



## **ZAMBIA INSTITUTE OF CHARTERED ACCOUNTANTS**

**WELCOME REMARKS BY THE ZICA SECRETARY AND CHIEF EXECUTIVE MR. BONNA KASHINGA DURING THE TAX UPDATES WORKSHOP HELD AT INTERCONTINENTAL HOTEL, LUSAKA ON FRIDAY, 14<sup>TH</sup> FEBRUARY 2020**

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Senior Accountants Present,

Resource persons,

Distinguished participants,

Good morning!!

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I am delighted and honoured to be here with you on the first of the two Tax Update Workshops that the Institute has planned for 2020.

**Ladies and gentlemen,**

CPD events such as this are skills development initiatives designed specifically to assist members and businesses alike to ensure they are up to date with all legislative and professional standards developments pertinent to our members' professional duties. The topics and speakers are carefully selected to cover content which participants can apply to their own businesses as well as in advising their clients. In particular, the 2020 Tax Update will cover the relevant and appropriate aspects of the 2020 Budget as well as the resultant amendments to the tax legislation. It also covers various tax legislations which you encounter in your daily working environment and thus offering you a unique opportunity to bring yourself up-to-date with the latest tax developments. The workshop will focus on the practical and relevant aspects of the tax legislation and covering some of the key pronouncements in the 2020 Budget National Speech, examining their impact on individual taxpayers and businesses. As professionals in the forefront of tax collection, these new tax measures entail that our members must be fully conversant with latest tax developments to ensure that clients and employers

receive competent professional tax service and advice. Additionally, it will also be in the public interest and ethical duty that as professionals we ensure our clients and employers comply with the Tax law. Therefore, this workshop provides an opportune time for participants to learn the new tax practices and be able to engage the Zambia Revenue Authority and our team of tax experts on some complex tax issues. In situations where you become aware of or suspect a potential breach of tax laws and regulations, I wish to appeal to you to comply with the requirements of the framework on responding to Non-Compliance with Laws and Regulations (NOCLAR).

**Ladies and gentlemen,**

As you may be aware for the past five (5) years, our economy has been characterised by energy deficits, high inflation, financial volatility, job cuts and other economic hardships. These factors will no doubt impact adversely on businesses' ability to generate profits and contribute to the national treasury. This will ultimately weigh down on the country's ability to collect tax revenue from internally generated resources. Unfortunately, the state of affairs comes at the time when the country needs resources to meet the costs of debt repayment and importation of electricity. As people at the front line of tax collection, Accountants must be supportive of the tax collection system and ensure compliance with tax legislation by your employers and clients. It also is incumbent upon every professional to ensure that employers meet their tax obligations in a timely manner in order for the treasury to meet its fiscal responsibilities.

**Distinguished guests,**

In the 2020 Budget, the Minister of Finance discussed some important tax changes which have generated negative feedback from our members and the business community at large. These include the following;

- i) Anti-avoidance provision to limit exemptions on the transfer of property within a group of Companies. And the;
- ii) SI 90 of 2019

The Institute has therefore commenced a process of engaging the Government, through the Ministry of Finance and the Zambia Revenue Authority (ZRA) to see how best these measures can be ironed out and implemented. We are confident that through these engagements, an amicable solution that will benefit the country at large will be reached in the very near future.

**Ladies and gentlemen,**

I wish to commend the Government of the Republic of Zambia for taking a bold decision to enact the National Health Insurance Act number 2 of 2018. The National Health Insurance Act was enacted to introduce the National Health Insurance Scheme (NHIS) which will provide for sound financing for the national health system and will support universal access to quality insured health care services. As we all know a healthy nation breed's increased productivity and so the introduction of the National Health Insurance Scheme is an avenue to ensure a vibrant healthy sector. We have invited a representatives from NHIA who will take us through the provisions and what this means for you and me.

I wish you a successful and interactive workshop.

I thank you!