load)	-	K100
2.	Small ruminants: Goats, sheep (per consignment not exceeding a truck load)	-	K100
3.	Small animals: dogs, cats and similar animals (per consignment not exceeding a truck load)	-	K100
4.	Poultry (per consignment not exceeding a truck load)	-	K100
5.	Game/wild animal (per consignment not exceeding a truck load)	-	K100
6.	Tortoise/ornament fish (per consignment not exceeding a truck load)	-	K100
7.	Livestock Products and stock feed (per consignment not exceeding a truck load of 30metric tonnes)	-	K100
8.	Semen and embryos per consignment	-	K100

i) Fees for Export Permits for Export Related Inspections will change as follows:

No.	Export Permits for Export Related Inspections	Current Fee	Proposed Fee
1.	Establishment/Plant inspections (abattoir, processing, any other)	-	K250
2.	Quarantine/Farm(premises) inspection	-	K250

j) Fees for Non-Commercial Import and Transit Permits will change as follows:

No.	Non-Commercial Import and Transit Permits	Current Fee	Proposed Fee
1.	Minimum cost of an import permit (5 domestic animals or less)	K67.80	K100
2.	Consignment of animal products 20kgs and less (except for semen, embryos or medicaments)	K67.80	K100

k) Fees for Commercial Import and Transit Permit will change as follows:

No.	Commercial Import and Transit Permit	Current Fee	Proposed Fee
1.	Large Ruminants (cattle, horses and similar) and game animals (per consignment not exceeding a truck load)	K67.80	K250
2.	Small ruminants: Goats, sheep (per consignment not exceeding a truck load)	K67.80	K250
3.	Small animals: dogs, cats, tortoise/ ornament fish and other similar animals, (per consignment not exceeding a truck load)	K67.80	K250
4.	Poultry (per consignment not exceeding a truck load)	K67.80	K250
5.	Livestock Products and stock feed (per consignment not exceeding a truck load of 30 metric tonnes)	K67.80	K250
6.	Semen and embryos per consignment	K67.80	K250



l) Fees for Related Import Inspections Permits will change as follows:

No.	Related Import Inspections Permits	Current Fee	Proposed Fee
1.	Establishment/ Plant inspections (abattoir, processing, any other)	-	250
2.	Quarantine/ Farm (premises) inspection	-	250

m) Fees for Stock Movement Permit (Inter District or Inter Provincial) will change as follows:

No.	Stock Movement Permit (Inter District or Inter Provincial)	Current Fee	Proposed Fee
1.	Pets (Cats & Dogs); per consignment moved on the same day	K5	K50
2.	Livestock (Cattle, goats, sheep and other animals) per consignment moved on the same day	K8.40	K50
3.	Game per consignment moved on the same day	K8.40	K50

n) Fees for Laboratory Tests will change as follows:

No.	Laboratory Tests	Current Fee	Proposed Fee
1.	Large animals post mortem (per animal)	K144	K250
2.	Small animals post mortem (per animal)	K99	K150
3.	Chicken post mortem (per sample of 5 chickens)	K24	K 50
4.	Serological testing per sample	K10	K70
5.	Microscopic Tissue/blood smear examination per 10 smears	K36	K50
6.	Advanced laboratory tests (PCR) per sample	-	K150
7.	Culture examination per sample	-	K50
8.	Clinical Biochemistry Test	-	K80
9.	Haematology (Full blood count)	-	K150
10.	Faecal examination per sample	-	K10
11.	Residue Examination per sample	-	K300
12.	Histopathology	-	K200
13.	Incineration	-	K50 per kg

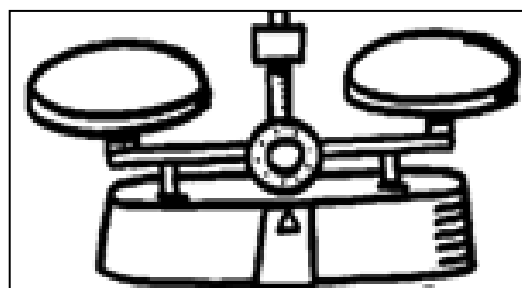
6. Ministry of Commerce, Trade and Industry:

a) Patents and Companies Registration Agency (PACRA) – The fees that will be introduced for the registration of collateral under the following categories will be as shown in the table below;

No.	Description	Proposed Fee
1.	Registration of Financing Statement	K100
2.	Notice of Amendment and Discharge of a Financing Statement	K100
3.	Search Request and Certificate of Status	K20
4.	Notice of Enforcement of Creditor's rights	K50
5.	Any other Lodgements	K50

b) Zambia Weights and Measures Agency:

i. Fees for verification and inspection of electricity and water meters, will be introduced as follows:



No.	Type of Metre	Inspection	Proposed Fee
1.	Water (domestic)	Once every 2 years	K75
2.	Water (Industrial)	Once every 2 years	K3,000
3.	Water Meter Test Bench	Once every 2 years	K12,000
4.	Electricity (domestic)	Once every 5 years	K75
5.	Electricity (industrial)	Once every 5 years	K6,000
6.	Electricity Meter Test Bench	Once every 2 years	K18,000

ii. Fees for calibration and verification of the carrying capacity of vehicles that carry sand and other construction materials will be introduced as follows:

No.	Description	Proposed Fee
1.	Calibration fee (verification fee) for: each vehicle for carrying sand and other construction materials	K90 per cubic metre
2.	For railway tanker, skid tanks, wagon for each one litre of capacity	K0.12 per litre

iii. Certification fee of automatic fillers, packers, weigher(s) measures will be as follows:

No.	Certification fee of automatic filler, packer, weigher (each)	Proposed Fee
1.	1-5 outlets	K4,500
2.	6-20 outlets	K6,000
3.	21-50 outlets	K9,000
4.	51-80 outlets	K12,000
5.	81-100 outlets	K15,000
6.	Block making machine or like machines producing goods sold on specified measurements	K900

iv. Fees for inspection of packaged goods will be introduced as follows:

No.	Inspection of Packaged Goods	Proposed Fee
1.	0-100	K150
2.	101-500	K600
3.	501-3200	K1,200
4.	3201 and above	K1,800
5.	Imported Goods	0.2 percent of the free on board (fob) value

7. Ministry of Energy – Energy Regulation Board: Penalties and interest charges will be introduced for Oil Marketing Companies when they do not submit returns on time.

8. Ministry of Tourism and Arts:

a) All hotels, motels, lodges and guest houses will charge 1.5 percent on food, drinks, accommodation, conferences, meetings, weddings and parties. **This charge will be called a Tourism Levy and will only start being collected on 1st March, 2017.**

b) The fees for Tourism Enterprises for registration, renewal, variation, transfer and retention will be as follows:

No.	Tourism Enterprise: First Application, Registration and Renewal	Fee
1.	Tour Operation Business	K6,000
2.	Amusement and Theme Parks	K6,000
3.	Air Charter and Gliding Business	K6,000
4.	Travel Agencies	K6,000
5.	Car Hire	K6,000
6.	Hunting Safari	K6,000
7.	Boat Cruise	K6,000
8.	House Boat/Boatels	K6,000
9.	Convention/Conference Centre	K6,000
10.	Tour Guide local	K3,000
11.	Tour Guide foreign	K6,000
12.	Discotheque/Night Club	K6,000
13.	Adventure Activities	K6,000
14.	Outside Catering Services	K6,000
15.	Events/Exhibition Management	K6,000
16.	Restaurant	K6,000

c) The fees for Tourism Enterprises that are accommodation establishments for first application and registration will be as follows:

No.	Accommodation Establishment: First Application and Registration	Fee
1.	5 Star Establishments (per bed /site)	K120
2.	4 Star Establishments (per bed /site)	K114
3.	3 Star Establishments (per bed /site)	K108
4.	2 Star Establishments (per bed /site)	K102
5.	1 Star Establishments (per bed /site)	K96
6.	Ungraded Establishments (per bed/ site)	K90

d) Renewal fees for Accommodation Establishments will be as follows:

No.	Accommodation Establishment - Renewal	Fee
1.	5 Star Establishments (per bed /site)	K90
2.	4 Star Establishments (per bed /site)	K84
3.	3 Star Establishments (per bed /site)	K78
4.	2 Star Establishments (per bed /site)	K72
5.	1 Star Establishments (per bed /site)	K66
6.	Ungraded Establishments (per bed /site)	K60

e) Fees for accommodation establishments for Tourism Enterprises for transfer will be K6,000; fees for variation or amendment will also be K6,000; and annual retention fees K3,000.

f) Fees for Authorisation to operate a Tourism Enterprise will be K1,500.

g) Fees for Tourism Enterprise Licences will be as follows:

No.	Tourism Enterprise Licence	Fee
1.	Tour Operations including all adventure activities	K3,000
2.	Amusement and Theme Parks	K3,000
3.	Air Charter	K3,000
4.	Travel Agencies	K3,000
5.	Car Hire	K3,000
6.	Safari Outfitters/Hunting Operators	K3,000
7.	Boat Hire	K3,000
8.	House Boat	K3,000
9.	Convention/Conference Centre	K3,000
10.	Discotheque/Night Club	K3,000
11.	Restaurant with more than Five (5) variety of menus	K3,000
12.	Café	K900
13.	Restaurant with less than Five (5) menus and offering very basic food (Nshima and Chicken) especially in rural setting	K3,000
14.	Community Camp and Villages	K3,000

h) Fees for Hotel or Accommodation Establishment Licences will be as follows:

No.	Hotel or Accommodation Establishment Licences	Fees
1.	5 Star Establishments (per room/site/bed)	K36
2.	4 Star Establishments (per room/site/bed)	K33
3.	3 Star Establishments (per room/site/bed)	K30
4.	2 Star Establishments (per room/ site/bed)	K27
5.	1 Star Establishments (per room/site/bed)	K24

i) Fees for Hotel/Accommodation Establishment Managers Registration Certificates will be as follows:

No.	Hotel/Accommodation Establishment Managers Registration Certificate	Fee
1.	5 Star Establishments	K750
2.	4 Star Establishments	K675
3.	3 Star Establishments	K600
4.	2 Star Establishments	K525
5.	1 Star Establishments	K450
6.	Ungraded Establishments	K375

j) Fees for Casinos will be as follows:

No.	Description	Fee
1.	Application for license	K1,000
2.	Annual fees for each gaming machine authorised to be operated under the Casino License	K720
3.	Annual fees for each table or wheels specified	K740
4.	Casino Levy	20% of gross revenue per quarter.

k) Fees for Grading, Re-assessment and Re-grading of accommodation establishments will be as follows:

Description		Fee
Grading Fee	5 Star Establishments	K10,050
	4 Star Establishments	K8,100
	3 Star Establishments	K6,000
	2 Star Establishments	K3,000
	1 Star Establishments	K1,500
Re-assessment Fee	5 Star Establishments	K5,025
	4 Star Establishments	K4,050
	3 Star Establishments	K3,000
	2 Star Establishments	K1,500
	1 Star Establishments	K750
Re-grading Fee	5 Star Establishments	K8,040
	4 Star Establishments	K6,480
	3 Star Establishments	K4,800
	2 Star Establishments	K2,400
	1 Star Establishments	K1,200

9. Selected fees under the Ministry of Communication and Transport – Civil Aviation Authority.

a) The fees that will be collected for letters of recommendation to ZRA for verification of duty exemption for aircraft spare parts issued by the Civil Aviation Authority will be as follows:

No.	Description	Fee
1.	Value of goods less than USD 500	2.6 percent of the value or USD 8 whichever is higher
2.	Value of goods more than USD 500	1.5 percent of the value of USD 22 whichever is higher. The maximum charge shall be USD 1,302

b) The fees for structures including any building or work, waste heap or masts which may constitute an obstruction to air navigation will be charged at the following rates:

No.	Description	Fee
1.	Inspection and approval per site within Lusaka area	K1,050
2.	Inspection and approval per site outside Lusaka area	K4,200
3.	Consultancy on air navigation obstacles or intrusions per report	K700
4.	Inspection of power line new installations per kilometre	K40
5.	Annual inspection of power lines per kilometre	K20
6.	Erecting of masts and aerials on civil aviation authority buildings or land each per annum	K9,800
7.	Erecting of billboards on civil aviation authority land each per annum	K17,500
8.	Erecting of billboards on aerodrome land each per annum	K7,500

c) Fees for continuous surveillance charges on masts payable per year will be as follows:

No.	Continuous surveillance charges on masts payable per annum	Fee
1.	1 to 100 Masts	K5,250
2.	101 to 500	K7,500
3.	501 to 1,000	K9,500
4.	More than 1,000	K14,000

