

Amendment of
Third Schedule

38. The Third Schedule to the principal Act is amended in paragraph 3, by adding immediately after subparagraph (10) a new subparagraph (11) as follows-

“(11). The allowance granted to a person in respect of natural resource prospecting, exploration and development expenditure and pooled under class 4 pool of depreciable assets shall cease after ten years of production and the depreciation basis for the pool of depreciable assets shall be adjusted accordingly”

PART V

AMENDMENT OF THE INSURANCE ACT,
CAP. 394

Construction
Cap. 394

39. This Part shall be read together with the Insurance Act, hereinafter referred to as the “principal Act”.

Amendment of
section 67

40. The principal Act is amended in section 67, by deleting the words “one third” appearing in paragraph (b) and substituting for them the words “two thirds”.

Repeal and
replacement of
section 72

41. The principal Act is amended by repealing section 72 and replacing for it the following:

“Payment of
premiums and
commission

72.-(1) The Commissioner shall, by order in the *Gazette*, prescribe minimum rates of premium payable under this Act for different classes of insurance.

(2) Subject to subsection (1), an insured shall pay to a Tanzanian insurer all premiums due to the insurer by depositing to the account of the insurer for insurance cover effected at the instruction of the insured.

(3) A broker shall be entitled to a commission from the insurer for insurance cover issued to the insured under its brokerage.

(4) A broker shall not receive any premium from the insured for insurance cover effected at the instruction of the insured.

(5) Any chief executive officer or principal officer of a broker who receives premium in contravention of subsection (3) commits an offence and shall on conviction be liable to a fine of not less than ten million shillings and not exceeding fifty million shilling or imprisonment of a term not less than two years but not more than

five years or to both.

(6) Without prejudice to subsection (5), any broker who contravenes this section shall, in addition to the penalty, bear all liabilities arising from the act constituting the offence.

Repeal and
replacement of
section 133

42. The principal Act is amended by repealing section 133 and replacing for it the following:

“Insurance held
by Tanzanian
insurer

133.-(1) Insurance cover effected by a Tanzanian resident or a Tanzanian resident company of any class or classes shall be placed with a Tanzanian insurer.

(2) Where a class or classes of insurance required to be placed with a Tanzanian insurer in terms of subsection (1) is or are not available to a person seeking insurance cover that person may, through a resident insurer and with prior written approval of the Commissioner, place that insurance cover with a non -Tanzanian insurer.

(3) For purposes of subsections (1) and (2), ground, marine and air cargo insurance covers for Tanzanian imports

shall be effected by a Tanzanian insurer.

(4) Nothing in this section shall affect the control exercisable by the Bank of Tanzania.”

Repeal of section
134

43. The principal Act is amended by repealing section 134.

Repeal of section
137

44. The principal Act is amended by repealing section 137.

PART VI

AMENDMENT OF THE TAX ADMINISTRATION ACT, CAP. 438

Construction

45. This Part shall be read as one with the Tax Administration Act, hereinafter referred to as the “principal Act”.

Amendment of
section 3

46. The principal Act is amended in subsection (3) of section 3, by adding at the end of the definition of the word “tax” the following words “and any additional profits tax payable under any arrangement or agreement”

Amendment of
section 54

47. The principal Act is amended in subsection (1) of section 54 by adding immediately after paragraph (g) new paragraph (h) as follows: