

# giz

*iTAX:*  
Service Levy  
User's Manual



May 2014

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# 1 INTRODUCTION

iTAX or Integrated Taxation Management System is an integrated software composed of several modules that individually accommodate the procedures that signify each of the local government offices.

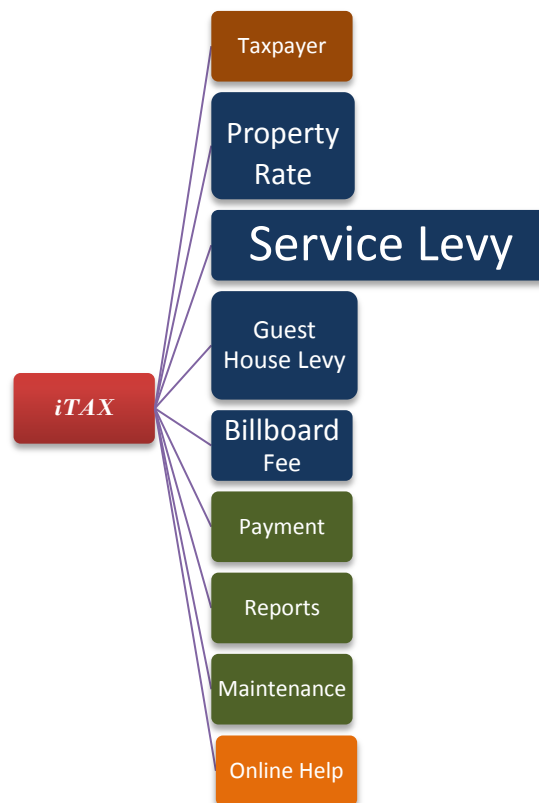
iTAX provides a Service Levy Module for the use by the LGA for registering corporate entities and collecting Service levies using this information.

## 2 OVERVIEW

Service Levy is charged and collected by Local Government Authorities. This turnover based levy is payable in quarterly by corporate entities carrying on business in the respective Local Government Authority. The rate of tax is currently 0.3 per cent of the business turnover.

Service Levy is a module in the **iTAX** software application that automates most of the processes and transactions related to revenue collection of Service Levy. This module is linked to other modules in the **iTAX** software which enables it to utilize the common functions that handle taxpayer data, accounting, payments, enforcements, and reports.

The Service Levy module provides the functionalities that allow the LGA or the user to process transactions regarding the Service Levy. The module also provides analysis of estimated income from Service Levy.



*Figure 1 – Service Levy*

Figure 1 illustrates the structure of the iTAX application with Service Levy as the module under focus. Also shown are other support modules such as Reports and Maintenance that provide common services. Online Help is additional function in the software where you can seek help from Internet.

The table below summarizes the features, transactions and reports of the Service Levy module.

| <b>FEATURES</b>         |  |
|-------------------------|--|
|                         | <ol style="list-style-type: none"> <li>1. Record all data items on corporate entities.</li> <li>2. Declare a corporate entities monthly/quarterly/annual income.</li> <li>3. Issue a receipt for Service Levy payment</li> <li>4. Accept full, partial and advance payments</li> </ol> |
| <b>TRANSACTIONS</b>     |  |
|                         | <ol style="list-style-type: none"> <li>1. Create, edit and delete a corporate entity information</li> <li>2. Add, edit and delete business activity information</li> <li>3. Compute penalties/interests</li> </ol>   |
| <b>REPORTS/DISPLAYS</b> |  |
|                         | <ol style="list-style-type: none"> <li>1. List of corporate entities</li> <li>2. Service Levy due bill</li> <li>3. General Abstract of collections</li> <li>4. Collection Report</li> </ol>  |

*Figure 2 – Service Levy module features, transaction and reports*

### 3 SERVICE LEVY MODULE

The Service Levy module has two windows for the management of revenue collections. The first window is the Service Levy Entry window that allows the registration and management of corporate entities information. The second window carter for service levy declaration and debit posting processes.

To access the Service Levy module go to the FEES/LEVIES Menu > Service Levy (SL) >SL Entry.

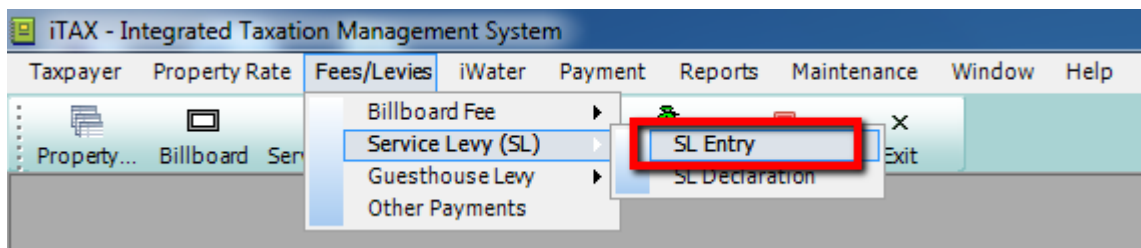


Figure 3 – Service Levy Entry Menu

The Service Levy Entry window will display.

