

NOTICE TO BUSINESS PLAYERS EXCISE DUTY REFUND FRAMEWORK FOLLOWING THE FUEL PRICE INCREASE UNDER STATUTORY INSTRUMENT 9 OF 2019

Following the press statement by His Excellency the President of Zimbabwe on 12 January 2019 on fuel price adjustments, the Government put in place a fuel duty refund facility to provide relief to identified productive sectors. The facility is meant to curtail possible price increases due to increases in retail pump prices of fuel.

The purpose of this notice is to guide business and their Business Associations on the requirements for successful registration for those who chose to benefit from the relief provided by the Excise Duty Refund facility.

The Excise Duty Refund facility is accessible to registered beneficiaries who meet the following criteria as prescribed by the Minister of Finance and Economic Development.

- The prices of goods and services by beneficiaries are not expected to increase relative to the latest change in the price of fuel;
- The beneficiaries should be registered for tax purposes and be tax compliant;
- Beneficiaries should be members of a recognised Business Association in any of the productive sectors specified and listed below; and
- Beneficiaries should provide evidence that the fuel on which a refund is sought was used for productive purposes in the productive sector specified.

The fuel refund is equivalent to the difference between the prevailing rate of Excise Duty and the rate that was applicable prior to 13 January 2019.

The refund shall apply only to the fuel supplied to the following identified productive sectors:

- Agriculture
- Mining
- Manufacturing and
- Transport.

Registration for Refund Facility

Beneficiaries of the refund facility must register with ZIMRA through their respective Business Associations. Application for registration under this facility shall be submitted through the recognised business association of the applicant in form number FRF1. The Beneficiaries are expected to submit the following documents when they approach their Association for registration:

- Valid tax clearance certificate
- Company/ business registration documents (for sole trader and individual's copy of identification document)
- Estimated quantum of fuel required on a seasonal or monthly basis, and
- Measurement of productivity.

Upon successful registration, the Association shall issue a Beneficiary Certificate to its members, a copy of which will be submitted to ZIMRA each time a refund claim is lodged with ZIMRA in form number FRF2.

Details of the registration process will be availed to the different recognised business associations.

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