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Tax Alert
September 2026



Tax Alert

Extended Voluntary Disclosure Scheme

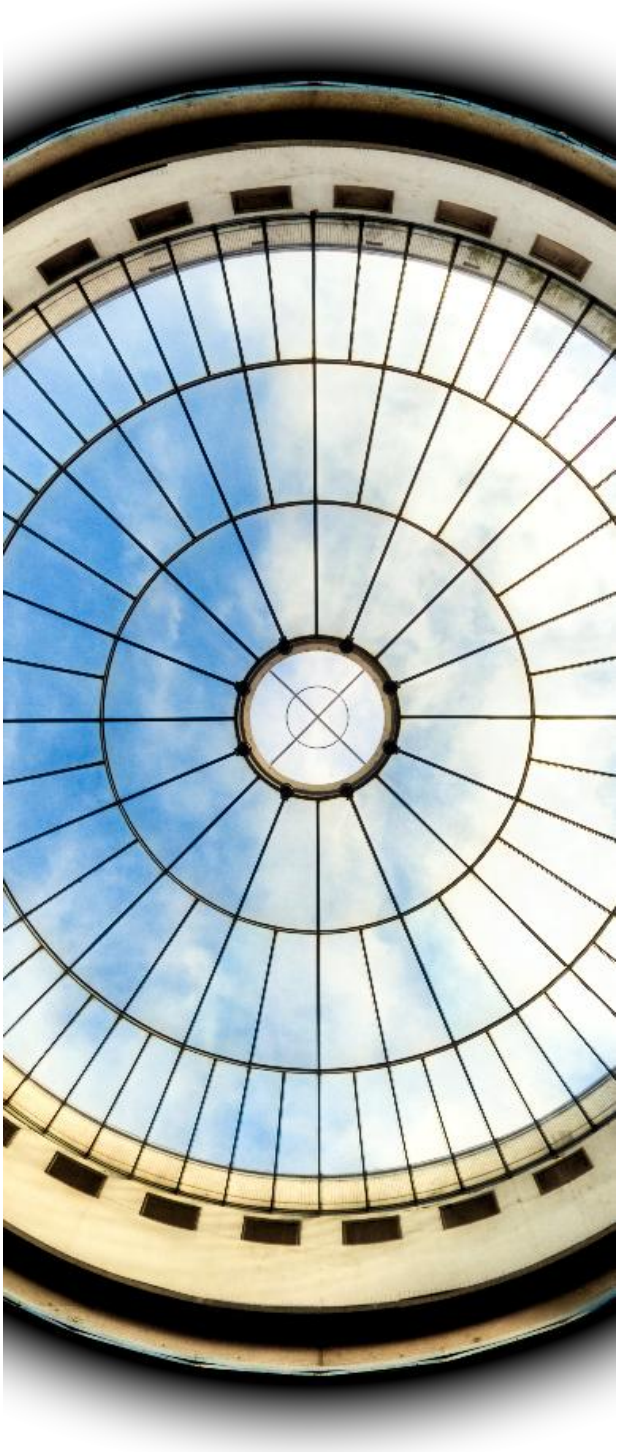
On 17 September 2026, the Honourable Minister of Finance and National Planning, Dr. Situmbeko Musokotwane, launched the Extended Voluntary Disclosure Scheme (EVDS), an initiative of the Zambia Revenue Authority (ZRA) to support voluntary compliance and enable Taxpayers to meet their outstanding obligations between 17 September 2026 and 31 December 2026.

The programme offers all taxpayers a 100% waiver of accrued penalties and interest upon settlement of the principal tax due. This communication highlights the key features of the EVDS and the related implications for Taxpayers.

Overview of the Scheme

The EVDS has been designed to give Taxpayers a clear, fair and time-bound opportunity to regularise their tax affairs, in support of the ZRA's ongoing commitment to strengthening voluntary compliance across the tax system.

The programme offers all taxpayers a 100% waiver of accrued penalties and interest upon settlement of the principal tax due.



Legal basis

The EVDS Programme is grounded in the Commissioner-General's existing powers under the Income Tax Act, the Value Added Tax Act and the Customs and Excise Act.

Period of the programme

The EVDS is available from 17 September 2026 to 31 December 2026.

Scope of the EVDS Programme

The EVDS applies to all interest charges and penalties relating to all tax types administered by the ZRA for periods up to 31 August 2026.

