

MOZAMBIQUE: TAX | Amendments to the Tax Codes

Laws no. 3/2012, no. 4/2012 and no. 5/2012, which amend the VAT Code, the Corporate Income Tax Code and the Excise Tax Code, respectively, were recently published in the Official Gazette of Mozambique.

Regarding VAT, the most relevant changes are the extension of exemptions granted in relation to oil and mining operations, as well as to the supply of agricultural goods. In particular, exemptions were granted on the import of services related to drilling, research and infrastructure construction within the mining and oil phase of prospecting and research. Additionally, amendments were introduced in relation to the timeframe within which the VAT can be deducted.

In terms of Corporate Income Tax, a more detailed accounting regime is imposed to companies within the oil sector, such as the organization of individual accounts and the obligation to report in an individual basis the profits derived at the end of each taxable year, per each title or permit.

Finally, concerning the Excise Tax, the list of exemptions was extended in order to comprise raw materials and goods intended for use in domestic industry.

The amendments enacted are in force since 1 January 2012.

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