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ZIMBABWE

ACT

To make further provision for the revenues and public funds of Zimbabwe and to provide for matters connected therewith or incidental thereto.

ENACTED by the Parliament and the President of Zimbabwe.

PART I

PRELIMINARY

1 Short title

This Act may be cited as the Finance Act, 2019.

PART II

INCOME TAX

Amendments to Chapter I of Finance Act [Chapter 23:04]

2 Amendment of section 14 of Cap. 23:04

With effect from the year of assessment beginning on the 1st January, 2019, section 14 (“Income tax for periods of assessment after 1.4.88”)(2) of the Finance Act [Chapter 23:04] is amended in subsection (2)—

- (a) by the repeal of paragraph (a) and the substitution of—

- “(a) in the case of a person other than a company, a trust or a pension fund, at the specified percentage of each dollar of each of the following parts of his or her taxable income from employment earned in foreign currency—
 - (i) so much as does not exceed four thousand two hundred United States dollars;
 - (ii) so much as exceeds four thousand two hundred United States dollars but does not exceed eighteen thousand United States dollars;
 - (iii) so much as exceeds eighteen thousand United States dollars but does not exceed sixty thousand United States dollars;
 - (iv) so much as exceeds sixty thousand United States dollars but does not exceed one hundred and twenty thousand United States dollars;
 - (v) so much as exceeds one hundred and twenty thousand United States dollars but does not exceed one hundred and eighty thousand United States dollars;
 - (vi) so much as exceeds one hundred and eighty thousand United States dollars but does not exceed two hundred and forty thousand United States dollars;
 - (vii) so much as exceeds two hundred and forty thousand United States dollars;”;
- (b) by the insertion after paragraph (j) of the following paragraph—
 - “(k) in respect of amounts receivable by or on behalf of a satellite broadcasting service domiciled outside Zimbabwe, or an electronic commerce platform domiciled outside Zimbabwe, that are deemed by virtue of section 12(6) and (7) of the Taxes Act to be income derived from a source within Zimbabwe, at the specified percentage of each United States dollar of that income.”.

3 Amendment of Schedule to Chapter I of Cap. 23:04

With effect from the year of assessment beginning on the 1st January, 2019, the Schedule (“Credits and Rates of Income Tax”) to Chapter I of the Finance Act [*Chapter 23:04*] is amended in Part II—

- (a) by the repeal of the items relating to section 14(2)(a) and the substitution of—

“Section	Level of taxable income	Specified percentage %
14(2)(a)(i)	Up to US\$4 200	0
14(2)(a)(ii)	US\$4 201 to US\$18 000	20
14(2)(a)(iii)	US\$18 001 to US\$60 000	25
14(2)(a)(iv)	US\$60 001 to US\$120 000	30
14(2)(a)(v)	US\$120 001 to US\$180 000	35
14(2)(a)(vi)	US\$180 001 to US\$240 000	40
14(2)(a)(vi)	US\$240 001 and more	45”;

- (b) by the insertion after the item relating to section 14(2)(j) of the following item—

“14(2)(k)	Income of foreign domiciled satellite broadcasting service or electronic commerce platform deemed in terms of section 12(6) and (7) of the Taxes Act to be income derived from a source within Zimbabwe5%”.
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4 New section substituted for section 22G of Cap. 23:04

With effect from the 13th October, 2018, section 22G of the Finance Act [*Chapter 23:04*] is repealed and the following is substituted—

“22G Intermediated Money Transfer Tax

The intermediated money transfer tax chargeable in terms of section 36G of the Taxes Act shall be calculated at the rate of zero comma zero two United States dollars on every dollar or part thereof transacted for each transaction on which the tax is payable:

Provided that if a single transaction on which the tax is payable is equivalent to or exceeds five hundred thousand United States dollars, a flat intermediated money transfer tax of ten thousand United States dollars shall be chargeable on such transaction.”.

Amendments to Income Tax Act [Chapter 23:06]

5 Amendment of section 12 of Cap. 23:06

With effect from the 1st January, 2019, section 12 (“Circumstances in which amounts are deemed to have accrued from sources within Zimbabwe”) of the Income Tax Act [*Chapter 23:06*] is amended—

- (a) in subsection (1) by the insertion of the following paragraph after paragraph (e)—
 - “(f) in the circumstances specified in subsections (6) and (7).”;
- (b) by the insertion of the following subsections after subsection (5)—

“(6) Any amount receivable by or on behalf a satellite broadcasting service domiciled outside Zimbabwe from persons resident in Zimbabwe in respect of the provision or delivery of television or radio programmes to those persons shall be deemed to be income from a source within Zimbabwe.

(7) Any amount receivable by or on behalf of an electronic commerce platform domiciled outside Zimbabwe from persons resident in Zimbabwe in respect of the provision or delivery of goods or services to those persons shall be deemed to be income from a source within Zimbabwe.

- (8) In subsections (6) and (7)—

“electronic commerce platform” means a service which by the use of a telecommunications service or electronic means (and whether mediated by computers, mobile telephones or other devices) sells and delivers goods and services to customers;

“satellite broadcasting service” means a service which by means of a satellite (whether or not in combination with cable optical fibre or any other means of delivery) delivers television or radio programmes to persons having equipment appropriate for receiving that service.”.

6 New section inserted in Cap. 23:06

With effect from the 1st January, 2019, the Income Tax Act [*Chapter 23:06*] is amended by the insertion of the following section after section 12—

“12A Taxation of certain income deemed to be from a source within Zimbabwe

(1) This section applies to the taxation of income deemed in terms of section 12(6) and (7) to be income from a source within Zimbabwe.

(2) Every person who provides services as a satellite broadcasting service, or provides or delivers goods and services as an electronic commerce platform, which receives revenues in excess of five hundred thousand dollars (\$500 000,00) in any year of assessment from the provision or delivery of such goods or services to persons resident in Zimbabwe, shall pay tax on such revenues charged and levied at the rate specified in section 14(2)(k) of the Charging Act.

(3) Any amount so received or accrued in any year of assessment by way of income arising by virtue of section 12(6) and (7)—

- (a) shall, notwithstanding section 7, be charged to tax in such manner and at such rates as may be fixed by the charging Act relating to that year of assessment; and
- (b) shall not reduce any assessed loss which the taxpayer would have had in that year of assessment if such amount had not been received by or accrued to him or her.