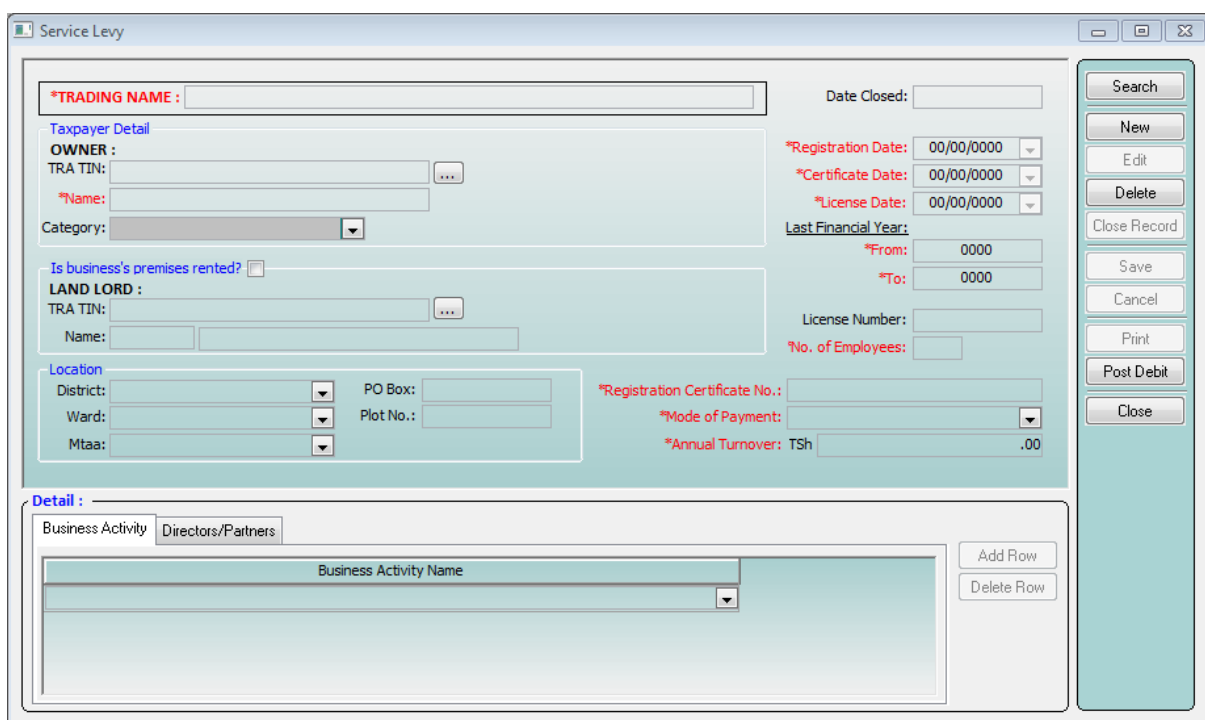


Figure 4 – Service Levy Entry window

#### 3.1 Searching Service Levy information

1. In the Service Levy Entry window, click the SEARCH button to locate a certain corporate entity. The Service Levy Search window (Figure 5) will display.

**SERVICE LEVY SEARCH**

Criteria :

ID:  Reg. Cert No.:

Trade Name:  Cert. Date: 00/00/00

Owner:  Annual Turnover:  .00

Category:

Search  
Clear  
Print List  
Cancel  
Return

Result :

| ID | Trade Name       | Annual Turnover | Owner Name           | Taxpayer Category | Registration Certificate No. | License Number |
|----|------------------|-----------------|----------------------|-------------------|------------------------------|----------------|
| 25 | M-PESA TRADER    | 89,000,000.00   | Zinganisa, Atiki     | Limited Company   | REG123                       | LIC123         |
| 32 | GUEST HOUSE EDIT | 45,000,000.00   | Mtanda, Abdalla      | Partnership       | GST12                        | ST2312         |
| 33 | TEST             | 50,500,000.00   | Woga, Ahmadi         | Parastatal        | TST1                         | TES2           |
| 34 | ISTORE           | 50,000,000.00   | Chidwadwa, Issa      | Other             | CERT212                      | LIC4312        |
| 35 | ASDFSADF         | 1,000,000.00    | EDITEDXXXX, XXXXX XX | Club              | SDF234234                    | CV234234       |
| 36 | POLO HOTEL       | 90,000,000.00   | DELA CRUZ, JUAN      | Club              | RG123                        | LIC321         |
| 23 | DAVIDSON MOTOR   | 590,000,000.00  | Davidson , Evie      | Government Agency | RC123                        | LIC123         |
| 24 | GIZ-SULGO        | 150,000,000.00  | Jimajima, Mussa      | Government Agency | R1234                        | L1234          |

Figure 5 – Service Levy Search window

- Retrieve the desired corporate entity information from the Service Levy Search window by typing in the information that determines corporate entity. You may be able to search for a corporate entity by typing the information in any of the given columns.
- Select the corporate entity you wish to view, click RETURN button.
- The Service Levy Entry window (Figure 6) will be populated with the retrieved information.

