

**REPORT OF THE COMMITTEE ON ECONOMIC AFFAIRS, ENERGY AND LABOUR ON THE ZAMBIA REVENUE AUTHORITY (AMENDMENT) BILL, N.A.B. NO. 7 OF 2014 FOR THE FOURTH SESSION OF THE ELEVENTH NATIONAL ASSEMBLY APPOINTED ON TUESDAY, 23<sup>RD</sup> SEPTEMBER, 2014**

Consisting of:

Mr K K Hamudulu, MP (Chairperson); Ms C Ngimbu, MP; Dr S Musokotwane, MP; Mr G G Nkombo, MP; Mr F Mutati, MP; Mr V Lombanya, MP; Mr G B Mwamba, MP; and Mr L C Bwalya, MP.

The Honourable Mr Speaker  
National Assembly  
Parliament Buildings  
**LUSAKA**

Sir,

Your Committee has the honour to present its Report on the Zambia Revenue Authority (Amendment) Bill, N.A.B. No.7 of 2014 for the Fourth Session of the Eleventh National Assembly referred to it by the House on Friday, 28<sup>th</sup> November, 2014.

**Functions of the Committee**

2.0 In addition to any other duties conferred upon it by the Honourable Mr Speaker, or any other order of the House, your Committee is mandated to consider any Bills that may be referred to it by the House.

**Meetings of the Committee**

3.0 Your Committee held three (3) meetings to consider the Zambia Revenue Authority (Amendment) Bill, N.A.B. No.7 of 2014.

**Procedure adopted by the Committee**

4.0 In order to acquaint itself with the ramifications of the Bill, your Committee sought both written and oral submissions from stakeholders. The stakeholders who appeared before your Committee are listed at Appendix II.

**Objectives and Background of the Zambia Revenue Authority (Amendment) Bill, N.A.B. No.7 of 2014**

5.0 The object of the Bill is to amend the *Zambia Revenue Authority Act*, so as to indemnify the Authority against any form of execution of a judgment or a court order obtained against the Authority.

**Background**

Under the current provisions of the *Zambia Revenue Authority Act, Cap. 321*, a person entitled to the payment of money upon obtaining judgment or court order against the Zambia

Revenue Authority can obtain any form of execution of a judgment or court order against the Authority. The effect of the order is that the person who obtains judgment or court order against the Zambia Revenue Authority can seize the assets of the Authority to ensure payment of a judgment debt as the assets are not currently protected by law against seizure by a person who has won a case against the Authority. The amendment is intended to secure the protection of the assets of the Zambia Revenue Authority which is a Government institution, from seizure by persons who obtain judgments or court orders against the Authority. It provides for payment of money from the general revenues of the Republic or Zambia Revenue Authority to persons entitled to payment upon obtaining judgment or any court order against the Zambia Revenue Authority.

### **Salient Provision of the Bill**

6.0 The salient provision of the Zambia Revenue Authority (Amendment) Bill, N.A.B. No.7 of 2014 is set out hereunder.

#### **Clause 2: Insertion of new Section 5A**

The Clause seeks to empower the Minister of Finance or the Commissioner-General of the Zambia Revenue Authority to authorise the payment of money out of the general revenue of the Republic or revenue of the Authority to persons entitled to the money upon obtaining judgement or court order against the Zambia Revenue Authority.

#### **Submissions from Stakeholders**

7.0 Your Committee was informed that this measure was meant to indemnify the Zambia Revenue Authority against exposure to the risk of having its property seized by bailiffs as such action often results in serious disruption of operations and was detrimental to revenue collection. Any settlement of disputes by judgment or court order should be settled using the Zambia Revenue Authority funds or refund provisions which were already provided in the law.

#### **Committee's Observations and Recommendations**

8.0 Your Committee observes that whereas the Bill seeks to protect the property of Zambia Revenue Authority, little or no recourse has been given to the aggrieved party. Your Committee therefore, recommends that the Government should ensure that appropriate measures are taken to provide for redress for the aggrieved party. Further, your Committee observes that the period in which the judgment or order should be settled has not been specified. This appears to be unfair to the aggrieved party and the law should address this matter. Subject to the above, your Committee recommends that the House supports the Bill.

**Conclusion**

9.0 Your Committee wishes to express its gratitude to all stakeholders who appeared before it and tendered both oral and written submissions. It also wishes to thank you, Mr Speaker, for affording it an opportunity to scrutinise the Bill. Your Committee also appreciates the services rendered by the Office of the Clerk of the National Assembly and the permanent witnesses from the Ministry of Justice.

We have the Honour to be, Sir, your Committee on Economic Affairs, Energy and Labour mandated to consider the Zambia Revenue (Amendment) Bill, N.A.B. No.7 of 2014 for the Fourth Session of the Eleventh National Assembly.

Mr K K Hamudulu, MP  
(Chairperson)

Ms C Ngimbu, MP  
(Member)

Dr S Musokotwane, MP  
(Member)

Mr V Lombanya, MP  
(Member)

Mr L C Bwalya, MP  
(Member)

Mr F Mutati, MP  
(Member)

Mr G B Mwamba, MP  
(Member)

Mr G G Nkombo, MP  
(Member)

December 2014  
**LUSAKA**

K K Hamudulu, MP  
**CHAIRPERSON**

## **APPENDIX I**

### **List of National Assembly Officers**

Mr S C Kawimbe, Principal Clerk of Committees  
Ms M K Sampa, Deputy Principal Clerk of Committees  
Mr F Nabulyato, Committee Clerk (FC)  
Mr M F Kateshi, Acting Committee Clerk (SC)  
Mrs M E Z Banda, Assistant Committee Clerk  
Ms C Musonda, Assistant Committee Clerk  
Mrs C T Kasonde, Assistant Committee Clerk  
Mr S Samuwika, Assistant Committee Clerk  
Ms F Hamakalu, Typist  
Mr C Bulaya, Committee Assistant

## **APPENDIX II**

### **WITNESSES**

#### **Ministry of Justice (Permanent Witness)**

Mrs P D Jere, Permanent Secretary

Mr E Jere, Parliamentary Counsel

Mrs Y K Chirwa, Principal Parliamentary Counsel

#### **Ministry of Finance**

Mrs P C Kabamba, Permanent Secretary (BEA)

Mr M Masiye, Director (Budget)

Mr K Chimfwembe, Chief Analyst (Budget)

Ms M Chikuba, Principal Budget Analyst

Mr I Munjunga, Economist

Mr R Kasuba, Economist

#### **Zambia Revenue Authority (ZRA)**

Mr B Msiska, Commissioner General

Mr E Phiri, Director Research

Mr C Nshitima, Executive Assistant to the Commissioner General

Mr D Banda, Commissioner of Customs

Ms P Banda, Commissioner of Domestic Taxes

Ms B Muyenga, Commissioner of Finance