

Finance (Amendment of Sections 22E(1) and 22H of Finance Act)
Regulations, 2020

IT is hereby notified that the Minister of Finance has, in terms of section 3 of the Finance Act [*Chapter 23:04*], made the following regulations:—

Title

1. These regulations may be cited as the Finance (Amendment of Sections 22E(1) and 22H of Finance Act) Regulations, 2020.

Amendment of section 22E of Cap. 23:04

2. With effect from the 5th June, 2020, Section 22E (“Carbon tax”) (1) of the Finance Act [*Chapter 23:04*] is amended—

- (a) in subsection (1) by the deletion of “imported by” and the substitution of “imported through the use of “free funds” (as defined in section 2 of the Exchange Control Regulations, 1996);
- (b) by the insertion after subsection (1) of the following subsection—

“(1a) The carbon tax chargeable in terms of section 36E of the Taxes Act shall be paid at the rate of thirty-two point five Zimbabwe cents per litre of diesel and one hundred Zimbabwe cents per litre of petrol of the cost, insurance, freight value (as defined in the Customs and Excise Act [*Chapter 23:02*]) of petroleum product, imported otherwise than by the use of “free funds” by—

- (a) the State oil procurement entity or other person or entity importing petroleum product for his or her own consumption; or
- (b) any person licensed by the Minister responsible for energy to import the petroleum product in bulk.”.

New section substituted for section 22H of Cap. 23:04

3. With effect from the 5th June, 2020, section 22H of the Finance Act [*Chapter 23:04*] is repealed and the following is substituted—

“22H NOCZIM debt redemption and strategic reserve levy

(1) The NOCZIM debt redemption and strategic reserve levy chargeable in terms of section 36H of the Taxes Act shall—

(a) in relation to the NOCZIM debt redemption levy, where diesel or petrol is purchased or imported through the use of “free funds” (as defined in section 2 of the Exchange Control Regulations, 1996) by—

- (i) an oil company from NOCZIM or its subsidiaries or successors; or
- (ii) any person licensed by the Minister responsible for energy to import the petroleum product in bulk;

be calculated at the rate of one point three United States cents per litre of diesel and five point seven United States cents per litre of petrol;

(b) in relation to the NOCZIM debt redemption levy, where diesel or petrol is purchased or imported otherwise than through the use of “free funds” (as defined in section 2 of the Exchange Control Regulations, 1996) by—

- (i) an oil company from NOCZIM or its subsidiaries or successors; or
- (ii) any person licensed by the Minister responsible for energy to import the petroleum product in bulk;

be calculated at the rate of thirty-two point five Zimbabwe cents per litre of diesel and one hundred and forty-two point five Zimbabwe cents per litre of petrol;

(c) in relation to the strategic reserve levy, where diesel or petrol is purchased or imported through the use of “free funds” (as defined in section 2 of the Exchange Control Regulations, 1996) by—

- (i) an oil company from NOCZIM or its subsidiaries or successors; or
- (ii) any person licensed by the Minister responsible for energy to import the petroleum product in bulk;

be calculated at the rate of one point five United States cents per litre of diesel and one point five United States cents per litre of petrol;

(d) in relation to the strategic reserve levy, where diesel or petrol is purchased or imported otherwise than through the use of “free funds” (as defined in section 2 of the Exchange Control Regulations, 1996) by—

- (i) an oil company from NOCZIM or its subsidiaries or successors; or
- (ii) any person licensed by the Minister responsible for energy to import the petroleum product in bulk;

be calculated at the rate of thirty-seven point five Zimbabwe cents per litre of diesel and thirty-seven point five Zimbabwe cents per litre of petrol.”.