**Service Levy**

\*TRADING NAME : MASSAWE & SONS CO LTD

Date Closed:

Taxpayer Detail

OWNER :

TRA TIN:

\*Name: MASSAWE, JOHN B.

Category: Limited Company

\*Registration Date: 01/01/2013

\*Certificate Date: 01/01/2013

\*License Date: 01/01/2013

Last Financial Year:

\*From: 2012

\*To: 2013

License Number: 435346543

\*No. of Employees: 30

Is business's premises rented?

LAND LORD :

TRA TIN:

Name: KISSIVA, ISAAC Z.

Registration Certificate No.: 45645

\*Mode of Payment: QUARTERLY

\*Annual Turnover: TSh 999,999,999.99

Location

District: Mtwara Mikindani PO Box: 4353453

Ward: Chikongola Plot No.: 4564

Mtaa: A I C C

Detail :

Business Activity Directors/Partners

| Business Activity Name       |
|------------------------------|
| RETAILER - GROCERIES         |
| RETAILER - COMPUTER SUPPLIES |
| MANUFACTURER - ICE CREAM     |
| DISTRIBUTOR - HOLLOW BLOCKS  |

Add Row  
Delete Row

Search  
New  
Edit  
Delete  
Close Record  
Save  
Cancel  
Print  
Post Debit  
Close

Figure 6 –Service Levy Entry window

### 3.2 Entering Service Levy information

1. In the Service Levy Entry window, click the NEW button to get a blank Service Levy Entry form.
2. Enter corporate entity information and taxpayer details.
3. Enter business premises information.
4. Enter location information.
5. Enter business activity details in the tab control at the bottom of the screen.
6. Enter the rest of the information ensuring that all required fields are filled (required fields are in red and marked with an asterisk).
7. Click SAVE button when you are done.

### 3.3 Entering Service Levy information when Business License Registration is mandatory

The LGA has the option to make registration for Business Licenses mandatory before any Service Levy can be collected. This option is set in MAINTENANCE > SYSTEM VARIABLES by an administrator:

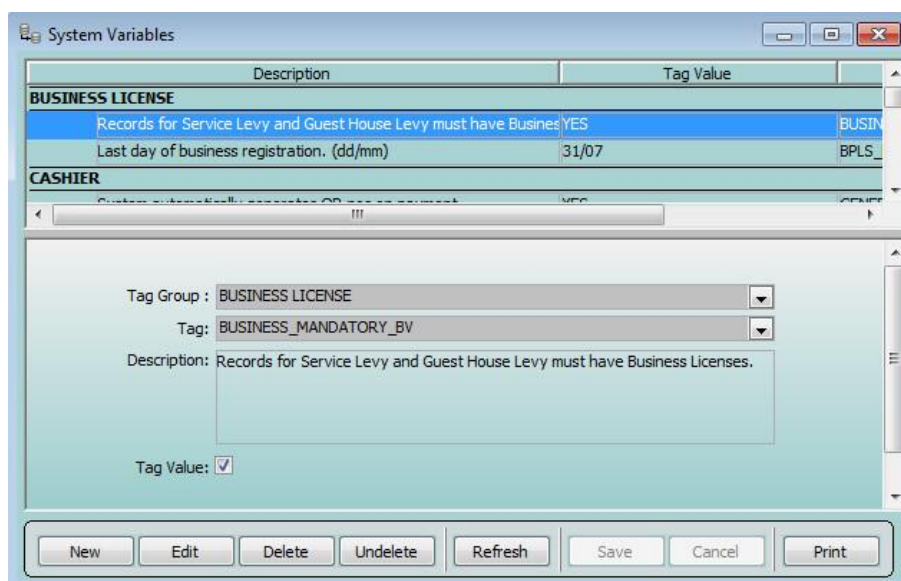


Figure 7 –Setting Business License registration as mandatory

Once the system variable is set, the behaviour of the NEW button as well as the fields will change in the Service Levy window. To enter new data:

1. Click the NEW button. The SEARCH BUSINESS window will open in order for the user to select the business liable for the Service Levy.
2. Search and select the business then click RETURN.
3. Since the Service Levy is now basing its information on a registered business most of the fields will be auto-filled and disabled.



Figure 8 –The entry form with some fields filled with the Business’s information and disabled.

4. Enter business activity details in the tab control at the bottom of the screen.
5. