



THE TAX MAN'S CORNER



Duty to Keep and Maintain Records of Business Transactions

All persons carrying out business in Zimbabwe are required by law to keep and maintain records of business transactions and proper books of accounts (in English), unless approval to the contrary has been granted by the courts or the Commissioner. Books of accounts include ledgers, cash-books, journals, bank statements and deposit slips, stock sheets, invoices, credit notes, debit notes, computer records, bills of entry, consignment notes and all other books of account relating to any trade.

The following sections of the Acts administered by the Zimbabwe Revenue Authority (ZIMRA) provide for this legal requirement:

- Section 223 of the Customs and Excise Act [Chapter 23:02]
- Section 37B of the Income Tax Act [Chapter 23:06]
- Section 57 of the VAT Act [Chapter 23:12]

The above legal provisions require the following aspects to be observed:

- Records be kept for a minimum period of six (6) years
- Records should be open and available for inspection by a ZIMRA officer as may be required
- Records should be available for retrieval, in the original form or copied, by a ZIMRA officer as may be required.
- Where these records are kept on computer, the officer should have access to these records for inspection and/or retrieval from such computer or other computer related gadgets or media.

Please be advised that failure to keep records as required by the Income Tax Act (Chapter 23:06) Section 37 B subsection (1) constitutes an offence for which one may be liable to—

- (a) a fine not exceeding level seven; or
- (b) a fine equivalent to ten per centum of the person's taxable income; whichever is the greater amount, or to imprisonment for a period not exceeding three months, or to both such fine and such imprisonment.

My Taxes, My Duties: Building my Zimbabwe

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