PTTI COUNTRY PROFILE — TANZANIA

Premix Taxes and Tariffs Index · Prepared for the Global Alliance for Improved Nutrition (GAIN)

Reference GCC-GAIN-PTTI-2026-01 | Dataset: Master workbook v1.5.56 (17 September 2026) | Profile v2.11 | 17 September 2026

1. PURPOSE AND BASIS OF PREPARATION

This profile is one of eight prepared for the Global Alliance for Improved Nutrition under the Premix Taxes and Tariffs Index engagement. The index records, for sixty-six countries, the taxes, duties and charges levied at the border on imported micronutrient premix — the concentrated blend of vitamins and minerals that millers and food producers add to staple foods such as wheat flour, edible oil and salt in food fortification programmes. Many countries that fortify foods import their premix, and the charges collected at the border can represent a material share of total programme cost. The fiscal treatment of premix at import is therefore of direct consequence to those who design, fund and operate fortification programmes, and this profile is written for that readership rather than for customs specialists.

Every figure cited traces to a source recorded in the citation log of the PTTI master workbook, version 1.5.56 of 17 September 2026. The modelling convention throughout the index is a single consignment valued at USD 1,000,000 on the cost, insurance and freight (CIF) basis — the value of the goods delivered to the port of entry, which is the base on which most import charges are computed. Where a charge is instead levied on the free-on-board (FOB) value, the convention takes FOB as USD 900,000. The modelled consignment is a bulk multi-micronutrient premix — vitamins and minerals on a food-grade carrier — for wheat-flour fortification, in industrial packing and of non-preferential origin, entered for home consumption at standard rates. The importer modelled is a registered manufacturer importing the premix as an input to its own production; a flour mill is taken as the reference case, and section 5 sets out how the VAT treatment of the fortified product bears on the credit. Where the evidence supporting a figure is secondary, or awaits verification against the primary legal instrument, this profile says so.

2. SUMMARY ASSESSMENT

An importer bringing the modelled consignment into Mainland Tanzania pays USD 214,220 at the border — 21.42 per cent of the value of the goods, below the index median of 31.14 per cent. As in Kenya, the position has two parts. Tanzania applies the same East African Community tariff line as its EAC partners — 2106.90.40, “mineral premix used in fortification”, at zero duty — and the largest charge in the bill, value added tax of USD 185,220, is creditable in principle by a VAT-registered manufacturer whose fortified product is taxable — a condition a flour mill does not meet, since wheat and maize flour are exempt in Tanzania; section 5 explains why that matters. The railway levy and the customs processing fee, USD 29,000 together, carry no credit mechanism.

3. THE CHARGES AT THE BORDER

Three charges arise. The zero-rated duty line is shown because it is the foundation of the position; a fourth row records the customs processing fee at the increased rate that took effect in 2026.

Charge	Character and legal basis	Rate and base	Amount (USD)
Customs duty	None: the EAC Common External Tariff carries a dedicated line for mineral premix used in fortification at a zero rate	0% of CIF	0
Value added tax	VAT on the value of the import under the VAT Act 2014 s.9: customs value plus duty, the railway levy and the processing fee (USD 1,029,000); creditable in principle as input tax by a VAT-registered manufacturer with taxable output (see section 5)	18% of base	185,220
Railway Development Levy (RDL)	Infrastructure levy under the Railways Act Cap. 170 s.72(5)(a) on goods entered for home consumption, raised from 1.5 to 2 per cent by the Finance Act 2024	2% of CIF	20,000
Customs processing fee	Fee on dry cargo under the Tanzania Revenue Authority (Customs Processing Fee) Regulations 2026 (Government Notice No. 158D of 30 June 2026), regulation 3(1) and First Schedule item 1, at the rate of 1 per cent in operation from 1 July 2026 (previously 0.6 per cent); levied on the free-on-board value and included in the VAT base	1% of FOB	9,000
Total gross import charges	**21.42% of the CIF value of the consignment**		**214,220**

Two absences from the table are themselves findings. Tanzania's Industrial Development Levy is charged only on a closed list of goods identified by tariff heading, and heading 21.06 did not appear in any version of the list examined, so no charge arises on premix; the list has, however, been extended by successive Finance Acts and is recorded in the workbook as a live watch item. Nor does Tanzania impose the African Union import levy: on the evidence recorded it has not implemented the Kigali Decision's levy and meets its AU contributions from ordinary budget appropriations, a position to be re-confirmed at each refresh. Neither charge was identified for the modelled consignment in the schedules examined at the statement date — the Industrial Development Levy Schedule under the Imports Control Act as amended by the Finance Acts 2024 to 2026, and the African Union's published implementation record — and compilations that show one should be reconciled against those instruments.

4. THE CLASSIFICATION POSITION

Tanzania shares the East African Community's dedicated premix line, and with it a degree of certainty that eludes most countries in this study: the goods have a named home in the tariff, at a zero rate, without a separate exemption claim and subject only to the goods answering the tariff description. Classification ambiguity is recorded as low. The line was renumbered from 2106.90.92 to 2106.90.40 with effect from 1 July 2023 across the EAC, so declarants should confirm the current code at each tariff revision. The EAC treatment is the working precedent on which the study's wider case rests — including the dedicated subheading 2106.20 adopted for the 2028 edition of the Harmonized System, effective 1 January 2028, which offers all countries, for products within the scope of the new subheading note, the same means of identification that EAC members already have — the rate attached to it remaining each country's decision.