(4) Sections 19A (“Non-resident companies: basis of charge to and determination of company tax”) and section 19B (“Meaning of “permanent establishment””) shall not apply to the taxation of income deemed to have accrued from a source within Zimbabwe in terms of section 12(6) and (7).”.

7 Amendment of section 15 of Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2019, section 15 (“Deductions allowed in determination of taxable income”)(2) of the Income Tax Act [*Chapter 23:06*] is amended in paragraph (f)(i) by the repeal of the proviso thereto and the substitution of—

“Provided that an allowance or deduction in terms of this subparagraph may be claimed in respect of two or more mining locations together, whether or not the expenditure or losses are attributable to any one or more mining locations concerned, where the Commissioner is satisfied that the mining operations conducted on the mining locations are inseparable or substantially interdependent, that is to say—

- (i) both or all of the mining locations are held by the same taxpayer; and
- (ii) the mineral or minerals produced at the locations are subjected to an integrated process of beneficiation under the control of the taxpayer.”.

8 Amendment of section 16 of Cap. 23:06

Section 16 (“Cases in which no deduction shall be made”) (1) of the Income Tax Act [*Chapter 23:06*] is amended by the insertion of the following paragraph after paragraph (d)—

“(d1) any amount of Intermediated Money Transfer Tax charged in terms of section 22G of this Act;”.

9 Amendment of section 77 of Cap. 23:06

With effect from the year of assessment beginning on the 1st January, 2019, section 77 (“Recovery of tax”) of the Income Tax Act [*Chapter 23:06*] is amended by the insertion of the following subsection after subsection (7)—

“(8) If, in Zimbabwe or in its country of formation, incorporation or registration, a company or entity (“the old company or entity”) is wound up voluntarily, and in circumstances that give rise to a reasonable suspicion that it was deliberately put into liquidation to avoid any tax liability, and—

- (a) the directors (or other persons acting in a similar capacity) of the old company or entity (or any of them)—
 - (i) incorporate or register another company or other entity (hereinafter called the “new company or entity”) that carries out substantially the same business as the old company; or
 - (ii) operate as sole traders, whether individually or collectively, carrying on substantially the same business as the old company or entity; or
- (b) the whole or a substantial part of its business and property wherever situated is transferred to another company or entity which will be or has been formed, incorporated or registered under any law;

the directors of the old company or entity (whether or not any of them become directors of or act in a similar capacity in relation to the new company or entity) shall be jointly and severally liable for the amount of any tax due and payable by the old company or entity.”.

10 Amendment of section 80 of Cap. 23:06

(1) Section 80 (“Withholding of amounts payable under contracts with State or statutory corporations”) of the Income Tax Act [*Chapter 23:06*] is amended—

- (a) in subsection (1) by the repeal of the definition of “payee” and the substitution of—

““payee” means a person to whom any amount is payable in terms of a contract, but does not include a non-resident person liable to pay the withholding taxes under the Seventeenth, Eighteenth and Nineteenth Schedules;”;

- (b) in subsection (4) by the insertion of the following paragraph after paragraph (b)—

“or

- (c) where the registered taxpayer is exempt from payment of tax, the Commissioner shall refund the tax so payable to the payee or allow a set-off against other tax payable to the Commissioner.”.

(2) The failure by the Reserve Bank of Zimbabwe to withhold (in terms of section 80 of the Income Tax Act [*Chapter 23:06*]) tax from payments to payees who are recipients of interest accruing from Treasury Bills is hereby condoned for the period 1st February, 2009 to 1st December, 2018.

(3) The failure by any school to withhold tax from payments to payees in terms of section 80 of the Income Tax Act [*Chapter 23:06*] is hereby condoned for the period six years ending on the 31st December, 2017.

11 Amendment of section 98B of Cap. 23:06

With effect from the 1st January, 2019, section 98B (“Transactions between associates”) of the Income Tax Act [*Chapter 23:06*] is amended—

- (a) by the insertion of the following subsection after subsection (2)—

“(2a) In addition, where the Commissioner amends an assessment by virtue of subsection (2), the taxpayer or taxpayers concerned shall be liable—

- (a) if there is evidence that the avoidance, reduction or postponement of the liability to tax was actuated by the use of fraud or evasion, to a penalty of one hundred *per centum* of the shortfall amount; or
- (b) in the absence of such evidence as is mentioned in paragraph (a)—
- (i) where contemporaneous transfer pricing documentation does not exist in relation to the transaction giving rise to the amended assessment, or does not comply with the guidelines prescribed in the Thirty-Fifth Schedule, to a penalty of thirty *per centum* of the shortfall amount; or
- (ii) where contemporaneous transfer pricing documentation exists in relation to the transaction giving rise to the amended assessment, and complies with the guidelines prescribed in the Thirty-Fifth Schedule, to a penalty of ten *per centum* of the shortfall amount.”;
- (b) by the insertion of the following subsections after subsection (5)—

“(6) Every person who engages or will engage in a transaction to which subsection (1) or (4) applies shall submit a return to the Commissioner in the prescribed form requiring disclosure of the details of the transaction or contemplated transaction.

(7) The Commissioner, in the exercise of his or her powers under section 37(10) may require any person to make a return in the prescribed form referred to in subsection (6).”.

12 Amendment of Third Schedule to Cap. 23:06

The Third Schedule (“Exemptions from Income Tax”) to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 3 by the insertion of the following paragraph after paragraph (i)—

- “(j) of financial institutions in the form of income from Treasury Bills, if the terms sheet subject to which the Treasury Bills in question were issued specified that their income was tax-free.”.

