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Act

No. 18 of 2023

I assent

DR. LAZARUS MCCARTHY CHAKWERA
PRESIDENT
4th April, 2023

ARRANGEMENT OF SECTIONS

SECTION

1. Short title
2. Amendment of s. 30 (1) to Cap. 42:02
3. Repeal of s. 46F of the principal Act
4. Amendment of First Schedule to the principal Act
5. Amendment of the Second Schedule to the principal Act

An Act to amend the Value Added Tax Act

ENACTED by the Parliament of Malawi as follows—

1. This Act may be cited as the Value Added Tax (Amendment) Act, 2023. Short title
2. The Value Added Tax Act (hereinafter “the principal Act”) is amended, in section 30 (1), by inserting, immediately after paragraph (d), the following new paragraph (e)— Amendment of s.30 (1) to Cap. 42:02

“(e) in respect of exports, the taxable person is in possession of documentation showing deposit of the export proceeds into a financial institution in Malawi.”.
3. Section 46F of the principal Act is repealed. Repeal of s.46F of the principal Act
4. The *First Schedule* to the principal Act is amended— Amendment of First Schedule to the principal Act

(a) by reinserting paragraph 9, as follows—

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“9. Electric motor vehicles

Exemption covers electric motor vehicles under Customs Tariff Headings 8702.40.11, 8702.40.12, 8702.40.13, 8702.40.21, 8702.40.22, 8702.40.23, 8702.40.24, 8702.40.25, 8702.40.26, 8702.40.27, 8702.40.28, 8702.40.29, 8702.40.30, 8702.40.51, 8702.40.52, 8702.40.53, 8702.40.54, 8702.40.55, 8703.80.10, 8703.80.20, 8703.80.90, and 8704.60.00.”;

(b) by deleting paragraph 11 and substituting therefor, the following new paragraph 11—

“11. Gas stoves

Exemption covers gas stoves under Customs Tariff Headings 7321.11.10 and 8516.60.91.”;

(c) by deleting paragraph 21 and substituting therefor, the following new paragraph 21—

“21. Wheat Flour

Exemption covers wheat flour under customs tariff subheading 1101.00.10.”; and

(d) by deleting paragraph 26 and replacing therefor, the following new paragraph 26—

“26. Urinary drainage bags

Exemption covers urinary drainage bags under Customs Tariff Subheading 3926.90.10.”.

5. The *Second Schedule* to the principal Act is amended—

(a) by deleting paragraph 1 and substituting therefor, the following new paragraph 1—

“1. *Export of goods and services*

The zero rating covers goods under customs control for export purposes or goods which are taken out from any part of the customs area and brought into an export processing zone.”;

(b) under paragraph 5, by deleting the words ““4820.20.00” and substituting therefor, the words “4820.20.10”; and

(c) by inserting, in the correct numerical order, a new paragraph 6 as follows—

“6. Supply of a business as a going concern

For the purpose of this paragraph, the “supply of a business as a going concern” means the disposal of any part of a business which is capable of separate operation and the buyer must carry on the same kind of business as that carried on by the seller.”.

Passed in Parliament this thirty-first day of March, two thousand and twenty three.

FIONA KALEMBA
Clerk of Parliament