

GOVERNMENT OF ZAMBIA

ACT

No. 6 of 2003

Date of Assent: 26th March, 2003

An Act to provide for the imposition of a medical levy; and to provide for matters connected with or incidental to the foregoing.

[27th March, 2003

ENACTED by the Parliament of Zambia

Enactment

1. (1) This Act may be cited as the Medical Levy Act, 2003.

Short title and commencement

(2) This Act shall come into operation on 1st April, 2003.

2. (1) In this Act, unless the context otherwise requires—
“bank” and “financial institution” have the meaning assigned to them in the Banking and Financial Services Act;

Interpretation

“Commissioner-General” means the Commissioner-General appointed under the Zambia Revenue Authority Act; and

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“levy” means the medical levy charged under section *four* of this Act.

(2) In this Act unless the context otherwise requires, words and expressions not defined in this Act but defined in the Income Tax Act shall have the meaning assigned to them in the Income Tax Act.

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3. The Commissioner-General shall, subject to the direction of the Minister, be responsible for giving effect to the provisions of this Act, and shall, for that purpose, have all the powers conferred on the Commissioner-General by the Income Tax Act.

Functions and powers of Commissioner-General

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4. (1) Any bank or financial institution making a payment of interest to any person or partnership, during the charge year, on any savings account, deposit account, development bond, investment in a building

Deduction of medical levy

society, or payment of any amount in excess of the original issue price for any treasury bill or any other similar financial instrument sold at a discount from face value, shall, before making any other deductions, deduct from the interest a medical levy at the rate of one per centum and that bank or financial institution shall account for such levy.

(2) A levy deducted under subsection (1) shall be paid by the bank or financial institution to the Commissioner-General on or before the fourteenth day of the month following the month in which the deduction is made.

(3) A bank or financial institution shall, on making the payment of interest under subsection (1), record on the form prescribed by the Commissioner-General the amount of the interest paid, the amount of levy deducted from the interest and such other particulars as the Commissioner-General may require.

(4) Any bank or financial institution which has made a payment of interest in accordance with subsection (1), shall, within fourteen days from the end of each charge year, or such longer period as the Commissioner-General may generally or in any particular case allow, forward to the Commissioner-General the form referred to in subsection (3).

Penalty for
late payment
of levy

5. Where any amount of levy is not paid within the period stipulated in subsection (2) of section *four*, a penalty equal to five per centum of the unpaid amount shall be paid by the bank or financial institution for each month or part thereof which the levy remains unpaid, and for the purposes of recovery and collection such penalty shall be deemed to be a part of the levy:

Provided that the Commissioner-General may, for sufficient cause shown, remit the whole or any part of the penalty.

Recovery of
levy
Cap. 323

6. Subject to the provisions of this Act, sections *seventy-nine*, *seventy-nine A*, *seventy-nine B*, *seventy-nine C* and *seventy-nine D* of the Income Tax Act shall apply, with necessary modification, to the recovery of the levy under this Act as they apply to the recovery of tax under the Income Tax Act.

Exemption

7. The Minister may, by statutory order, exempt any person or partnership from payment of medical levy.

Regulations

8. The Minister may, by statutory instrument, make regulations for the better carrying out of the purposes of this Act.