13 Amendment of Thirtieth Schedule to Cap. 23:06

(1) With effect from the 13th October, 2018 (or the 22nd November, 2018, in respect of the exemptions referred to in paragraphs (l) to (p) of the definition of “transaction on which tax is payable” as inserted by this subsection, which may have been applied with effect from that date by any taxpayer), the Thirtieth Schedule (“Intermediated Money Transfer Tax”) to the Income Tax Act [*Chapter 23:06*] is amended in paragraph 1 (“Interpretation”)(1) by the insertion of the following definitions—

““company” means a company or private business corporation registered or incorporated under the enactment providing for the registration or incorporation of such entities;

“marketable security” has the meaning given to it by section 2 of the Capital Gains Tax Act [*Chapter 23:01*];

“money market instrument” means any—

- (a) Treasury Bill, Treasury Bond, Reserve Bank of Zimbabwe Bill or Reserve Bank of Zimbabwe Bond;
- (b) corporate bill or bond, that is, any bill or bond issued in the name of a company;
- (c) negotiable certificate of deposit or fixed deposit instrument;

“nostro foreign currency account” means any account designated in terms of Exchange Control Directive RT/120 of 2018, held with a financial institution in Zimbabwe, in which money in the form of foreign currency is deposited from offshore or domestic sources;

“pension fund” means—

- (a) the National Social Security Authority established by the National Social Security Authority Act [*Chapter 17:04*];
- (b) any pension fund registered as such in terms of the Pension and Provident Funds Act [*Chapter 24:09*];

“remuneration” has the meaning given to it by paragraph 1(1) of the Thirteenth Schedule of the Act (whether or not such remuneration is subject to employees’ tax);

“specified trust account” means any trust account required to be opened and operated in terms of the Insurance Act [*Chapter 24:07*], the Legal Practitioners Act [*Chapter 27:07*], the Estate Agents Act [*Chapter 27:17*] (No. 6 of 1999) or the Estate Administrators Act [*Chapter 27:20*] (No. 16 of 1998);

“transaction on which the tax is payable” does not include any of the following transactions—

- (a) the transfer of money for the purchase or sale of marketable securities;
- (b) the transfer of money for the purchase or redemption of money market instruments;
- (c) the transfer of money on payment of remuneration;
- (d) the transfer of money to or from the Zimbabwe Revenue Authority for the payment or refund of any tax, duty or other charges;
- (e) the intra-corporate transfer of money, that is to say, transfer of money between the treasury account and any trading account held in the name of the same company;
- (f) the transfer of money from (but not into) specified trust accounts;
- (g) the transfer of money into and from nostro foreign currency accounts;
- (h) the transfer of money by Government from the Consolidated Revenue Fund or from funds established in terms of section 18 of the Public Finance Management Act [*Chapter 22:19*] (No. 11 of 2009);
- (i) the transfer of money to any pension fund or to beneficiaries of such a fund;
- (j) the transfer of money for the procurement, production or sale (wholesale or retail) of a petroleum product by a petroleum company licensed in terms of Part VI of the Petroleum Act [*Chapter 13:22*] (No. 11 of 2006);
- (k) the transfer of money between an individual’s mobile wallet account and his or her bank account;

- (l) the transfer of money from a medical aid society registered in terms of the Medical Services Act to a medical service provider in settlement of a claim for services rendered by that provider;
- (m) the transfer of money in the form of insurance premiums—
 - (i) by insurance brokers to insurance companies; and
 - (ii) by insurance companies to reinsurers, retrocessionaires and asset managers registered in terms of the Asset Management Act [*Chapter 24:26*] (No. 16 of 2004);
- (n) the transfer of money to producers, sellers or exporters of minerals by the Minerals Marketing Corporation of Zimbabwe pursuant to the Minerals Marketing Corporation Act [*Chapter 21:04*];
- (o) the transfer of money to producers or sellers of gold by Fidelity Printers and Refiners (Private) Limited;
- (p) the transfer of money to a successor company of the Zimbabwe Electricity Supply Authority (referred to in section 75 of the Electricity Act [*Chapter 3:09*]) from a trust fund credited with prepayments for electricity made by a mobile banking service provider;
- (q) the transfer of money by travel agents to airlines on the purchase and administration of air tickets;
- (r) the transfer of money involving a transaction other than one mentioned in the foregoing paragraphs, if the value of transaction is ten United States dollars or below”.

(2) The collection of intermediated money transfer tax in terms of Statutory Instrument 205 of 2018 is hereby validated to the date of commencement of this Act.

PART III

VALUE ADDED TAX

Amendments to Value Added Tax Act [Chapter 23:12]

14 Amendment of section 2 of Cap. 23:12

With effect from the 1st January, 2019, section 2 (“Interpretation”) of the Value Added Tax Act [*Chapter 23:12*] is amended by the repeal of the definition of “imported services” and the substitution of—

““imported services” means a supply of services that is made by a supplier who is not resident in Zimbabwe or carries on business outside Zimbabwe to a recipient who is a resident of Zimbabwe to the extent that such services are utilised or consumed in Zimbabwe;”.

15 Amendment of section 8 of Cap. 23:12

With effect from the 1st January, 2019, section 8 (“Time of supply”) of the Value Added Tax Act [*Chapter 23:12*] is amended by the repeal of subsection (1) and the substitution of—

“(1) For the purposes of this Act, a supply of goods or services shall, except as is otherwise provided for in this Act, be deemed to take place—

- (a) at the time an invoice is issued by the supplier or the recipient in respect of that supply; or
- (b) at the time any payment of consideration is received by the supplier in respect of that supply; or
- (c) in the case of a supply of a moveable good, at the time of its removal from the place of sale; or

- (d) in the case of a supply of an immoveable goods, at the time the recipient takes possession of it; or
- (e) in the case of a supply of a service at the time the service is performed; whichever time is earlier.”.

16 Postponement of tax on exportation of unbeneficiated platinum

Despite section 14(2) of the Finance Act, 2014, section 12D(“Collection of tax on exportation of unbeneficiated platinum, determination of value thereof”) of the Value Added Tax Act [*Chapter 23:12*] has effect from the year of assessment beginning on the 1st January, 2022.

17 Amendment of section 15 of Cap. 23:12

Section 15 (“Calculation of tax payable”)(2) of the Value Added Tax Act [*Chapter 23:12*] is amended in paragraph (a) by the insertion of the following proviso thereto—

“Provided that if the registered operator can show good cause to the Commissioner for extending the time for claiming a deduction of amount of input tax, the Commissioner may allow such a claim from the time a registered operator was required to make a return.”.

18 Amendment of section 16 of Cap. 23:12

Section 16 (“Permissible deductions in respect of input tax”)(2) of the Value Added Tax Act [*Chapter 23:12*] is amended by the insertion of the following paragraph after paragraph (d)—

- (e) that results from the application of a rate of exchange in excess of the parity rate of one United States dollar to a bond note unit, if the goods and services in question were acquired by such registered operator in a legal tender other than foreign currency (for the purposes of this paragraph “legal tender other than foreign currency” has the meaning given to that term in section 38(9)).”.

19 Amendment of section 38 of Cap. 23:12

With effect from the 1st January, 2019, section 38 (“Manner in which tax shall be paid”) of the Value Added Tax Act [*Chapter 23:12*] is amended—

- (a) by the insertion after subsection (4) and the following subsection—
 - “(4a) For the purposes of subsection (4)—
 - (a) if the price for the taxable supplies in question is paid for in a foreign currency, then the registered operator shall pay the amount of the tax to the Commissioner in that foreign currency;
 - (b) if the price for the taxable supplies in question is paid for in legal tender other than foreign currency, then the registered operator may pay the amount of the tax to the Commissioner in that legal tender or in a foreign currency.”;
- (b) by the insertion after subsection (8) of the following subsection—
 - “(9) In subsections (4) and (4a)—
 - “bond note” means a unit of legal tender whose par value in relation to the United States dollar is backed by a guarantee extended to the Reserve Bank by one or more

international financial institutions, and “bond coins” shall be construed accordingly;

“legal tender other than foreign currency” means bond notes and coins, or money paid by means of an electronic transfer of funds through an account (other than a nostro foreign currency account) with a banking institution;

“nostro foreign currency account” means any account designated in terms of Exchange Control Directive RT/120 of 2018, held with a financial institution in Zimbabwe, in which money in the form of foreign currency is deposited from offshore or domestic sources.”.

20 New section inserted after section 38 in Cap. 23:12

With effect from the 1st January, 2019, the Value Added Tax Act [*Chapter 23:12*], is amended by the insertion after section 38 of the following section—

“38A Civil penalty for breach of section 38(4a)

(1) As soon as it comes to the notice of the Commissioner that a registered operator has failed to comply with section 38(4a), the Commissioner shall, having given the operator a prior right of reply at least seven (7) days before the service of the order, serve upon the operator notice of an assessment in terms of section 31 of double the amount of tax payable in the foreign currency concerned, which shall be payable in the foreign currency concerned (hereinafter called “the primary civil penalty”):

Provided that if the amount assessed is in a foreign currency other than the United States dollar, the registered operator may tender instead the equivalent amount of that tax in United States dollars, being an amount obtained by applying the international cross rate of exchange of the first-mentioned currency for the United States dollar prevailing on the day the tax concerned becomes due.

(2) A registered operator upon whom the Commissioner has served a notice of assessment in terms of subsection (1) and who fails without just cause to comply with the notice within the first seven (7) days of the period of one hundred and eighty-one (181) days shall, if the registered operator continues to be in default, be guilty of an offence and liable on conviction to a fine not exceeding level 10 or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.

(3) The primary and secondary civil penalty shall be paid into and form part of the funds of the Consolidated Revenue Fund.”.

21 Repeal of section 40 of Cap. 23:12

Section 40 of the Value Added Tax Act [*Chapter 23:12*] is repealed.

PART IV

CAPITAL GAINS TAX

22 Amendment of section 21 of Cap 23:01

With effect from the year of assessment beginning on the 1st January, 2007, section 21 (“Provision for sales of principal private residences”) of the Capital Gains Tax Act [*Chapter 23:06*] is amended by the repeal of subsections (2) and (3) and the substitution of—

“(2) An individual may elect that, where a capital gain has been received by or has accrued to him or her on or after the 1st April, 1988, in respect of the sale by him or her of his or her principal private residence or residential stand (hereinafter in this section called the “old principal private residence or old residential stand”) and the Commissioner is satisfied that, before the end of the year of assessment next following the sale, an amount equal to the whole or part of the consideration received or accrued in respect of the sale has been or will be expended on the purchase or construction, on land owned by him or her in Zimbabwe, of another principal private residence or residential stand (hereinafter in this section called the “new principal private residence or new residential stand”) for the individual concerned—

- (a) capital gains tax shall not be chargeable, if the amount of the consideration so received or accrued is equal to or less than the amount so expended; and
- (b) capital gains tax shall be chargeable, if the amount of the consideration so received or accrued exceeds the amount so expended, on a proportion of the capital gain determined by applying the following formula—

$$\frac{A \times C}{B}$$

in which—

- A represents that portion of the amount of the consideration received or accrued on the sale of the old principal private residence or old residential stand not so expended on the purchase or construction of the new principal private residence or new residential stand;
- B represents the total amount of the consideration received or accrued on the sale of the old principal private residence or old residential stand;
- C represents the capital gain in respect of the sale of the old principal private residence or old residential stand.

(3) Where an amount is not chargeable to capital gains tax in terms of subsection (2), such amount shall be deducted from the amount referred to in section 11(2)(a) when determining the capital gain in respect of the new principal private residence or new residential stand, with effect from the year of assessment in which the new principal private residence or new residential stand was acquired.”.

PART V

CUSTOMS AND EXCISE

23 Amendment of section 184 of Cap. 23:02

Section 184 (“Miscellaneous offences”) of the Customs and Excise Act [*Chapter 23:02*] is amended—

- (a) by the repeal of paragraph (g);
- (b) by the repeal of paragraph (o) and the substitution of—
 - “(o) fraudulently claims any suspension, rebate, remission, refund or drawback of duty pursuant to regulations made in terms of section 223 for the purposes of section 120;”.

PART VI

MINES AND MINERALS

24 Amendment of section 37A of Cap. 23:04

Section 37A (“Collection of mining royalties”) of the Finance Act [*Chapter 23:04*] is amended by the insertion of the following subsections after subsection (3)—

“(4) As soon as it comes to the notice of the Commissioner that any person responsible for remitting royalties timeously in terms of subsection (2) has failed to do so, the Commissioner shall serve upon that person notice to pay double the amount of the royalties payable (hereinafter called “the primary civil penalty”).

(5) A person upon whom the Commissioner has served a notice in terms of subsection (1) and who fails without just cause to comply with the notice within the first seven (7) days of the period of one hundred and eighty-one (181) days referred to in paragraph (a) below, shall—

- (a) be liable for a secondary civil penalty of thirty United States dollars (or the maximum monetary figure specified from time to time for level 4, whichever is the lesser amount) for each day the person remains in default, not exceeding a period of one hundred and eighty-one (181) days:
- (b) if the person continues to be in default after the period specified in paragraph (a), be guilty of an offence and liable on conviction to a fine not exceeding level 10 or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.

(6) A primary and secondary civil penalty that becomes payable by the infringer shall constitute a debt due by the infringer to the Zimbabwe Revenue Authority and shall, at any time after it becomes due, be recoverable in a court of competent jurisdiction by proceedings in the name of the Authority.

(7) The primary and secondary civil penalty shall be paid into and form part of the funds of the Consolidated Revenue Fund.”.

25 Application of paragraph 1 of Schedule to Chapter VII of Cap. 23:04

For the purpose of arriving at the value of the reduced royalty on incremental output of gold as provided in paragraph 1 of the Schedule to Chapter VII of the Finance Act [*Chapter 23:04*] (which fixes the rates of royalties for the purposes of section 245 of the Mines and Minerals Act [*Chapter 21:05*]), the value of the gold output in question shall be based on the average prices realised for the gold in the year of assessment in which the reduced royalty is claimed.

This provision has effect from the year of assessment ending on the 31st December, 2014, and applies to every subsequent year of assessment.

PART VII

REVENUE AUTHORITY

26 New Part substituted for Part IIIA in Cap. 23:11

The Revenue Authority Act [*Chapter 23:11*] is amended by the repeal of Part IIIA and the substitution of—

“PART IIIA

EXPEDITED PROCEDURE FOR RECOVERY OF OUTSTANDING TAXES

33A Expedited Procedure for recovery of outstanding taxes

(1) Notwithstanding anything contained in—

- (a) the Capital Gains Tax Act [*Chapter 23:01*]; or
- (b) the Income Tax Act [*Chapter 23:06*]; or
- (c) the Stamp Duties Act [*Chapter 23:09*]; or
- (d) the Value Added Tax Act [*Chapter 23:12*] (No. of 2002);
- (e) the Customs and Excise Act [*Chapter 23:02*];

the Authority may recover any outstanding tax or duty, including interest and any penalty thereon, payable and outstanding in terms of those Acts in accordance with this section.

(2) If any person fails to pay any duly assessed tax, additional tax, duty due, penalty or interest payable in terms of the Acts specified in subsection (1), when it becomes due or is payable by him or her, the Authority may make an application on notice in any Magistrates Court within the province where the taxpayer is ordinarily resident or has his or her principal place of residence, seeking an order—

- (a) for the payment of the assessed tax, additional tax, duty due, penalty or interest and authorising the messenger of court if the application is granted to attach the taxpayer’s movable property itemised in the application to satisfy the debt due upon service of the order on the taxpayer; and
- (b) authorising the Messenger of Court to attach the taxpayer’s movable property to satisfy the debt due upon service of the order on the taxpayer.

(3) The application shall be supported by an affidavit by or on behalf of the Commissioner-General setting forth the following, that—

- (a) the Authority has served an assessment on the taxpayer; and
- (b) the taxpayer has not objected to the assessment, or if the taxpayer has objected, the taxpayer has not appealed against the decision on the assessment within the time prescribed in the Act in question, despite which the taxpayer has failed to pay the outstanding tax, and the amount thereof so due or payable by the taxpayer remains outstanding.

(4) In the case of a debt established in terms of the Customs and Excise Act, the affidavit referred to in subsection (2) shall set forth the following—

- (a) that the Commissioner-General has issued a special warrant for recovery of duty due; and
- (b) the person against whom the special warrant has been raised has not challenged the same; or the goods in question cannot be located or found and the Authority has made a written demand for the payment of the outstanding duty which

demand has not been complied with, so that the duty due remains outstanding.

(5) The magistrate on considering the application in terms of subsection (2), may make an order for the following—

- (a) payment of the assessed amount; and
- (b) immediate attachment of the movable property of the judgment debtor.

(6) Until the application is determined, the respondent tax payer shall not in any way deal with the itemised property referred to in subsection (2)(b) in a manner that will in any way diminish it (failure to comply with which shall be an offence punishable by a level 10 fine or imprisonment of six months or both).

(7) Notwithstanding anything contained in the Magistrates Court Act [*Chapter 7:10*] or any other law dealing with monetary jurisdiction an application may be made in terms of subsection (2) with the Magistrates Court having jurisdiction in respect of the person for any amount not exceeding fifty thousand dollars (in respect of amounts exceeding that level, the provisions of this section shall apply with necessary changes as if the application were made in the High Court).

(8) No action shall be taken in terms of this section where more than six years have elapsed since the tax duty or penalty referred to in this section became payable.

(9) Nothing in this section shall be construed as depriving the Authority of any other remedy for the recovery of tax, additional tax, duty due, penalties or interest mentioned in the Acts specified in subsection (1) of this section or as exempting from prosecution and punishment any person who is liable thereto under any other section of the Acts in question.

(10) Where, in addition to any amount of tax or additional tax or duty which is due or is payable by any person in terms of the Acts specified in subsection (1), any amount of interest or penalty is payable by him or her in terms of that Act, any payment made by that person in respect of such tax, additional tax, duty due, interest or penalty which is less than the total amount due by him or her in respect of such tax, additional tax, duty due, interest and penalty shall for the purposes of this section be deemed to be made towards settlement of the tax or additional tax or duty due in the first instance, until it is fully settled by any future such payments, and thereafter the payments shall be made—

- (a) in respect of such penalty; and
- (b) to the extent that such payment exceeds the amount of such penalty, in respect of such interest.

(11) If any claim is made to or in respect of any movable property attached pursuant to an order issued in terms of subsection (5) by any person (“the claimant”) other than the taxpayer against whom such order is issued, the Authority shall, if it has reason to believe that the property in question was disposed of to the claimant with the intention of securing that property against attachment in terms of this section, serve on the claimant a copy of the provisional order relating to the taxpayer, and this section shall apply to the claimant as if the claimant is joined in the proceedings against the taxpayer under this section.

(12) The property attached and removed pursuant to the confirmation of the provisional order in terms of subsection (5) shall be sold in execution by public auction.

(13) The proceeds of any sale in execution in terms of this section shall be applied in payment of—

- (a) the tax or duty due, together with any penalty and interest thereon; and
- (b) the costs awarded in favour of the Authority by the final attachment order; and
- (c) expenses incurred in connection with the sale;

in that order.

(14) Any balance remaining after the proceeds of any sale have been applied in terms of subsection (13) shall be paid to the taxpayer.”.

