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THE INCOME TAX ACT,

(CAP. 332)

ORDER

(Made under section 10(1)(a))

THE INCOME TAX (EXEMPTION) (CAPITAL GAINS AND GAINS OR LOSSES FROM REALIZATION OF ASSETS OR LIABILITIES) ORDER, 2020

Citation

1. This Order may be cited as the Income Tax (Exemption) (Capital Gains and Gains or Losses from Realization of Assets or Liabilities) Order, 2020.

Interpretation

Cap. 332

2. In this Order-

"Act" means the Income Tax Act;

"capital gains" means capital gains that would otherwise accrue under sections 56 or 90 of the Act from transactions involving the reorganization of equities and shareholding in the acquisition by Barrick Gold Corporation of the minority shareholders of the deregistered Acacia Mining Corporation, the establishment of Barrick Tanzania Limited, the incorporation of Twiga Minerals Corporation and reorganization of equities and shareholding in the Barrick Tanzania Mining Companies pursuant to Clause 3.3 of the Framework Agreement;

"Framework Agreement" means the agreement between the Government of the United Republic of Tanzania and the Barrick Tanzania Mining Companies and the shareholders of the Barrick Tanzania Mining Companies entered into on the 24th January, 2020 whereby shareholding in the Barrick Tanzania Mining Companies is altered and the Twiga Minerals Corporation is created;

"gains or losses from realisation of assets or liabilities" means such gains or losses that would otherwise accrue under section 36(1) & (2) or 90 of the Act from transactions involving the reorganisation of equities and shareholding in the acquisition by the Barrick Gold Corporation of the minority shareholders of the deregistered Acacia Mining Corporation, the establishment of Barrick Tz Limited, the incorporation of the Twiga Minerals Corporation and reorganization of equities and shareholding in the Barrick Tanzania Mining Companies pursuant to Clause 3.3 of the Framework Agreement.

Exemption

3. The income tax resulting from gains as defined under paragraph 2 is hereby exempted from income tax.

Expiry

4. The exemption granted under this order shall cease to have effect immediately after the completion of the reorganisation referred to under paragraph 2.

Dodoma,
27th February 2020

PHILIP I. MPANGO
Minister of Finance and Planning