

**THE SKILLS DEVELOPMENT LEVY ACT, 2016**

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GOVERNMENT OF ZAMBIA

**ACT**

**No. 46 of 2016**

Date of Assent: 27th December, 2016

**An Act to provide for the imposition, payment and collection of a skills development levy at the rate of 0.5 percent of gross emoluments; and to provide for matters connected with, or incidental to, the foregoing.**

[27th December, 2016

ENACTED by the Parliament of Zambia.

Enactment

**1.** (1) This Act may be cited as the Skills Development Levy Act, 2016.

Short title and commencement

(2) This Act shall come into operation on 1st January, 2017.

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

Interpretation

“casual employee” has the meaning assigned to it in the Employment Act;

Cap. 268

“Commissioner General” has the meaning assigned to it in the Zambia Revenue Authority Act;

Cap. 321

“emolument” has the meaning assigned to it in the Income Tax Act;

Cap. 323

“employee” has the meaning assigned to it in the Employment Act;

Cap. 268

“employer” has the meaning assigned to it in the Employment Act;

Cap. 268

“Fund” means the Technical Education, Vocational and Entrepreneurship Training Authority Fund established under the Technical Education, Vocational and Entrepreneurship Training Act, 1998;

Act No. 13 of 1998

“levy” means the skills development levy charged under section 4;

Cap. 1	“ pension benefit ” has the meaning assigned to it in the Constitution; and
Cap. 323	“ public benefit organisation ” has the meaning assigned to it in the Income Tax Act.
Administration of Act Cap. 321 Cap. 323	<b>3.</b> The Commissioner-General shall, subject to the direction of the Minister, give effect to the provisions of this Act and shall, for that purpose, have all the powers conferred on the Commissioner-General by the Zambia Revenue Authority Act and the Income Tax Act.
Charge of levy	<p><b>4.</b> (1) A skills development levy at the rate of 0.5 percent shall be charged, levied, collected and paid by an employer, on the gross emoluments payable to an employee, including a casual employee, during a month.</p> <p>(2) The levy shall be calculated on the gross emoluments payable by an employer to the employee, referred to in subsection (1).</p> <p>(3) A levy payable by an employee shall not be deducted from the emoluments of an employee.</p> <p>(4) The amount of emolument referred to in subsection (1) shall not include an amount paid or payable to an employee by way of a pension benefit.</p>
When levy becomes due	<b>5.</b> An employer shall pay the levy to the Commissioner-General at the time when an employee’s emolument is paid or is payable or deemed to be paid or payable to the employee and shall be remitted by the employer to the Commissioner-General not later than the tenth day of the month following the month in which the levy becomes due.
Exemptions  Cap. 323	<p><b>6.</b> (1) The levy is not payable by—</p> <p>(a) an employer in the public service or a local authority;</p> <p>(b) an employer whose annual turnover is below eight hundred thousand kwacha; and</p> <p>(c) a public benefit organisation approved as such under the Income Tax Act, exclusively established for the purpose of providing a public benefit or an organisation exempted from taxation under any other written law.</p> <p>(2) The Minister may, by statutory instrument, exempt any person from the payment of the levy.</p>
Payment of levy into Fund	<b>7.</b> The levy collected under this Act shall be paid into the Fund.

- 8.** Subject to the provisions of this Act, the provisions of the Income Tax Act apply to this Act in respect of the following
- (a) the recovery of the levy;
  - (b) the filing of returns;
  - (c) assessments of the levy payable;
  - (d) the keeping of records;
  - (e) the furnishing of information and production of documents;
  - (f) delegation of authority;
  - (g) the appointment of authorised officers;
  - (h) penalties and sanctions;
  - (i) reviews and appeals; and
  - (j) the priority of tax debts in bankruptcy.
- 9.** The Commissioner-General may, by notice in the Gazette, make administrative rules for the proper administration of this Act.
- 10.** The Minister may, by statutory instrument, make regulations for the proper carrying out of the provisions of this Act.

Recovery of  
levy,  
assessment  
and other  
matters  
Cap. 323

Administrative  
rules

Regulations

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