PART VIII

CRIMINAL LAW (CODIFICATION AND REFORM) ACT [*CHAPTER 9:23*]

27 Amendment of Cap. 9:23

The First Schedule to the Criminal Law Code is repealed and the following is substituted—

“FIRST SCHEDULE (*Sections 2(1) and 280*)

STANDARD SCALE OF FINES

Level	Monetary Amount (US \$)
1	20
2	30
3	60
4	100
5	200
6	400
7	800
8	1 200
9	1 600
10	2 000
11	2 500
12	3 000
13	5 000
14	10 000”.

PART IX

MONEY LAUNDERING AND PROCEEDS OF CRIME ACT [*CHAPTER 9:24*] (No. 4 of 2013)

28 Amendment of section 2 of Cap. 9:24

With effect from the 9th November, 2018, the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*] (No. 4 of 2013) (hereinafter in this Part called “the principal

Act”) is amended in section 2 (“Interpretation”)(1) by the insertion of the following definition—

““receiver” or “trustee”, in relation to property for which it is provided by this Act that a receiver or trustee may be appointed, means the Asset Management Unit established by section 100A, unless some other person is appointed as such receiver or trustee;”.

29 Amendment of section 6B of Cap. 9:24

Section 6B (“Functions of Unit”)(1) of the principal Act is amended—

- (a) by the deletion from paragraph (c) of the words “as may be appropriate or necessary”
- (b) by the insertion after paragraph (e) of the following paragraph—

“(e1) to act as the central agency for the collection and maintenance of data and statistics relating to implementation of anti-money laundering and combating financing of terrorism measures, and, in so doing, may require competent authorities to submit any such data or statistics in such manner and form as the Unit may prescribe;”.

30 Amendment of section 15 of Cap. 9:24

Section 15 (“Customer identification requirements”) of the principal Act is amended by the repeal of subsection (3) and the substitution of the following subsections—

“(3) In addition to identifying and verifying the identity of a customer who is not the beneficial owner of property, financial institutions and designated non-financial businesses or professions shall, as part of their obligations under subsection (1) or (2), identify and verify the identity of the beneficial owner of such property, using relevant information or data obtained from a reliable source, such that the financial institution or designated non-financial business or profession is satisfied that it knows who the beneficial owner is:

Provided that a directive may prescribe circumstances, such as where the ownership relates to public companies, in which such identification and verification is not necessary.

(4) In addition to the identification and verification measures required for the customer and the beneficial owner, financial institutions and designated non-financial businesses or professions shall, in relation to a beneficiary of a life insurance policy and other investment-related insurance policies—

- (a) in the case of a beneficiary that is identified as a specifically named natural or legal person or legal arrangement, record the name of the beneficiary as soon as such beneficiary is identified or designated; and
- (b) in the case of a beneficiary designated by characteristics or by class or by other means, obtain sufficient information concerning the beneficiary to satisfy the financial institution or designated non-financial business or profession that it will be able to establish the identity of the beneficiary at the time of the payout; and
- (c) in both the cases referred to under paragraphs (a) and (b), verify the identity of the beneficiary at the time of the payout.”.

31 Amendment of section 16 of Cap. 9:24

Section 16 (“Timing of customer identification and verification”)(1) of the principal Act is amended by the repeal of the proviso thereto and substitution of—

“Provided that a financial institution or a designated non-financial business or profession may allow a customer to utilise a business relationship prior to identity verification if the following conditions are met—

- (a) a delay in verification is unavoidable in the interest of not interrupting the normal conduct of business; and
- (b) the financial institution or designated non-financial business or profession adequately manages the money laundering and terrorist financing risk through adoption of risk management procedures concerning the conditions under which the customer may so utilise the business relationship.”.

32 Amendment of section 27 of Cap. 9:24

Section 27 (“Obligations regarding wire transfers”)(9) of the principal Act is amended by the insertion after “Intermediary” of “and beneficiary”.

33 New Chapter VIA inserted in Cap. 9:24

The principal Act is amended by the insertion of the following Chapter after Chapter VI—

“CHAPTER VIA

ASSET MANAGEMENT UNIT

100A Asset Management Unit

(1) There is hereby established a Unit in the administrative establishment of the Reserve Bank to be known as the Asset Management Unit (hereinafter referred to as “the AMU”).

(2) The AMU shall be a body corporate capable of suing and being sued in its corporate name and, subject to this Chapter, of performing all acts that bodies corporate may by law perform.

(3) The AMU—

- (a) shall be headed by a Director-General appointed by the Governor in consultation with the Minister; and
- (b) shall consist of such other members of staff as may be necessary for the performance of its functions, who shall be appointed by the Director-General.

(4) The staff of the AMU shall be answerable to the Director-General for the discharge of their duties and for any failure to do so or other breach of discipline, for which purpose the Director-General shall (as far as possible) apply the rules of the Reserve Bank pertaining to the discipline of the staff of the Reserve Bank.

(5) The budget of the AMU—

- (a) shall be approved by the Board of the Reserve Bank; and
- (b) be managed by the Director-General independently of the Reserve Bank but be subject to internal audit by the Reserve Bank and be audited by the auditors of the Reserve Bank; and

(c) may, in addition to consisting of moneys allocated by the Reserve Bank, include a sums received by it under section 97(2)(b) from the Recovered Assets Fund and any moneys appropriated by Act of Parliament for the purposes of the AMU.

(6) The Director-General shall vacate his or her office—

- (a) if he or she tenders his or her resignation, in writing, to the Governor, giving such period of notice as may be provided for in his or her conditions of employment; or
- (b) on the date he or she begins to serve a sentence of imprisonment imposed without the option of a fine in any country; or
- (c) if he or she is found guilty of gross misconduct or incompetence, following a disciplinary process; or
- (d) he is or she is no longer able to perform his or her functions due to infirmity of body or mind.

(7) The AMU shall operate independently of the Reserve Bank but be subject to any directions the Governor may from time to time give to the Director-General in writing.

