

**THE MOBILE MONEY TRANSACTION LEVY
ACT, 2023**

ARRANGEMENT OF SECTIONS

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SCHEDULE

GOVERNMENT OF ZAMBIA

ACT

No. 16 of 2023

Date of Assent: 22nd December, 2023

An Act to provide for imposition, payment and collection of a mobile money transaction levy and provide for matters connected with, and incidental to, the foregoing.

[26th December, 2023

ENACTED by the Parliament of Zambia.

Enactment

1. This Act may be cited as the Mobile Money Transaction Levy Act, 2023, and shall come into operation on 1st January, 2024.

Short title and commencement

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

Interpretation

“Bank” 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

“Consolidated Fund” means the Consolidated Fund established under the Constitution;

Cap. 1

“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;

(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 4;
- “merchant” means a person or entity that accepts electronic money as a means of payment for goods and services, but does not include betting, and is registered with the Zambia Revenue Authority for tax purposes;
- Act No. 1 of 2007 “mobile money service provider” means an entity that is authorised by the Bank 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; and
- Cap. 321 “Zambia Revenue Authority” means the Zambia Revenue Authority established under the Zambia Revenue Authority Act.
- Administration of Act
Imposition of levy
- 3.** This Act shall be administered by the Bank.
- 4.** (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.
- (2) The levy referred to under subsection (1) shall be paid by the sender of the electronic money.
- (3) The mobile money service provider shall, within ten days after the end of each month, remit the total levies collected for that month to the Bank account specified under subsection (5).
- (4) A mobile money service provider shall, at the time of remitting a levy under subsection (3), submit a return to the Bank in the prescribed manner and form.
- (5) The Bank shall, subject to the approval of the Ministry responsible for finance, open and operate a special bank account at the Bank for the purposes of receiving a levy from a mobile money service provider.
- (6) The Bank shall, on receipt of the levy under subsection (3), deposit that levy in the Consolidated Fund.
- (7) A mobile money service provider that contravenes subsections (3) and (4) commits an offence and is liable, on conviction, to a fine not exceeding two hundred thousand penalty units or to imprisonment for a term not exceeding two years or, to both.

5. (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.
- (c) transfer from a bank account.
- (2) Despite subsection (1), the Minister may, by statutory instrument, exempt a person from payment of a levy.
6. (1) The Bank shall maintain a mechanism of monitoring person-to-person transfers to which the levy relates.
- (2) Despite the generality of subsection (1) the Bank may, for purposes of monitoring—
- (a) verify the returns submitted in accordance with section 4(4);
- (b) access the mobile money service provider’s operations, bank account and data relating to a levy to ensure compliance with the Act; and
- (c) require the mobile money service provider to submit any other information that the Bank may consider necessary.
7. Where an offence under this Act is committed by a body corporate or unincorporate body, with the knowledge, consent or connivance of a director, manager or shareholder of that body corporate or unincorporate body that director, manager or shareholder is liable, on conviction, to the penalty specified for the offence.
8. (1) The Bank may issue guidelines or directives as the Bank may consider necessary for the administration or better carrying out of this Act.
- (2) The Bank shall publish the guidelines or directives issued under subsection (1) in the *Gazette*.
9. The Minister may, by statutory instrument, make Regulations for the better carrying out of the provisions of this Act.

Exemptions
from
payment of
levy

Monitoring

Offence by
principal
officers of
body
corporate or
unincorporate
body

Guidelines
or directives

Regulations

SCHEDULE
(Section 4(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
