

**THE MOTOR VEHICLES (TAX ON REGISTRATION AND
TRANSFER) ACT, 1972**

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THE UNITED REPUBLIC OF TANZANIA



No. 21 OF 1972

I ASSENT,

Jubus K. Nyere
President

17th AUGUST, 1972

An Act to modify and consolidate the Used Motor Vehicles Registration Tax Act, 1963 and the Private Motor Vehicles Registration Tax Act, 1964

[16TH JUNE, 1972]

ENACTED by the Parliament of the United Republic of Tanzania.

PART I

PRELIMINARY

1. This Act may be cited as the Motor Vehicles (Tax on Registration and Transfer) Act, 1972, shall be read as one with the Traffic Ordinance and shall come into operation on the 16th day of June, 1972.

Short title
construction and
commence-
ment
Cap. 168

2.—(1) In this Act, unless the context otherwise requires—

- “Commissioner” means the Principal Secretary to the Treasury;
- “licensing authority”, “owner” and “motor-vehicle” shall have the meanings assigned to those expressions by the Traffic Ordinance;
- “Minister” means the Minister for the time being responsible for finance;
- “registration” means registration of a motor vehicle under Part I of the Traffic Ordinance;
- “registration tax” means the tax imposed by Part II of this Act;
- “tax on transfer” means the tax imposed by Part III of this Act;
- “transfer” means any transaction whereby the property, or any interest in the property, in a motor vehicle is transferred from one person to another person whether pursuant to any sale, mortgage or other arrangement whatsoever, and whether or not such transfer is for any valuable consideration.

Interpreta-
tion

(2) For the purposes of this Act a transfer of motor vehicle shall be deemed to have been completed—

- (a) where such transfer is accompanied by delivery of the possession of the motor vehicle, on the date on which such delivery is effected;
 - (b) where such transfer is endorsed or required to be endorsed on any registration card or register issued or maintained pursuant to the provisions of the Traffic Ordinance, on the date on which such endorsement is effected,
- whichever date first occurs.

(3) The Commissioner may, by writing under his hand, authorize any public officer to perform all or any of his functions.

PART II REGISTRATION TAX

Application
of Part II

3.—(1) This Part shall apply to—

- (a) a motor vehicle constructed or adapted solely or mainly for the carriage of passengers and their personal luggage and having a seating capacity, as assessed by the licensing authority, for not more than fifteen persons including the driver;
- (b) a motor-cycle;
- (c) a pick-up, panel truck or similar vehicle of less than three tons load carrying capacity.

(2) For the purposes of subsection (1) a station wagon, shooting brake or similar vehicle shall be deemed to be constructed mainly for the carriage of passengers and their personal luggage.

(3) References in this Part to a “motor vehicle” shall, unless the context otherwise requires, be construed as references to a motor vehicle to which this Part applies.

Registration

4.—(1) Subject to the provisions of this Part, there shall be charged, levied and collected a tax, to be known as motor vehicle registration tax, at the rate set out in the First Schedule to this Act—

- (a) upon first registration of any motor vehicle to which this Act applies; or
- (b) where in the case of any motor vehicle to which this Act applies registration tax has not been paid by reason of an exemption under section 6 upon the expiry of such exemption or upon transfer of such motor vehicle to a person not enjoying similar exemption;
- (c) where subsequent to first registration of a motor vehicle to which this Act does not apply the motor vehicle is so adapted as to bring it within a category of motor vehicles to which this Act applies upon such adaptation.

(2) For the purposes of subsection (1)—

- (a) registration tax shall be deemed to have been paid in respect of a motor vehicle if the registration tax payable under the Private Motor Vehicles Registration Tax Act, 1964 (hereinafter referred to as the 1964 Act) has been paid in respect of such vehicle; Cap. 562
- (b) where any motor vehicle was, immediately before the commencement of this Act, exempt from the registration tax payable under the 1964 Act by virtue of any exemption order made under section 3 of that Act, such motor vehicle shall, for so long as such exemption continues to be effective for the purposes of this Act, be deemed to be exempt from payment of registration tax payable under this Act by an order made under section 6.