100B Functions and powers of AMU

(1) Subject to this Act, the function of the AMU shall be to act as receiver or trustee for all property for which a receiver or trustee may be appointed in terms of section 37K, 41(2)(c), 69(2) or 82(1)(c), for which purpose it may do anything that is reasonably necessary to preserve the property and its value including, without limiting the generality of the foregoing—

- (a) becoming a party to any civil proceedings that affect the property;
- (b) causing that the property to be insured;
- (c) realising or otherwise dealing with the property if it is perishable, subject to wasting or other forms of loss, its value is volatile or the cost of its storage or maintenance is likely to exceed its value, subject to the proviso that this power may only be exercised without the prior approval of the court in circumstances where—
 - (i) all persons known by the AMU to have an interest in the property consent to the realisation or other dealing with the property; or
 - (ii) the delay involved in obtaining such approval is likely to result in a significant diminution in the value of the property; or
 - (iii) the cost of obtaining such approval would, in the opinion of the AMU, be disproportionate to the value of the property concerned;
- (d) if the property consists, wholly or partly, of a business—
 - (i) employing, or terminating the employment of, persons in the business; and
 - (ii) doing any other thing that is necessary or convenient for carrying on the business on a sound commercial basis; and

- (iii) selling, liquidating or winding up the business if it is not a viable, going concern, subject to obtaining the prior approval of the court;
- (iv) incurring capital expenditure in respect of the business;
- (e) if the property includes shares in a company, exercising rights attaching to the shares as if the AMU were the registered holder of the shares;
- (f) securing the detention, custody or preservation of the property in order to manage it;
- (g) pay expenses relating to mortgages and liens against the property;
- (h) pay all utilities expenses in relation to the property;
- (i) pay any expenses ordered by the court to be paid in terms of section 43(2)(b)(iii).

(2) To the extent that any of the expenses incurred in terms of subsection (1) cannot be met from any income of the property for the sake of which they were incurred, all such expenses shall be met from the budget of the AMU referred to in section 100A(4).

100C Further provisions on staff and agents of AMU and their remuneration

(1) Subject to this Act, the Director-General shall be responsible for directing, managing and controlling the activities of the AMU and its staff and agents.

(2) The staff of the AMU shall be employees of the Reserve Bank who are assigned to the AMU and such as other staff as may be seconded to it (for periods not exceeding six months at a time) from or by—

- (a) the Civil Service Commission;
- (b) the National Prosecuting Authority;
- (c) the Zimbabwe Revenue Authority;
- (d) the Zimbabwe Republic Police;

(3) The Director-General may appoint any—

- (a) police officer; or
- (b) employee of the Zimbabwe Anti-Corruption Commission established by the Constitution; or
- (c) person employed by any other institution or authority that the Director-General considers appropriate;

to be an agent of the AMU for the purpose of exercising any of the AMU's functions in terms of this Chapter:

Provided that any such appointment shall be made with the approval of the Governor of the Reserve Bank and, in the case of—

- (a) a member of an intelligence service, with the approval of the person in control or command of the service;
- (b) an employee of the Zimbabwe Anti-Corruption Commission, with the approval of the chairperson of the Commission;
- (c) an employee of any other institution or authority, with the approval of the governing body of that institution or authority.

(3) The remuneration payable to the staff and agents of the AMU shall be payable from the budget of the AMU referred to in section 100A(4) or by the institution from which any such staff was seconded, and no fee, commission or other similar charge shall be levied from the property of which the AMU is the receiver or custodian to pay for the work that its staff or agents do.

100D Inspectors and their powers

(1) The Director-General may appoint any member of the AMU's staff and any agent of the AMU to be an inspector for the purposes of this Chapter.

(2) The Director-General shall furnish each inspector with a certificate stating that he or she has been appointed as an inspector, and the inspector shall, on demand, exhibit the certificate to any person affected by the exercise of the inspector's powers.

(3) An inspector may, under warrant (unless the inspector believes on reasonable grounds that the delay in obtaining a warrant would defeat the purpose of this subsection, and that the inspector believes he or she would obtain the warrant from a Magistrate or Justice of the Peace on the grounds specified in paragraphs (i) or (ii) below, if he or she applied for one) enter any land or premises that is believed on reasonable grounds to be part of property of which the AMU is appointed the receiver or custodian under this Act, or in or upon which it is believed on reasonable grounds that there may be property of which the AMU is appointed the receiver or custodian under this Act.

(4) After informing the person in charge or control of the premises of the purpose of his or her visit, an inspector may do any or all of the following—

- (a) make such examination and inquiry as he or she considers appropriate;
- (b) question any person who is employed in or at the premises;
- (c) require any person who is employed in or at the premises to produce any book, account, notice, record, list or other document;
- (d) require from any person an explanation of any entry made in any book, account, notice, record, list or other document found upon any person or premises referred to in paragraph (c);
- (e) examine and make copies of any book, account, notice, record, list or other document;
- (f) take possession of any book, account, notice, record, list or other document:

Provided that such book, account, notice, record, list or other document shall be retained only so long as may be necessary for the purpose of any examination, investigation, trial or inquiry arising out of any contravention of this Act;

(5) In a search under subsection (4), an inspector may be accompanied and assisted by one or more police officers or other persons, and those persons shall have the same powers as the inspector under that subsection.

(6) Every person whose premises have been entered in terms of subsections (4) and (5), and every employee or agent of that person in or on those premises shall forthwith provide the inspector and his or her assistants with whatever facilities the inspector may reasonably require for the exercise of the powers conferred on them by those subsections.

(7) If an inspector in the course of exercising his or her powers under this section finds property that he or she believes on reasonable grounds to be property of which the AMU is appointed the receiver or custodian under this Act, he or she shall deal with it in accordance with section 100E.

(8) Nothing in this section shall be taken to require a legal practitioner to disclose any privileged communication made to him or her in that capacity.

(9) Any person who—

- (a) hinders or obstructs an inspector or his or her assistant in the exercise of his or her powers under this section; or
- (b) without just cause, fails or refuses to comply with a lawful request of an inspector or his or her assistant in terms of this section;

shall be guilty of an offence and liable to a fine not exceeding level 6 or to imprisonment for a period not exceeding one year or to both such fine and such imprisonment.

(10) A court convicting a person of failing to give information or to produce any document when required to do so under this section may require the person, within such period as the court may specify, to give the information or to produce the document, as the case may be.

100E Recovery of unsecured property for which AMU is receiver or trustee under this Act

(1) In this section—

“enforcement or investigatory proceedings” means any proceedings in relation to property taken under—

- (a) Chapter IV (“Conviction-based Confiscation and Benefit Recovery Orders and Investigative Powers Appurtenant Thereto”); or
- (b) Chapter V (“Civil Forfeiture of Tainted and Terrorist Property”).

(2) If an inspector in the course of exercising his or her powers under section 100D finds property that he or she believes on reasonable grounds to be property of which the AMU is appointed the receiver or custodian under this Act, he or she shall secure the detention, custody or preservation of the property in order to manage it, in accordance with the provisions of this section.

