



1 July 2023

# Infrastructure Tax increase as from 1<sup>st</sup> July 2023

Dear Partner and Guest

Most of you have heard by now about the increase in the current "Infrastructure Tax" the Zanzibar government imposed on all accommodation establishments as from 1<sup>st</sup> July 2023.

Majority of partners have already informed guests about the tax and are advising their guests that the \$ 5 per person, per night (including children), will be collected directly by the resorts & hotels on their extras bill.

Although investors have submitted their suggestions and objections for a sufficient notice period, the Zanzibar Authorities proceeded with the implementation with immediate effect as from 1 July 2023.

Unfortunately beyond the hotel's control, we are obliged as imposed by the Zanzibar Government directives to collect the \$ 5 per person, per night (including children) directly from guest of Ocean Paradise with immediate effect from the night of 1<sup>st</sup> July 2023.

As already mentioned in the accommodation contracts and booking communications the Infrastructure tax is not included in any rates and are collected separately as per the directives received from Zanzibar Authorities, unless clearly instructed in writing that the tax should be added to the booking invoice.

We will do our best efforts in return by all current and future guests as follow:

- Exact copy of the public notice will be placed in the rooms as of 1<sup>st</sup> July 2023 in A4 size directly on the bed for guests' immediate attention.
- Tent cards half A5 will be reprinted for all guest rooms updating on the current notice in the rooms and will be placed directly to all welcome letters as currently being done.
- All online platforms will be updated accordingly asap.
- Notification to be issued to all partners asap.
- Our Guest Relations Team is informing all guests verbally and printed copy made available for guest perusal.
- Printed copy of notice displayed at Front Desk.
- During arrival briefing, guests will be informed of the changes.

- Updated the guest services directory and message sent via the directory platform.
- Message issued via the message service of the Guest Digital Directory.
- New contracts will be amended asap with the new rate.
- Pop-up message displayed on the hotel's website.
- Message will be broadcasted via social media channels.
- All other relevant information platforms.

We do understand that this directive may cause some confusion and possible inconvenience however the hotels were only notified officially on 30<sup>th</sup> June 2023 and that the increase to be implemented as of 1<sup>st</sup> July 2023.

Further we continue to provide our suggestions to our representees to Government, Zanzibar Association of Tourism Investors (ZATI) and should there be any changes will keep you posted.

The official public notice is included herein for your records and distribution.

Do not hesitate to contact us should you have any further questions or need assistance.

For reservation related enquiries please contact our Reservations Team directly at –  
[reservations@oceanparadisenzibar.com](mailto:reservations@oceanparadisenzibar.com) // Tel: +255 24 550 4000 **OR** +255 24 550 4001

Paradise greetings,

Antonie Du Preez

Sales & Marketing Manager  
(Contracting, Group Enquiries, Sales & Marketing related enquiries)

Ocean Paradise Resort & Spa

Email: [sales@oceanparadisenzibar.com](mailto:sales@oceanparadisenzibar.com)

Web & Online Bookings: [www.oceanparadisenzibar.com](http://www.oceanparadisenzibar.com)

E-Brochure: [wetu.com/iBrochure/13685](http://wetu.com/iBrochure/13685)



## PUBLIC NOTICE

### IMPLEMENTATION OF AMENDED INFRASTRUCTURE CHARGING RATES FOR HOTELS

Zanzibar, 30<sup>th</sup> June, 2023

#### 1.0 INTRODUCTION:

Zanzibar Revenue Authority (ZRA), hereby notifies, all respective esteemed taxpayers that on **23<sup>rd</sup> June, 2023**, the House of Representatives of Zanzibar, approved the Government Budget for the financial year 2023/2024, where among other things, the new infrastructure charging rates for Hotels to the guests stayed in any hotel resides in Zanzibar were duly approved. The approved new charging rates shall come into operation in the new financial year of 2023/2024, starting from 1<sup>st</sup> July, 2023.

#### 2.0 REQUIREMENT OF THE LAW:

According to the amended Finance Act No. 9 of 2015, which received approval of the House of Representatives, the following are the new infrastructure charging rates for hotels :

(a) 5 or 4 stars hotel	USD 5 or its equivalent in Tanzania Shillings per person per day.
(b) 3 and 2 stars hotel	USD 4 or its equivalent in Tanzania Shillings per person per day.
(c) 1 star hotel and others	USD 2 or its equivalent in Tanzania Shillings per person per day

#### 3.0 IMPLEMENTATION:

The Infrastructure tax for hotels is payable by the guest staying in any hotel residing in Zanzibar. The hotel management is a lawful agent responsible for collection of such tax as provided under the **Tax Administration and Procedure Act, Number 7 of 2009**. In order to ease administration of Infrastructure tax for hotel in the year 2023/24 and reduce inconvenience to the respective taxpayers **with a forward sales agreement** at the repealed rates, the following guidance may be adopted :-

- (a) All agents (hotels) with justifiable lawful verified cause may be allowed to pay the lawful agreed required infrastructure tax by instalments upon application to the Commissioner General as provided under section 40 of the **Tax Administration and Procedure Act, Number 7 of 2009** within three months from 1<sup>st</sup> July, 2023.
- (b) All agents (hotels) with justifiable lawful verified cause may be allowed to extend part of payments of the lawful agreed required infrastructure tax not later than October, 2023, upon application to the Commissioner General as provided under section 31(4) of the Tax Administration and Procedure Act, Number 7 of 2009.

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#### 4.0 CONSEQUENCES OF NON COMPLIANCE OF LAW:

A taxpayer (agent) who fails to follow the procedures and requirements stipulated above, commits an offence, and upon conviction shall be penalized according to the respective provisions of the **Tax Administration and Procedures Act No. 7 of 2009**.

#### 5.0 CONCLUSION:

Zanzibar Revenue Authority (ZRA) urges all hotel owners (agents) to discharge their lawful noble obligation of complying with the respective laws and guidance to avoid occasioning loss of Government revenue and committing punishable offence. ZRA is highly committed in facilitating conducive business environment and easing tax compliance as underscored by the Revolutionary Government of Zanzibar (RGoZ).

**“Tulipe Kodi kwa Maendeleo ya Zanzibar”**



Yusuph Juma Mwenda  
**Commissioner General**