5.—(1) The registration tax payable under section 4 shall be paid to the licensing authority— Payment of registration tax

- (a) in any case to which paragraph (a) of subsection (1) of section 4 applies, by the person applying for such registration upon the date on which such application for first registration is made;
- (b) in any case to which paragraph (b) of subsection (1) of section 4 applies—
 - (i) if the registration tax becomes payable by reason of expiry of any such exemption as is referred to in that paragraph, by the owner within fourteen days of the date on which the exemption expires;
 - (ii) if the registration tax becomes payable by reason of the transfer of the motor vehicle to any such person as is referred to in that paragraph, by such person upon completion of the transfer;
- (c) in any case to which paragraph (c) of subsection (1) of section 4 applies, by the owner within fourteen days of the date on which such adaptation as referred to in that paragraph is effected.

(2) Where the person liable to pay registration tax in respect of any motor vehicle fails to pay the same on the date or within the period on or during which it is required by subsection (1) to be paid, the person so liable shall thereupon become liable to pay a penalty of a sum of money equal to twenty-five per centum of the registration tax.

(3) The Commissioner may, in any case, remit in whole or in part, any penalty payable under this section.

(4) Where such owner has subsequent to becoming liable to pay registration tax or any penalty, transferred the vehicle to any other person, the owner and such person to whom the vehicle is so transferred and also every other person to whom it may be subsequently transferred shall be jointly and severally liable to pay the registration tax and penalty if any, or any unpaid portion of such registration tax or penalty:

Provided that these provisions shall not apply in respect of any person enjoying an exemption in relation to the motor vehicle by virtue of an order made under section 6.

- Exemption 6. The Minister may, if in his opinion it is in the public interest so to do —
- (a) by order in the *Gazette*, exempt any category or categories of motor vehicles from the registration tax imposed by this Act;
 - (b) by order in the *Gazette*, exempt any person or class of persons from payment of any registration tax in respect of any motor vehicle or any category or number of motor vehicles owned by such person or class of persons.

PART III

TAX ON TRANSFER

Application 7.—(1) This Part shall apply to a motor vehicle of any description whatsoever, other than a tractor, which is or has been registered under Part I of the Traffic Ordinance.

(2) References in this part to a “motor vehicle” shall be construed as reference to a motor vehicle to which this part applies.

Tax on Transfer 8.—(1) Subject to the provisions of this Part there shall be charged, levied and collected a tax to be known as tax on transfer, at the rate specified in the Second Schedule to this Act, upon the transfer of any motor vehicle to which this Act applies.

(2) Notwithstanding the provisions of subsection (1), no tax on transfer shall be payable—

- (a) upon the transfer of a motor vehicle by the owner to his or her spouse;
- (b) upon the transfer of a motor vehicle to the personal representatives of a deceased owner;
- (c) where a motor vehicle is registered jointly in the names of two or more persons as owners, upon the transfer by any one of them of his interest therein to any other of them;
- (d) upon the transfer of a motor vehicle to the trustee in bankruptcy of the owner;
- (e) upon transfer of a motor vehicle by any body corporate to any other body corporate which is an associate of such first named body corporate, in the course of the transfer of all the assets of such body corporate to such associate body corporate:

Provided that the provisions of this paragraph shall not apply if a consideration for such transfer has been or is to be provided directly or indirectly by a person other than the associate body corporate or any body corporate which, at the time of such transfer, was an associate of either the transferor or the transferee.

(3) For the purposes of this section—

- (a) a body corporate means any body of persons incorporated by or under any written law;

(b) a body corporate shall be deemed to be an associate of another body corporate if—

- (i) one of them is the beneficial owner of not less than ninety per centum of the issued share capital of the other; or
- (ii) not less than ninety per centum of the issued share capital of each of them is owned by a third body corporate.

9.—(1) The tax on transfer payable under section 8 shall be paid by the transferee to the licensing authority upon the completion of the transfer of the vehicle, and if it is not paid upon such completion of the transfer the transferee shall be liable to pay a penalty of a sum of money equal to twenty-five per centum of the tax on transfer. Payment of
tax on
transfer

(2) The Commissioner may, in any case remit in whole or in part, any penalty payable under this section.

(3) Where a transferee has, subsequent to becoming liable to pay tax on transfer or any penalty, transferred the vehicle to any other person, such first named transferee and the person to whom it is so subsequently transferred and any other subsequent transferee shall be jointly and severally liable to pay the tax on transfer and any penalty due in respect of such first mentioned transfer, or any portion of such tax or penalty remaining unpaid:

Provided that this subsection shall not apply in respect of any person enjoying an exemption in relation of the motor vehicle by virtue of an exemption under an order made under section 10.

10.—(1) The Minister may, if he is satisfied that it is in the Public interest so to do, by order— Exemptions

- (a) exempt any category of motor vehicles from tax on transfer;
- (b) exempt any person in respect of any category or number of motor vehicles transferred to him;
- (c) remit in part the tax on transfer payable under this Act in respect of—
 - (i) any category of motor vehicles;
 - (ii) any category or number of motor vehicles transferred to the person specified in the order.

(2) The Minister may, by order, authorize any person or body of persons, to perform, subject to such limitations and restrictions as he may impose, all or any of his functions under this section in relation to any region or district.

PART IV GENERAL PROVISIONS

11. In this Part, unless the context otherwise requires—

Construction

“appropriate tax” or “tax” means either the registration tax payable under Part II or the tax on transfer payable under Part III;

“motor vehicle” in relation to registration tax, means a motor vehicle to which Part II applies; and in relation to tax on transfer, means a motor vehicle to which Part III applies.

Recovery of
tax and
penalty

12.—(1) Any tax or penalty payable by any person under the provisions of this Act shall be a debt due to the Government and may be recovered from such owner as a civil debt by a suit at the instance of the Commissioner or any person authorized by the Commissioner in that behalf.

(2) Without prejudice to the method of recovery of tax and penalties prescribed by subsection (1), where any amount of tax or penalty is due from any person, the Commissioner may file in a court of a resident magistrate having jurisdiction over the area in which such person resides, carries on business or works for gain, a certificate stating—

- (a) the name and address of the person from whom such amount is due; and
- (b) the amount due,

and upon such certificate being lodged in such court such certificate shall be deemed to be a decree passed by such court against the person named in the certificate for payment by such person to the Government of the amount stated in the certificate together with interest thereon at twelve per centum per annum from the date on which such certificate is filed until the date of payment, and every such decree may be executed in the same manner as a decree passed by a court of a resident magistrate in a civil suit.

(3) The provisions of subsection (2) shall apply notwithstanding that the amount involved exceeds the pecuniary jurisdiction of a court of a resident magistrate.

(4) Every certificate filed in a court of a resident magistrate pursuant to the provisions of subsection (2) shall be conclusive evidence of the truth of the statements contained in such certificate.

Powers of
licensing
authority

13. It shall be lawful for the licensing authority—

- (a) to refuse to register a motor vehicle or a transfer until the appropriate tax has been fully paid;
- (b) to call for such evidence, by affidavit or otherwise, to satisfy himself—
 - (i) of the amount of the tax payable;
 - (ii) whether any vehicle, any person or any transaction is exempt from payment of any tax.

Receipt
for tax

14. The licensing authority to whom any tax is paid under this Act shall give a receipt therefor to the person paying the same:

Provided that where any payment is made by cheque the licensing authority may refuse to give such receipt until after the cheque has been duly honoured by payment.

Offences

15. Any person who—

- (a) fails to make payment of any tax within thirty days from the date on which such payment is required to be made, or as the case may be, from the last day of the period during which such payment is required to be made;

- (b) for the purposes of evading the payment of any tax or penalty or the full amount of any tax or penalty, knowingly makes any false statement to a licensing authority;
- (c) for the purpose of evading the payment of any tax or penalty, or the full amount of any tax or penalty, makes, or procures any other person to make, any alteration to any identification mark on any motor vehicle or any part thereof, or to any registration card, register, book or other document in relation to such motor vehicle or in which particulars of such motor vehicle have been entered, or utters any such card, register, book or other document;
- (d) being the owner of a motor vehicle in respect of which registration tax becomes payable under paragraph (b) or (c) of subsection (1) of section 4, fails to report to the licensing authority of—
 - (i) the expiry of the exemption to which the said paragraph (b) of subsection (1) of section 4 relates; or
 - (ii) such adaptation of a motor vehicle as is referred to in the said paragraph (c) of subsection (1) of section 4, within twenty-one days of such expiry or, as the case may be, adaptation;
- (e) with intent to evade payment of any tax or penalty, does any act or thing,

shall be guilty of an offence and shall be liable, on conviction, to a fine not exceeding twenty thousand shillings or to imprisonment for a term not exceeding two years, or to both such fine and such imprisonment.

16.—(1) The Commissioner, any person authorized by the Commissioner in that behalf or any police officer of or above the rank of an Inspector may inspect any vehicle and ask the person in charge of the vehicle such questions as may be necessary in order to ensure that the provisions of this Act and of any regulations made hereunder have been complied with. Power to inspect and detain vehicles

(2) Where an officer exercising his powers under subsection (1) is satisfied that the provisions of this Act or of any regulations made hereunder have not been complied with in respect of the vehicle, he may seize and detain the vehicle until such time as the provisions of this Act are complied with.

17. Where the Commissioner or any person authorized by him in writing in that behalf or any police officer of or above the rank of Inspector has reason to believe that an offence under this Act or under any regulations made hereunder has been committed or is about to be committed and that the person whom he reasonably suspects of being involved in such offence is in any building or other place, he may, at all reasonable hours, enter such place or any part thereof, interrogate any person found in such place and seize any book, register or document which, in his opinion, may be evidence of commission of, or of intent to commit, such offence and may retain such book, register or document until produced in court or, if not so produced, for a period not exceeding sixty days. Power of entry, etc.

Obstruction
of officers
etc.

18. Any person who—

- (a) obstructs any public officer in exercise of the powers conferred upon him by section 16 or section 17;
- (b) refuses to answer any reasonable question put to him by such public officer,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding five thousand shillings.

Burden of
proof

19. In proceedings for an offence under this Act or under regulations made hereunder, the burden to prove that—

- (a) he is exempt from payment of any tax; or
- (b) that he has duly paid any tax; or
- (c) that by virtue of any provisions of this Act he, or the motor vehicle or the transfer in relation to which he is charged, is exempt from any tax,

shall be on the accused.

Commis-
sioner may
compound
offences

20.—(1) The Commissioner may, where he is satisfied that any person has committed an offence under this Act or any regulations made hereunder, by order, compound such offence by requiring such person to make payment of a sum of money:

Provided that—

- (a) such sum of money shall not be less than one hundred shillings or more than an aggregate of one half of the maximum fine provided for such offence and the whole of the amount of any tax or penalty due from such person;
- (b) the power conferred by this section shall only be exercised where the person admits in writing that he has committed the offence;
- (c) the Commissioner shall give to the person from whom he receives such sum of money, a receipt therefor.

(2) Where an offence is compounded in accordance with the provisions of subsection (1) and any proceedings are brought against the offender for the same offence, it shall be a good defence for such offender if he proves to the satisfaction of the court that the offence with which he is charged has been compounded under subsection (1).

(3) Where any person is aggrieved by any order made under subsection (1), he may, within thirty days of such order being made, appeal against such order to the High Court and the provisions of Part X of the Criminal Procedure Code shall apply *mutatis mutandis* to every such appeal as if it were an appeal against sentence passed by a district court in the exercise of its original jurisdiction.

Fees under
Traffic
Ordinance

21. No person shall by reason only of any tax under this Act be deemed to be exempt from liability to pay any registration fee or transfer fee payable under the Traffic Ordinance.

Regulations

22. The Minister may make regulations for the better carrying out of the purposes and provisions of this Act.

23. For the purposes of the First Schedule to this Act—

Construction
of First
Schedule

“a new vehicle” means a vehicle which prior to its first registration in Tanganyika, was not registered elsewhere, or which is first registered in Tanganyika within one year after its having been registered for the first time outside Tanganyika;

“registration outside Tanganyika” means the registration of the vehicle in the name of its owner (not being the manufacturer of the vehicle or his agent or any dealer in motor vehicles as such) in accordance with the law of any country:

Provided that where the Minister is satisfied that any motor vehicle has been in the possession of any person (other than the manufacturer of the vehicle or his agent or any dealer in motor vehicles as such) for a period of more than one year in any country under the law of which vehicles are not required to be registered in the name of the owner, he may deem such vehicle to have been registered outside Tanganyika for that period;

“the appropriate percentage” in relation to paragraph (2) of the said Schedule shall be—

- (i) for the first year, twenty per centum;
- (ii) for the second year, fifteen per centum.
- (iii) for the third and each subsequent year, ten per centum;

“value” in relation to a motor vehicle means the current retail price (inclusive of customs duty) at Dar es Salaam of a vehicle of the current model of the same make, type and description or, as nearly as may be of the same type and description where such price cannot be ascertained with reasonable accuracy, the value as assessed by the licensing authority.