(3) In respect of any property—

- (a) for which the AMU is appointed the receiver or trustee under this Act; but
- (b) the possession of which has not been surrendered to the AMU;

the following provisions of Part VI (“Search Warrants, Seizure, Detention and Disposal of Property Connected with Offences”, etc.) of the Criminal Procedure and Evidence Act [*Chapter 9:07*] shall apply to the AMU and its inspectors with such of the following modifications as are applicable, namely—

- (c) sections 47 and 48;
- (d) section 49 (by adding to the cases in which the State may, in accordance Part IV of the Criminal Procedure and Evidence Act, seize any article, the case where the article in question constitutes any part of property for which the AMU has been appointed the receiver or trustee in terms of this Act);
- (e) sections 50 and 51 (references to a “police officer” being construed as references to an inspector of the AMU);
- (f) section 58—
 - (i) subsection (1) (references to “criminal proceedings” and “conviction” therein being construed as references to “enforcement or investigatory proceedings”, and “determination of enforcement or investigatory proceedings” respectively);
 - (ii) subsections (3), (4), (5) and (6);
 - (iii) subsection (9) (references to the period of twenty-one (21) days therein being construed as references to a period of ninety (90) days, and references to the commencement of the prosecution of an offence in respect of which the seized article is required as an exhibit being construed as references to the commencement of “enforcement or investigatory proceedings”).

100F AMU to have access to information

(1) For the proper performance of its functions, the AMU shall have power to obtain from any—

- (a) financial institution; or
- (b) designated non-financial business or profession; or
- (c) law enforcement agency; or
- (d) competent supervisory authority; or
- (e) public authority or public officer; or
- (f) company; or
- (g) trustee of a trust; or
- (h) private voluntary organisation registered or required to be registered in terms of the Private Voluntary Organisations Act [*Chapter 17:05*];

any information, whether specific or general, that the Director-General considers necessary to carry out its functions under this Chapter.

(2) Where, in the exercise of the power under subsection (1), the Director-General or an employee, inspector or agent of the AMU requests information from a person referred to in subsection (1), the information shall be provided within such reasonable time and in such manner as

may be specified by the Director-General or by the employee, inspector or agent concerned.

(3) This section shall not be construed as—

- (a) limiting the powers of inspectors under section 100D (“Inspectors and their powers”); or
- (b) precluding the AMU from obtaining information from any other person or entity, whether in accordance with the Access to Information and Protection of Privacy Act [*Chapter 10:27*] (No. 5 of 2002) or otherwise.

(4) The AMU is authorised to access and review on-site information which is necessary to the fulfilment of its functions and that belongs to or is in the custody of financial institutions and designated non-financial businesses and professions.

(5) Subsections (1) and (2) shall be applied subject to the limitations in the definition of “designated non-financial businesses and professions” in section 13 and subject to section 30(2).

(6) The AMU may, in relation to any report or information it has received, obtain, where not otherwise prohibited by law, any information it deems necessary to carry out its functions from any of the following—

- (a) a law enforcement agency;
- (b) any competent supervisory authority;
- (c) any public authority or person;
- (d) a company, trust or other person or entity in accordance with the Access to Information and Protection of Privacy Act [*Chapter 10:27*] (No. 5 of 2002).

(7) Nothing in this section shall be taken to require a legal practitioner to disclose any privileged communication made to him or her in that capacity.

100G Confidentiality

(1) Any information reported to the AMU or gathered or discovered by any employee, inspector or agent of the AMU in the course of exercising his or her functions under this Chapter shall be confidential to the AMU, and no person shall disclose any such information to any other person or body except—

- (a) in the course of exercising his or her functions under this Chapter; or
- (b) to a judicial officer for the purposes of any legal proceedings under this Chapter; or
- (c) in accordance with the order of any court; or
- (d) for the purposes of any prosecution or criminal proceedings; or
- (e) where the disclosure is authorised or required by or under this Act or any other law.

(2) Any officer, employee, inspector or agent of the AMU who discloses any information referred to in subsection (1) otherwise than in accordance with that subsection, or makes use of it for personal gain, shall be guilty of an offence and liable to a fine not exceeding level eight or

to imprisonment for a period not exceeding three years, or to both such fine and such imprisonment.

(3) The Director-General shall ensure that the AMU maintains adequate systems and procedures to maintain the confidentiality of information referred to in subsection (1).

100H Reports of AMU

The Director General shall, with the concurrence of the Governor—

- (a) as soon as possible after the 30th June of each year, submit to the Minister a report on the AMU's activities covering the period from the 1st January to the 30th June; and
- (b) as soon as possible after the 31st December of each year, submit to the Minister a consolidated report on the AMU's activities covering the period from the 1st January to the 31st December.”.

PART X

EXCHANGE CONTROL ACT [*CHAPTER 22:05*]

34 Amendment of section 5 of Cap. 22:05

The Exchange Control Act [*Chapter 22:05*] is amended in section 5 (“Offences and penalties”) by the insertion of the following subsection after subsection (4)—

“(4a) Where the offence of which a person is convicted in terms of subsection (1)(a) or (b) involves the unauthorised dealing in (other than the exportation, externalisation or expatriation from Zimbabwe) of any foreign currency, gold or precious stone, the court may, in addition to the fine referred to subsection (4), impose a sentence of imprisonment not exceeding ten years.”.

PART IX

PARLIAMENTARY PENSIONS ACT [*CHAPTER 2:02*]

35 Amendment of Cap. 2:02

The Parliamentary Pensions Act [*Chapter 2:02*], is amended—

- (a) in section 2 (“Interpretation”) by the insertion of the following definitions—
 - ““Commission” means the Civil Service Commission established in terms of section 202 of the Constitution;
 - “surviving spouse” means—
 - (a) a widow of a registered civil or customary marriage,
 - (b) a widow or widower of an unregistered customary union; or
 - (c) a widower of a deceased female Member who made contributions in terms of section 4; or
 - (d) if there is no widow or widower, any person with whom a Member was in the opinion of the Commission was living as husband and wife at the time of death;”.
- (b) in section 7 (“Entitlement to pension”) by the insertion of the following subsection—

“(2) For the purposes of the proviso to subsection (1), a former Member shall be entitled to be paid a gratuity calculated at the rate of one thirty-second of his pensionable retiring emoluments for each complete month of his or her service in Parliament.”.