5. THE RECOVERABILITY POSITION IN PRACTICE

Of the USD 214,220 paid at the border, the VAT of USD 185,220 is creditable in principle as input tax by a VAT-registered manufacturer. The condition that matters is the VAT status of the fortified product: input tax is creditable only to the extent that it is incurred in making taxable supplies, so where the fortified staple is exempt the credit is denied and the import VAT becomes a cost, where it is zero-rated the entitlement becomes a refund claim on the Tanzania Revenue Authority, and only where it is standard-rated is the credit realised by ordinary set-off. The railway levy and the processing fee, totalling USD 29,000, carry no credit mechanism. An importer outside the VAT net has no entitlement to the credit and should treat the full 21.42 per cent as cost.

The VAT status of the fortified product decides how much of the credit is real. Wheat or meslin flour and maize flour are exempt supplies under the Schedule to the Value Added Tax Act 2014 (Part I, item 3, sub-items 17 and 18), and section 68 of the Act (section 72 in the 2023 revised edition) allows a credit only for input tax incurred for the purpose of making taxable supplies, with the partial-credit formula of section 70 (section 74) applying where a business makes both. A flour mill therefore cannot credit the USD 185,220 of VAT on premix and should treat it as a cost — which, for the main fortification vehicle in Tanzania, changes the recorded position materially. Double-refined edible oil made by a local manufacturer from locally grown seeds is exempt under item 27 of the Schedule, extended by the Finance Act 2026 to 30 June 2027, so a local oil refiner is in the miller's position for that product; other edible oil and salt are standard-rated at 18 per cent, so their producers credit in the ordinary way. The treatment of the specific fortified product should be confirmed against the Schedule as amended by the current Finance Act before any recovery is assumed.

Two cautions apply to every creditable charge in this profile, and the index applies them throughout. First, a credit is a legal entitlement, not cash. VAT or sales tax paid at import may be credited, carried forward or refunded only under the local rules, including the treatment of the importer's own output: where the fortified product is exempt the input credit is denied in whole or in part, and where it is zero-rated the excess is recovered by refund claim rather than set-off. Advance income-tax collections follow separate rules — adjustment against the year's liability, minimum-tax treatment for some importers, and

refund of any excess — and are not affected by the VAT status of the output. Second, recovery takes time and is contestable: claims are subject to time limits, audit, partial disallowance, delay and dispute, and an amount identified as creditable in principle is not a guaranteed receipt. For these reasons the index reports the gross figure — what must be paid and financed at the border — as its headline, records for each charge whether it is creditable in principle, and computes no net figure. Programme plans should budget on the gross amount, distinguish the charges no importer can credit from the creditable principal and the financing cost of delayed recovery, and test denial and delay scenarios.

6. THE RELIEF AND EXEMPTION POSITION

Fortificant relief is recorded as evidenced in Tanzania, and as in Kenya the relief is the tariff line itself rather than a separate instrument — embedded in the nomenclature, requiring no separate exemption claim, and not dependent on certificates or ministerial renewal. The charges that no importer can credit are confined to the two levies and fees. The direction of travel warrants attention, however: the processing fee in the table was raised from 0.6 to 1 per cent in 2026, the railway levy was raised in 2024, and the Industrial Development Levy's closed list has been extended year by year. None of these movements is aimed at fortification, but together they illustrate how small border charges accrete, and the annual Finance Act, its implementing government notices and the EAC gazette are the documents in which each future movement will first appear.

7. THE BORDER OPERATING ENVIRONMENT

Tanzania's border indicators are dated but consistent. The country was last scored on the World Bank's Logistics Performance Index in 2016, at 2.99 overall (ranked 61st) with a customs component of 2.78. The legacy Doing Business measurements of 2020, indicative only, put border compliance for an import at approximately 402 hours and USD 1,350 per shipment, with documentary compliance adding some 240 hours and USD 375 — the longest and most costly border-compliance figures in the focus set. Tanzania's notified implementation rate under the WTO Trade Facilitation Agreement stands at 39.1 per cent — the lowest in the focus set — although the national single window is recorded as implemented and advance rulings as partially so. Notified implementation measures notification rather than clearance experience; read with that caution, the gap between Tanzania's generous fiscal treatment and its facilitation notifications suggests that, on the historical indicators, the practical clearance experience rather than the tariff is where programme time and cost are most at risk — a conclusion that current, product-specific experience should test. The logistics vintages cited are each country's most recent scored edition — the 2025 LPI publishes no country scores — and the 2020 legacy compliance figures are context, not current measurements.

8. OBSERVATIONS RELEVANT TO PROGRAMME PLANNING

Three observations follow. First, as in Kenya, entity structure and the tax status of the output govern the economics: import through a VAT-registered manufacturer, confirm that the fortified product is a taxable supply so that the credit is available, and plan working capital for the USD 185,220 VAT outlay across a recovery interval that may be long where a refund is involved. Second, the watch-list for Tanzania is the annual Finance Act — the

Industrial Development Levy's schedule, the levy rates, and the processing fee rate should be checked each July before budgets are set. Third, the EAC treatment that Tanzania shares is the study's standing exhibit for classification reform, and programmes operating in Tanzania can strengthen the wider case by documenting the treatment working in practice at a border whose facilitation indicators are otherwise modest.

9. DATA QUALITY AND LIMITATIONS

The Tanzanian assessment carries medium confidence. The VAT treatment and base are verified against the VAT Act 2014, the railway levy against the Railways Act as amended by the Finance Act 2024, and the processing fee against the 2026 government notice that set the increased rate. The exclusions of the Industrial Development Levy and the AU levy are negative findings verified against the relevant statutory schedules and implementation records. Classification ambiguity is low. The evidence that would restate this profile is each year's Finance Act — the Industrial Development Levy schedule and fee rates move annually — or an EAC gazette corrigendum to the sighted print. The figures are prepared on the index's common conventions to support comparison and programme-level planning; they are not a substitute for a binding ruling or an entry-specific computation.

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