

All Employees to Possess A Tax Identification Number (TIN)

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Possession of Tax Identification Number (TIN) is now mandatory for ALL employees of both public and private sector. The purposes of this as done by the Tanzania Revenue Authority (TRA) is to modernize tax collection systems and ensure compliance and efficiency as TRA has introduced an electronic filing system of Tax Annual Returns for companies in Tanzania where Pay As You Earn (PAYE) will be remitted online.

This new system will allow entities to undertake the following via the online electronic system:

- Register your entity electronically as an entity who will file tax returns
- Appoint a person as a declarant who will be authorized to submit the tax returns on behalf of the entity
- Appoint an audit firm and auditors online in the system for certification of income tax returns prior to submission to TRA
- Certification of income tax returns
- Application for extension of time to file returns
- Access and view filed returns, assessments and other relevant information

An entity is required to register itself online through the TRA website by use of its TIN number and accompanied by the TIN of the Directors/Representative within the TRA database system.

On registration a declarant is appointed by an entity who will be responsible in undertaking all activities within the system on behalf of the entity and such appointment can be changed at any time.

Employers are also required to remit PAYE of each employee online. ALL employees must have a TIN number for this purpose. TRA has provided a grace period of up to 31 December 2020 for employees and employers to comply with the above requirement as it is mandatory under section

If you have any question concerning this memorandum, please reach out to your regular firm contact or the following authors:

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22 of the Tax Administration Act. Meanwhile, in remitting PAYE for employees not having a TIN, employers can temporarily use TIN no 999 999 999 for remittance purposes.

A TIN application can be done online by use of an employee's National Identification Number (NIN) or NIDA card number. If one does not have a NIN number the application for TIN can be done by physically visiting any TRA offices for taking of their fingerprints and photo.