24. The Used Motor Vehicles Registration Tax Act, 1963 and the Repeal Private Motor Vehicles Registration Tax Act, 1964 are hereby repealed.

25. Notwithstanding the provisions of section 24 every exemption granted under section 5 of the Private Motor Vehicles Registration Tax Act, 1964 shall continue in force, and have effect, as an exemption under section 6 of this Act and may be revoked or amended accordingly. ^{Saving provisions}

FIRST SCHEDULE

RATES OF REGISTRATION TAX

- (1) In the case of a new vehicle the registration tax shall be—
 - (a) where the vehicle is a motor cycle, fifteen per centum of the value of the motor cycle;
 - (b) in any other case, where the maximum cylinder capacity of the vehicle—
 - (i) does not exceed 1200c.c., 20% of the value of the vehicle;
 - (ii) exceeds 1200 c.c. but does not exceed 1500 c.c., 25% of the value of the vehicle;
 - (iii) exceeds 1500 c.c. but does not exceed 1750 c.c., 25% of the value of the vehicle;
 - (iv) exceeds 1750 c.c. but does not exceed 2000 c.c., 25% of the value of the vehicle;
 - (v) exceeds 2000 c.c. but does not exceed 2250 c.c., 30% of the value of the vehicle;
 - (vi) exceeds 2250 c.c. 40% of the value of the vehicle.

FIRST SCHEDULE—*contd.*

(2) In the case of a motor vehicle other than a new vehicle, the registration tax shall be the sum payable under paragraph (1) of this Schedule on a new vehicle of the same make, type or description (or as nearly as may be of the same type and description) less the appropriate percentage of that sum for each full year from the date when the vehicle was registered, either within Tanganyika or outside Tanganyika, for the first time.

SECOND SCHEDULE

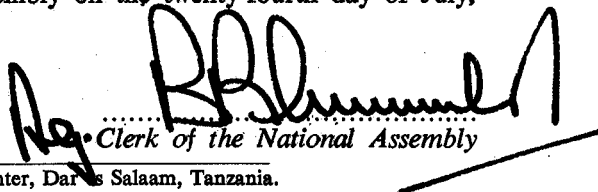
RATES OF TAX ON TRANSFER

- (1) In the case of a motor-cycle, Shs. 50/-.
- (2) In the case of any other motor vehicle the maximum cylinder capacity of which is within the range specified in the first column of the table below, the motor vehicle transfer tax shall be—
- where the transfer takes place within three years immediately following such vehicle's first registration in Tanganyika, the sum of money specified opposite thereto in the second column of the said table;
 - where the transfer takes place after three years from the date of such first registration but within six years thereof, the sum of money specified opposite thereto in the third column of the said table;
 - where the transfer takes place after six years from the date of such first registration but within nine years thereof, the sum of money specified opposite thereto in the fourth column of the said table;
 - where the transfer takes place after nine years from the date of such first registration, the sum of money specified opposite thereto in the fifth column of the said table.

TABLE OF RATES OF TAX ON TRANSFER

First Column Range of Cylinder Capacity	Second Column	Third Column	Fourth Column	Fifth Column
	Where transfer within 3 years	Where transfer after 3 years but within 6 years	Where transfer after 6 years but within 9 years	Where transfer after 9 years
	Shs. Cts.	Shs. Cts.	Shs. Cts.	Shs. Cts.
(i) Not exceeding 1200 c.c.	500 00	1,500 00	750 00	250 00
(ii) Exceeds 1200 c.c. but does not exceed 1500 c.c.	600 00	1,750 00	875 00	350 00
(iii) Exceeds 1500 c.c. but does not exceed 1750 c.c.	750 00	2,000 00	1,000 00	450 00
(iv) Exceeds 1750 c.c. but does not exceed 2000 c.c.	1,000 00	2,500 00	1,250 00	600 00
(v) Exceeding 2000 c.c. but does not exceed 2250 c.c.	1,250 00	3,000 00	1,500 00	750 00
(vi) Exceeding 2250 c.c.	1,500 00	5,000 00	2,500 00	1,250 00

Passed in the National Assembly on the twenty-fourth day of July, 1972.


Clerk of the National Assembly