It is open to all Taxpayers who satisfy the following requirements:

- Applicants must disclose all undeclared income and/or information on imports and exports;
- All returns should be filed;
- Taxpayers are required to settle principal liabilities in full;
- Taxpayers may apply for a Time to Pay Agreement (TPA);
- Taxpayers without outstanding principal liabilities but with penalties or interest can apply for a waiver;
- Taxpayers should honour the terms of the existing TPA. Breach of the terms may result in termination of the agreement; and
- Eligible VAT-registered suppliers must be registered for and use Smart Invoice.

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Exclusions from the EVDS Programme

The following are excluded from the EVDS Programme and do not qualify for the waiver:

- Fines;
- Refund-yielding disclosures;
- Cases under investigation for fraud, wilful default, or other tax-related offences;
- Taxpayers who fail to maintain current tax obligations during the programme period, or default on newly signed TPAs during the programme;
- Penalties and fines that are not waivable;
- Where a taxpayer has instituted legal proceedings, including before the Tax Appeals Tribunal, and made demands to the Authority, unless such proceedings are withdrawn;
- Penalties and interest arising from determined Court / Tax Appeals Tribunal cases;
- Penalties and interest already paid;
- Storage charges and other related costs arising from cleared seized goods released from a Customs warehouse;
- Forfeited goods and motor vehicles (including trailers and motorcycles);
- Cases under objection or appeal, unless withdrawn by the taxpayer;
- Penalties and interest accrued after 31 August 2026; and
- Active audit cases, unless further disclosures are made in the course of the audit. However, penalties and interest unrelated to the active audit qualify for the programme.

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How does the Scheme work?

On satisfaction of the above terms and conditions, the EVDS Programme will be applied using a proportionate waiver method. The relief on penalties and interest is linked to the portion of the qualifying principal tax debt that is paid.

Waivers are only effected upon receipt and allocation of the corresponding principal payment.

An illustration of the waiver mechanism where a taxpayer owes K1,000,000 principal plus K400,000 penalties and interest is set out below in Table 1.

Table 1: Proportionate waiver

Payment of principal	% of principal settled	Waiver applied	Penalties / interest waived
K1,000,000	100%	100%	K400,000
K750,000	75%	75%	K300,000
K500,000	50%	50%	K200,000
K250,000	25%	25%	K100,000

Qualifying penalties and interest arising during the Programme period will be treated as per table below:

Table 2: Treatment of interest and penalties

Type	Treatment
All voluntary disclosures	No penalties and interest will be charged to the extent of the disclosure. Requirements for the current Voluntary Disclosure Programme will apply.
All outstanding tax arrears	All penalties and interest will be waived, subject to the programme requirements.



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Application process – Domestic Taxes

To access the relief under the EVDS Programme, an online application for a penalty waiver must be made through the ZRA e-services portal.

For voluntary disclosures, taxpayers must apply in writing to the nearest local ZRA office, addressed to the Commissioner – Domestic Taxes, or submit via email to EVDS@zra.org.zm.

Application process – Customs

A physical application must be submitted to the nearest Customs office, or the local ZRA office where there is no Customs presence. Alternatively, an application letter may be sent by email to CUST-TMU@zra.org.zm.

For voluntary disclosures, taxpayers must apply in writing to the nearest local ZRA office addressed to the Commissioner – Customs, or submit via email to CUSTTMU@zra.org.zm.

Appeals

A taxpayer dissatisfied with the outcome of the application may appeal to the Tax Appeals Office of ZRA using the email address EVDS@zra.org.zm, or by sending a physical appeal application to the Assistant Director, Tax Appeals Office at ZRA Head Office.

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Key actions for Taxpayers

- File all outstanding tax returns for periods up to 31 August 2026.
- Disclose all undeclared income and import/export information.
- Settle principal tax in full, or apply for a Time to Pay Agreement.
- VAT-registered suppliers must register for and use Smart Invoice.
- Withdraw any objections, appeals or legal proceedings to qualify.
- Keep current obligations up to date throughout the programme.

What can Deloitte do for you?

Let us help you assess your approach. It might be timely to carry out a tax health check on your tax affairs and take full advantage of the EVDS Programme during this period.

For a detailed discussion on how Deloitte can assist you in ensuring compliance and taking advantage of the relief, please reach out to the contacts overleaf or your usual Deloitte contact.

"Talk to us. It might be timely to carry out a tax health check on your tax affairs and take full advantage of the EVDS Programme during this period."

Key dates

Launch: 17 September 2026
Closes: 31 December 2026
Covers periods up to 31 August 2026

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