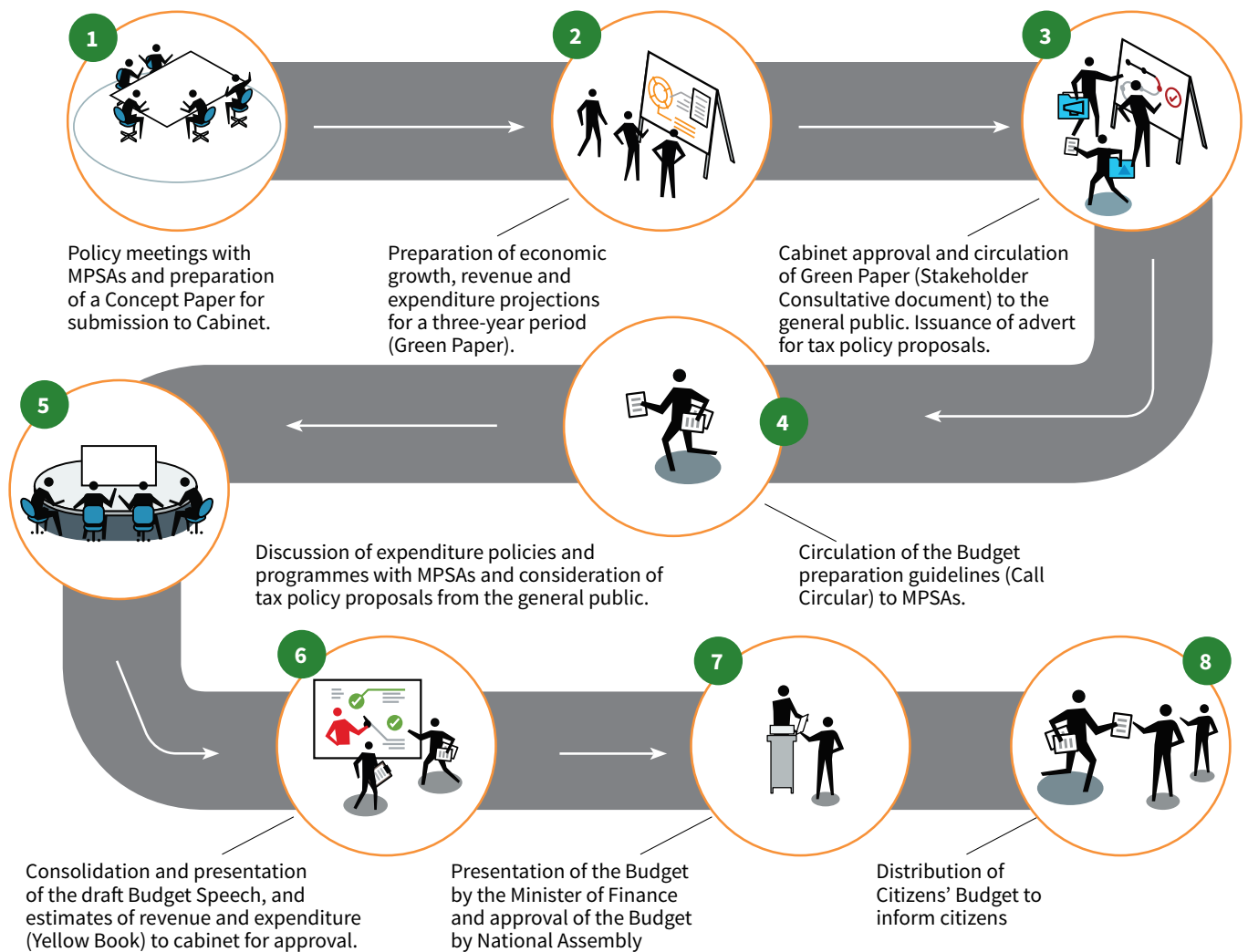
d) Fees for Inspection and Approval of Wind Turbines will be as follows:

No.	Inspection and approval of wind turbines	Fee
1.	1 to 20	K3,500
2.	21 to 50	K5,250
3.	51 to 100	K9,000
4.	More than 100	K14,000

e) Fees for the continuous surveillance charges on wind farms per year will be K5,250.

STEPS IN FORMULATING THE NATIONAL BUDGET!

The Constitution requires the Government to prepare the national Budget every year and submit it to the National Assembly for approval. The steps it takes to do this are summarised in the diagram below:







This booklet is Zambia's 2017 Citizen's Budget. It is a simplified version of the proposed 2017 National Budget that was presented by the Honourable Minister of Finance on Friday 11th November, 2016.

The Citizens' Budget explains how the Government proposes to raise money and where it intends to spend it, in a simplified manner that is easy for citizens to understand. You are, therefore, encouraged to read the Citizens' Budget and if you have any comments, please contact your area Member of Parliament (MP) to raise the matter during the Parliamentary debates on the Budget, before it is approved by Parliament.

You are also encouraged to listen to Parliament Radio to follow the debates by Members of Parliament (MP) on the proposed 2017 National Budget.



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