

**THE MOBILE MONEY TRANSACTION LEVY
BILL, 2024**

MEMORANDUM

The objects of this Bill are to—

- (a) provide for the administration of the Act;
- (b) provide for maintenance of records of mobile money operations;
- (c) provide for inspection of mobile money operations;
- (d) repeal and replace the Mobile Money Transaction Levy Act, 2023; and
- (e) provide for matters connected with, or incidental to, the foregoing.

M. MUCHENDE,
Solicitor-General

**THE MOBILE MONEY TRANSACTION LEVY
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ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY PROVISIONS

Section

1. Short title and commencement
2. Interpretation
3. Administration of Act
4. Powers of Commissioner-General
5. Imposition of levy
6. Exemptions from payment of levy
7. Record of mobile money operations
8. Inspection of mobile money operations
9. Administrative Rules
10. Regulations
11. Repeal of Act No.16 of 2013

SCHEDULE

A BILL

ENTITLED

An Act to provide for the administration of the Act; provide for maintenance of records of mobile money operations; provide for inspection of mobile money operations; repeal and replace the Mobile Money Transaction Levy Act, 2023, and provide for matters connected with, or incidental to, the foregoing.

ENACTED by the Parliament of Zambia.

Enactment

1. This Act may be cited as the Mobile Money Transaction Levy Act, 2024, and shall come into operation on 1st January, 2025.

Short title and commencement

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

Interpretation

5 “Bank of Zambia” means the Bank of Zambia established under the Constitution;

Cap.1

“betting” has the meaning assigned to the word in the Casino Act;

Cap. 157

10 “Commissioner-General” has the meaning assigned to the words in the Zambia Revenue Authority Act;

Cap. 321

	“electronic money” means the store of monetary value electronically represented by a claim on the mobile money service provider that is—	
	(a) issued on receipt of funds in an amount not less in value than the value of the electronic money issued;	5
	(b) stored on an electronic device;	
	(c) accepted as a means of payment by persons; and	
	(d) redeemable on demand;	
	“levy” means a mobile money transaction levy charged under section 5;	10
	“merchant” means a person or entity that accepts electronic money as a means of payment for goods and services and is registered with the Zambia Revenue Authority for tax purposes, but does not include a person engaged in betting;	15
Act No 1 of 2007	“mobile money service provider” means an entity that is authorised by the Bank of Zambia to issue electronic money against receipt of funds in accordance with the National Payment Systems Act, 2007;	
	“person to person transfer” means a transfer of electronic money from one person to another person;	20
Act No.16 of 2023	“repealed Act” means the Mobile Money Transaction Levy Act, 2023; and	
Cap.321	“Zambia Revenue Authority” means the Zambia Revenue Authority established under the Zambia Revenue Authority Act.	25
Administration of Act	3. This Act shall be administered by the Zambia Revenue Authority.	
Powers of Commissioner-General Cap. 321 Cap. 323	4. The Commissioner-General shall, for the purposes of enforcing the provisions of this Act, have all the powers conferred on the Commissioner-General by the Zambia Revenue Authority Act and the Income Tax Act.	30
Imposition of levy	5. (1) Subject to the provisions of this Act, a mobile money service provider shall collect a levy set out in the Schedule on a person to person transfer.	35

(2) The levy referred to under subsection (1) shall be paid by the sender of the electronic money.

(3) A mobile money service provider shall, within ten days after the end of each month, submit a return of the levy collected to the Commissioner General in the manner determined by the Commissioner General.

(4) A mobile money service provider shall, within ten days after the end of each month, remit the total levies collected for that month to the Commissioner General.

(5) A mobile money service provider that contravenes subsections (3) or (4) is liable to pay to the Commissioner-General a penalty of one hundred thousand penalty units for each month or part thereof during which that contravention continues.

(6) The Commissioner General may waive the whole, or part, of the penalty due under subsection (5) of this section.

6. (1) The levy is not payable on a—

(a) transaction between—

- (i) a person to Government; or
- (ii) Government to person;

(b) payment —

- (i) of utility bills; or
- (ii) to a merchant; or

(c) transfer from a bank account.

(2) Despite subsection (1), the Minister may, by statutory instrument, exempt a person from payment of a levy.

7. (1) A mobile money service provider shall keep and maintain a record of the mobile money service provider's operations for a period of six years.

(2) Despite subsection (1), the Commissioner-General may, before the expiry of the period referred to under subsection (1), by notice in writing, extend the period of keeping and maintaining a record of operations by a mobile money service provider.

(3) A mobile money service provider that contravenes subsection (1) is liable to pay the Commissioner-General a penalty of two hundred thousand penalty units.

Exemptions from payment of levy

Record of mobile money operations

- (4) The Commissioner-General may waive the whole, or part, of the penalty due under subsection (3).
- 8.** (1) The Commissioner General may, for the purposes of enforcing the provisions of this Act, at any reasonable time, without prior notice, enter any premises that the Commissioner-General has reasonable grounds to believe is used contrary to the provisions of this Act, and—
- (a) inspect any records, article or document of mobile money service provider that has a bearing on an inspection;
- (b) verify the returns submitted in accordance with section 5(3); or
- (c) require the mobile money service provider to submit any other information that the Commissioner General may consider necessary.
- 9.** The Commissioner-General may issue administrative Rules relating to—
- (a) the keeping of books of accounts for mobile money operations;
- (b) the making of returns; and
- (c) any other matter necessary for the administration of this Act by the Commissioner-General.
- 10.** The Minister may, by statutory instrument, make Regulations for the better carrying out of the provisions of this Act.
- 11.** (1) The Mobile Money Transaction Levy Act, 2023 is repealed.
- (2) On commencement of this Act,—
- (a) a mobile money service provider shall remit the total levies collected for each month to the Zambia Revenue Authority; and
- (b) the Bank of Zambia shall transmit to the Zambia Revenue Authority any records, returns or documents relating to a levy remitted by a mobile money service provider under the repealed Act.

SCHEDULE
(Section 5(1))

CHARGEABLE RATES

<i>Amount range (ZMW)</i>	<i>Levy (ZMW)</i>
Between 1 to 150	0.08
Between 151 to 300	0.10
Between 301 to 500	0.20
Between 501 to 1000	0.50
Between 1001 to 3000	0.80
Between 3001 to 5000	1.00
Between 5001 to 10000	1.50
Above 10,000	1.80