

***SUBSIDIARY LEGISLATION***

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LOCAL GOVERNMENT AUTHORITIES (RATING) ACT,  
(CAP. 289)

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**REGULATIONS**

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*(Made under sections 18A and 51)*

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THE LOCAL GOVERNMENT AUTHORITIES (RATING) (COLLECTION OF  
PROPERTY RATES) REGULATIONS, 2020

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| Citation       | 1. These Regulations may be cited as the Local Government Authorities (Rating) (Collection of Property Rate) Regulations, 2020.                                         |
| Application    | 2. These Regulations shall apply in relation to the areas where the Authority is collecting and accounting for property rate.                                           |
| Interpretation | 3. In these Regulations, unless the context requires otherwise:                                                                                                         |
| Cap. 289       | “Act” means the Local Government Authorities (Rating) Act;                                                                                                              |
| Cap. 399       | “Authority” means the Tanzania Revenue Authority established pursuant to the Tanzania Revenue Authority Act;                                                            |
| Cap. 399       | “Commissioner General” shall have a meaning ascribed to it under the Tanzania Revenue Authority Act;                                                                    |
|                | “Council” has the meaning as ascribed to it under the Act;                                                                                                              |
|                | “demand notice” means a demand for payment of property rate;                                                                                                            |
|                | “due date” means the date on which the rate becomes due and payable;                                                                                                    |
|                | “financial year” means the government financial year covering a period between 1 <sup>st</sup> of July of every year to the end of June of the following calendar year; |
|                | “Minister” means minister responsible for finance;                                                                                                                      |
|                | “rate” has the meaning as ascribed to it under the Act;                                                                                                                 |
|                | “rate payer” means a person liable to pay rate under these Regulations;                                                                                                 |
|                | “rateable area” has the meaning as ascribed to it under the Act;                                                                                                        |

PART I  
DUTIES AND RESPONSIBILITIES

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| Consultations and collaboration between Councils and the Authority | <p>4.-(1) For purposes of carrying out the provisions of these Regulations, a Council in a rateable area and the Authority may consult or collaborate in matters of technical and operational nature, provided that-</p> <ul style="list-style-type: none"><li>(a) such consultation or collaboration is between selected technical or operational teams whose members may not be less than two officers from each side;</li><li>(b) the team selection shall include officers who are skilled or conversant with the subject matter in question;</li><li>(c) minutes and records of each consultation or collaboration shall be prepared and kept either</li></ul> |
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electronically or in hardcopies for implementation and reference purposes;

- (d) decisions of technical or operational teams shall be reached on mutual agreements subject to approval by the Commissioner General upon consultation with the executive director of the respective Council;
- (e) formal communication subject to paragraph (d) shall be made to the team for purposes of implementation; and
- (f) the technical or operational team shall appoint the chairperson and secretary.

(2) Where there is a policy matter or any issue which does not require technical or operational inputs, such matter shall be submitted to the Minister for consultation or directive.

Functions  
of Council

5.-(1) The Council in a ratable jurisdiction shall have responsibility of assisting the Authority in all aspects necessary to ensure proper and maximum collection of rates.

(2) For purposes of ensuring maximum collection of rates, the Council may, upon request by the Authority, assist at-

- (a) furnishing lists of properties eligible for assessment and collection of rates;
- (b) distributing demand notes and other notifications to property owners;
- (c) advising the Authority on matters relating to the compliance with the provisions of the Act;
- (d) ensuring all relevant processes, information or communication systems used by the Council previously in assessing or collecting rates, whether electronic or manual, are availed to the Authority; and
- (e) carrying out any other responsibility as may be requested by the Authority relating to matters prescribed under these Regulations.

Functions  
of the  
Authority

6.-(1) The Authority shall in a ratable area-

- (a) assess, collect and account for rate revenue in accordance with the provisions of the Act and these Regulations;
- (b) prepare register of all rate payers;
- (c) register ratable properties and owners of properties, including information relevant for collection of property rates in the register;
- (d) make determinations on liability to pay rate;

- (e) prepare and dispatch demand notes to rate payers;
- (f) monitor daily rate revenue collections and enforcement measures on rate payers;
- (g) advise and submit reports on performance of rate revenue collections to the Minister;
- (h) carry out any other responsibilities which may be relevant to the effective and efficient administration of the property rate revenue collection as required by the Act.

(2) Notwithstanding subregulation (1)(a), for purposes of ensuring smooth operation, the Authority may recruit experienced collectors from respective local government areas for purposes of collecting property rates.

Duty of  
ratable  
property  
owner

7.-(1) Owner of ratable property shall-

- (a) register such property to a nearest office of the Authority in the manner as shall be prescribed by the Commissioner General;
- (b) disclose all particulars of such property as required; and
- (c) effect payment of rates on such property within a period prescribed under these Regulations.

Cap. 438

(2) An owner of ratable property who fails to comply with this regulation commits an offence and shall be liable to a penalty of shillings one hundred thousand or, upon conviction, be liable to a fine equal to four times the amount of rate not paid or imprisonment for a term of not less than one month and not more than three months, or to both.

Delegation  
of  
functions

8. In exercising his powers under these Regulations, the Commissioner General may delegate any of his functions to a designated officer of the Authority pursuant to the provisions of the Tanzania Revenue Authority Act and for this purpose such officer may-

- (a) carry out physical visits to properties located at ratable areas in collaboration with ward, village, mtaa, or hamlet leaders for purposes of collecting relevant information and verifying such properties;
- (b) deliver demand notices to property owners or occupiers in ratable areas and recover rate revenues;
- (c) make sure that bills are issued to all ratable properties and properly served to the rate payers;
- (d) ensure that rate revenues in respect of properties

situated within tax blocks in ratable areas are paid when they are due;

- (e) confirm ownership of the properties in ratable areas with the Registrar of Land and Local Government Authorities;
- (f) determine rate objections;
- (g) account for collected property rate revenues; and
- (h) apply relevant provisions of Tax Administration Act in assessing and collecting rates.

Cap. 399

PART II  
PAYMENT OF RATES

Requirement to pay rates and keep rate payers' Register

9.-(1) The Commissioner General shall, upon the issuance of assessment notice, in a format set out in the Schedule, require rate payers to pay the rate applicable in respect of their ratable properties.

(2) For purposes of subregulation (1), the Commissioner General shall keep a register of all rate payers which shall, among others, contain the following particulars-

- (a) Taxpayer Identification Number (TIN), where applicable;
- (b) name of the property owner;
- (c) property reference number, where applicable;
- (d) tax block number (District), where applicable ;
- (e) tax sub-block number (Ward), where applicable;
- (f) name of village;
- (g) names of mtaa, hamlet, street;
- (h) rate applicable, rate payable and adjustments;
- (i) due date; and
- (j) any other information relevant for effective and efficient administration of the property rates.

Payment of rates

10.-(1) A rate payer shall be responsible to pay rate for each financial year by the due date which shall be 31<sup>st</sup> December.

(2) Without prejudice to subregulation (1), a rate payer may, upon application to the Commissioner General in a prescribed form, pay rate in the prescribed time by installments which shall not exceed four installments.

(3) A rate payer approved by the Commissioner General to pay by installments shall enter into an agreement with the Authority, in a Form as set out in the Schedule, on the modality of payment of rate in the manner prescribed by the Commissioner

General.

(4) Where the Commissioner General is satisfied that due to absence from the United Republic of Tanzania or any other reasonable cause, the rate payer has failed to pay the rate within the time prescribed, he may, upon application by that person and subject to his best judgment, permit the rate payer to pay rate in not more than four installments.

(5) Where the Commissioner General has disapproved the request under subregulation (4), he shall, within one month from the date of refusal, inform the applicant of his decision and the reasons thereof.

Demand  
notice

11.-(1) The Authority shall, within thirty days from the due date, issue a demand notice to a rate payer in the prescribed form and manner set out in the Schedule to these Regulations.

(2) Where the rate payer fails to pay the amount due within fourteen days from the date of receipt of the demand notice, the provision regarding recovery measures under Regulation 14 of these Regulations shall take effect.

Service of  
demand  
notice

12.-(1) The Commissioner General shall effect service of demand notice to a rate payer electronically or manually.

(2) The Commissioner General may designate an appropriate method or system, electronic or manual as the case may be, for purposes of effecting services of demand notice and other inquiries to rate payers.

Mode of  
Payment

13. The payment of property rate shall be made to the Commissioner General through a designated bank or an approved electronic payment mode as the Commissioner General may direct.

Recovery  
measures  
Cap. 438

14. Where the property rate remains unpaid upon expiration of the fourteen days from the date of receipt of demand notice, recovery measures shall be implemented in a manner as provided in the Tax Administration Act.

PART III  
DISPUTE RESOLUTION

Dispute  
resolution  
Cap. 438

15.-(1) A rate payer who is aggrieved by any decision or demand issued by the Commissioner General may lodge an objection to the Commissioner General in a manner provided for under the Tax Administration Act, provided that-

- (a) the requirement to pay the prescribed amount pending determination of tax objection under the Tax Administration Act shall not apply; and
- (b) the rate payer shall lodge such objection electronically or manually or as the Commissioner General may direct.

Cap. 408

(2) A person aggrieved by the decision of the Commissioner General on objection may appeal to the Tax Revenue Appeals Board in the manner provided under the Tax Revenue Appeals Act.

#### PART IV EXEMPTIONS

Exemption  
from  
paying rate

16.-(1) A person or owner of rateable property qualifying for rate exemption under the Act, may make application to the Commissioner General stating reasons for being exempted.

(2) Subject to subregulation (1), an owner of property under section 7(c),(i), (j) and (k) of the Act shall, in addition to any other stated reasons, specify that the property used is not for commercial purposes or economic profit gain to justify the application for exemption.

(3) The Commissioner General shall, on receipt of the application under subregulation (1), consider the application, make his determination and serve the decision to the rate payer within a period of thirty days from the date when the application was lodged.

(4) The Commissioner General may either approve or refuse to approve the application, provided that where he refuses to approve the application, he shall assign reasons.

(5) Where the Commissioner General approves an application for exemption, he shall issue to the applicant an exemption certificate, provided that, the exemption shall continue to apply until it is revoked by the Commissioner General in writing.

(6) The approval for exemption given under subregulation (4) shall-

- (a) not be transferable; and
- (b) specify the period under which it shall cease to have effect.

PART V  
ACCOUNTABILITY

- Remittance of rate revenue to Consolidated Fund
- 17.-(1) The Commissioner General shall remit all revenues collected under these Regulations to the Consolidated Fund.
- (2) After every six months or from time to time as may be required by the Minister, the Commissioner General shall report performance of the collections and remittances to the Minister
- Rate revenue accounting
18. The Authority shall account for all revenue collected to the Minister annually.

PART VI  
GENERAL REGULATIONS

- Refunds
- 19.-(1) A rate payer may apply to the Commissioner General for refund in respect of rate paid on demolished property under section 24 of the Act and such application shall-
- (a) be made in writing in the form to be determined by the Commissioner General;
  - (b) indicate the correct calculation of the amount of money; and
  - (c) include all necessary evidence related to payments made, government approvals for the demolition and any other relevant evidence.
- (2) An application made under subregulation (1) shall not be granted if the demolition was done by or based on the rate payer himself for his own reasons relating to structural improvement or building a new building.
- (3) Only an application based on a demolition made out of public interest and authorised by the Government or local government authority and has satisfied the conditions prescribed under subregulation (1) shall be granted.
- (4) The Commissioner General after making his determination under subregulation (2), shall serve a decision to the respective rate payer within a period of thirty days from the date the application was lodged with the Commissioner General.
- Write offs
- 20.-(1) For purposes of ensuring proper management and monitoring of rate debt arrears, the Commissioner General shall-
- (a) categorize property rate debts in arrears age-wise; and

- (b) after the end of each financial year, keep a record of all arrears which are considered to be unrecoverable in terms of section 48(3) of the Act and submit to the Minister a recommendation for such arrears to be written off.

Cap. 348 (2) Upon receipt of the recommendation under sub regulation (1), the Minister may write off the rate debt in arrears in accordance with the Public Finance Act or issue further directives to the Commissioner General as he deems fit.

(3) A rate debt arrear shall exist until it is written off by the Minister in the manner as prescribed under subregulation (2).

Revocation  
of GN No.  
276 of  
2016

21. The Local Government Authorities (Rating)(Declaration of Regional Centres as Rateable Areas for the Tanzania Revenue Authority Operation) Order, 2016 is hereby revoked.

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**SCHEDULE**

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- (a) Assessment Notice Form  
(Under Regulation 9(1))  
(b) Demand Notice Form  
(Under Regulation 11(1))  
(c) Installment Payment Agreement Form  
(Under Regulation 10(3))

Dodoma,  
27<sup>th</sup> December, 2019

**PHILIP I. MPANGO,**  
*Minister for Finance and Planning*