



VAT standard rate

The standard VAT rate in Zambia in 2023 is 16%.

Threshold

Companies are required to register as VAT payers in Zambia if their annual turnover exceeds K800,000 per year (approximately \$45 400). However, this does not apply to non-resident companies that provide digital services, as they are not yet required to register as VAT payers, but the government plans to introduce this soon.

Deductible VAT

At the moment, the Zambian tax authorities have not adopted the exact rules for VAT on digital services, but according to preliminary information, there will be no deductions for e-service providers.

Pieces of evidence

Unfortunately, there are no precise statements to determine the place of supply digital services in Zambia, but most likely, this will require the provision of electronic services to any individual or legal entity that is located in Zambia at the time of receiving the services.

E-services list

The list of digital services is under consideration.

Registration procedure

Companies that meet the requirements for VAT registration can complete the registration process by filling out a paper registration form or using the online registration system. Upon successful completion of the registration process, the company will receive a unique VAT account number that will serve as an identifier for its VAT-related transactions. In addition, they will be issued a certificate of registration as an official confirmation of their VAT payer status.

Tax representative

Non-resident companies that register for VAT in Zambia are not required to appoint a tax representative.

Keeping records

Companies that pay VAT are required to keep business records, including accounting books, invoices, etc. for 6 years and must provide them to the tax authorities upon request.

Filing VAT return and payment date

The period for filing and paying VAT in Zambia is a calendar month. The filing and payment of the return are due by the 18th day of the month following the reporting period for online returns and by the 5th day for manual returns.



