

Zambia Tax changes

January 2023

According to the Income Tax (Amendment) Act No 24 of 2022, the changes below will affect the PAYE tax:

1.1 Tax Tables – Section 13(b)

New Annual Tax Tables for 2023 tax year, effective 1 January 2023.

| Annual Income Brackets | | Rate |
|------------------------|------------|-------|
| From (K) | To (K) | % |
| 0.00 | 57 600.00 | 0% |
| 57 600.01 | 81 600.00 | 20% |
| 81 600.01 | 106 800.00 | 30% |
| 106 800.01 | And above | 37.5% |

1.2 Disability Tax Credit – Section 13 (a)

The new tax credit for differently abled persons has increased to K7200.00 per annum, K600 per month, effective 1 January 2023.

Tax File Version: 202301

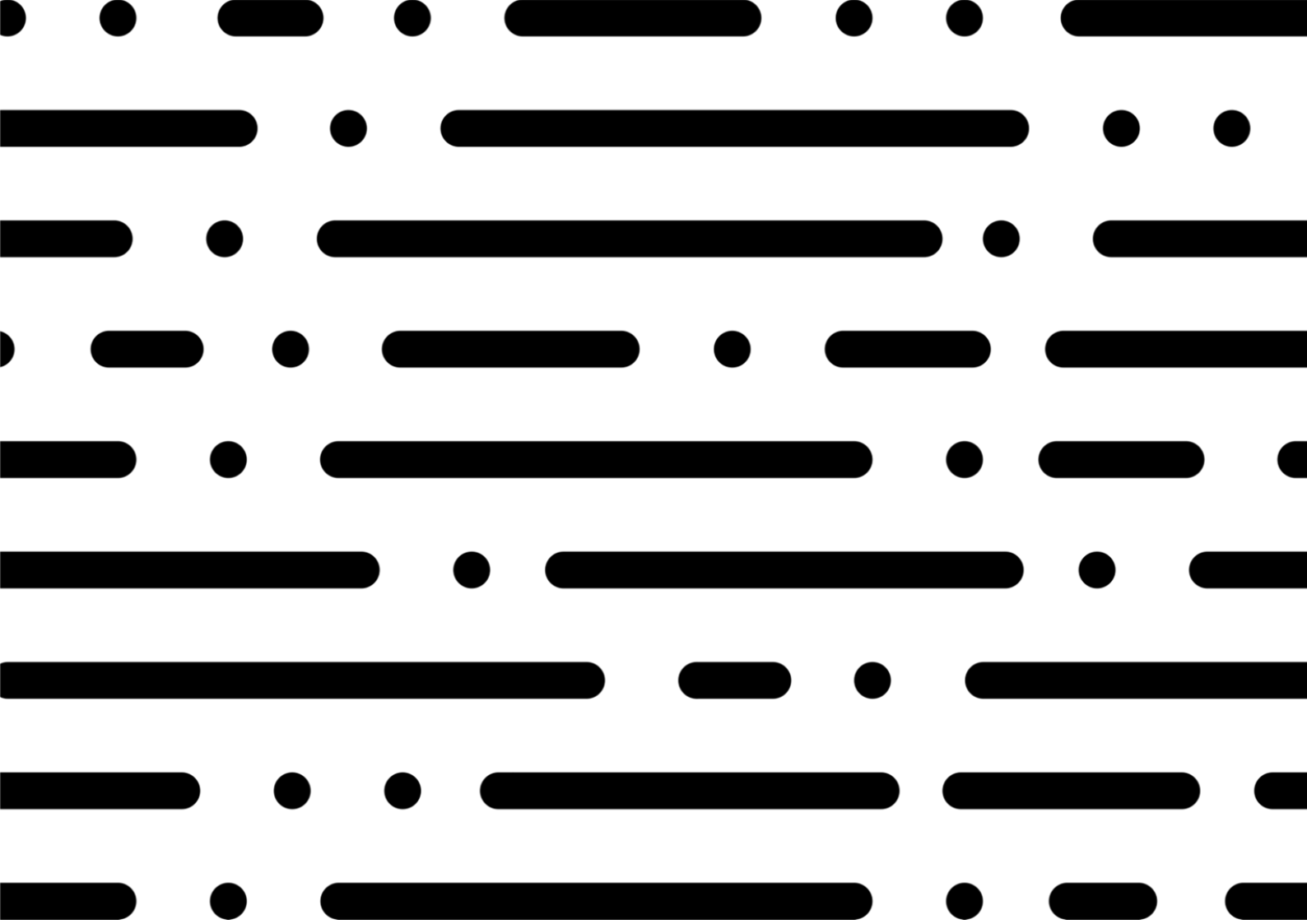
NAPSA Earnings Ceiling Increase

As of 1 January 2023, the new NAPSA earnings ceiling is K26 840 per month.

The maximum an employee or employer will contribute per month at 5% is K1 342. The total maximum contribution by both the employee and employer for 2023 is K2 684.

The contribution rate remains unchanged at 10% of the employee's monthly gross earnings subject to the statutory contribution ceiling above.

Please Note: The NAPSA ceiling is defined in a Method of Calculation and the method must be changed by you. For details on how to make the change, visit Sage City.



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