



2024 FOURTH QUARTER PROVISIONAL INCOME TAX PAYMENTS (QPD)

ZIMRA hereby reminds all taxpayers whose taxable income is derived from trade and investments for the year of assessment ending 31st December, 2024 that the Fourth Quarter Provisional Tax Payment, (35% of the estimated tax for the year) is due on or before 20th December, 2024.

It is important to highlight that for 2024 QPDs:

- For 1st QPD, taxpayers had to account for income tax proportionately in the currency of trade.
- For 2nd QPD, taxpayers had an option to account for tax proportionately in the currency of trade or on a 50-50 basis (as if 50% of the income was earned in USD and 50% was earned in ZWG).
- For 3rd QPD, taxpayers with more than 50% income in forex had to account for income tax on a 50-50 basis, taxpayers with 50% or more income in local currency had to account for income tax proportionately in the currency of trade.
- For 4th QPD, taxpayers with more than 50% income in forex have to account for income tax on a 50-50 basis, taxpayers with 50% or more income in local currency have to account for income tax proportionately in the currency of trade

The following guidance shall apply for the 2024 4th QPD:

1. Add up income in ZWG and US to obtain total income expressed in ZWG or USD;
2. Determine the proportionate contribution of the income streams;
3. Where forex income is contributing 50% or more, taxpayers be guided by Scenario 1; and where local currency income is more than 50%, taxpayers be guided by Scenario 2 below.
4. Both scenarios are for illustration purposes and are based on a taxpayer earning monthly fixed rental income in both USD and ZWG and incurring monthly fixed expenses in both currencies.

SCENARIO 1: TAXPAYER WITH MORE THAN 50% FOREIGN CURRENCY INCOME

Below is an illustration:

Exchange rate 1USD: 28 ZWG

Monthly	USD	ZWG
Monthly Rental Income	12,000.00	115,000.00
Monthly Maintenance expenses	100.00	30,000.00

Annual		
Estimated annual income	144,000.00	1,380,000.00
Estimated annual allowable deductions	1,200.00	360,000.00
Estimated Taxable income	142,800.00	1,020,000.00

Determination of Ratios

	USD	USD equivalence of ZWG income	Total Income in USD
Estimated Income	144,000.00	49,285.71	193,285.71
Estimated Ratios	0.75	0.25	

Estimated Tax Computation- Adjusted	USD	ZWG	
Estimated Income	144,000.00	1,380,000.00	199,200.00

Ratios	0.75	0.25
New Ratios	0.5	0.5
Adjusted Income	99,600.00	2,788,800.00
Less Exemptions	-	-
Income	99,600.00	2,788,800.00
Less Allowable Deductions: USD	600.00	16,800.00
Less Allowable Deductions: ZWG	6,428.57	180,000.00
Taxable Income	92,571.43	2,592,000.00
Tax at 25%	23,142.86	648,000.00
Add 3% AIDS Levy	694.29	19,440.00
Total tax payable	23,837.14	667,440.00

4th QPD: 20th December, 2024

Taxpayers have to account on a 50-50 basis

	USD	ZWG
Estimated Annual Income	23,837.14	667,440.00
Total 4th QDP Tax @35%	8,343.00	233,604.00

SCENARIO 2: TAXPAYER WITH MORE THAN 50% LOCAL CURRENCY INCOME

Exchange rate 1USD: 28 ZWG

Monthly	USD	ZWG
Monthly Rental Income	2,000.00	115,000.00
Monthly Maintenance expenses	100.00	30,000.00

Annual		
Estimated annual income	24,000.00	1,380,000.00
Estimated annual allowable deductions	1,200.00	360,000.00
Estimated Taxable income	22,800.00	1,020,000.00

Determination of Ratios

	USD	ZWG	Total Income in USD
Estimated Income	24,000.00	1,380,000.00	73,285.71
Estimated Ratios	0.33	0.67	

Estimated Tax Computation	USD	ZWG	
Gross income	24,000.00	1,380,000.00	
Less Exemptions	-	-	
Income	24,000.00	1,380,000.00	
Less Allowable Deductions: USD	396.00	22,512.00	
Less Allowable Deductions: ZWG	4,242.86	241,200.00	
Taxable Income	19,361.14	1,116,288.00	
Tax at 25%	4,840.29	279,072.00	
Add 3% AIDS Levy	145.20	8,372.16	
Total tax payable	4,985.49	287,444.16	

4th QDP: 20th December, 2024

Taxpayers have to account on Proportionate to trade Basis

	USD	ZWG
Total Annual tax payable	4,985.49	287,444.16
Quarterly Tax Due @35%	1,744.92	100,605.46

Outstanding Returns and Payment of Taxes

Taxpayers who have not yet submitted their outstanding returns are encouraged to do so, while those who are behind on their tax obligations must, either pay the overdue amounts in full, or apply for and comply with an established payment plan.

NB:

Please note that as per the 2025 Budget Presentation by the Minister of Finance, Economic Development and Investment promotion, effective **1st January, 2025**, all returns shall be due five (5) days before the payment date and the penalty for late submission of returns will be reviewed to US\$30 per day.

My Taxes, My Duties: Building My Zimbabwe

Public Notice 99 of 2024, issued on 13/12/ 2024.

Get in touch with us on our Contact Centre
Toll free number **585 / for netone 08010271**
WhatsApp **0782 729 862**
Email **contactcentre@zimra.co.zw**

we are here to serve



www.zimra.co.zw

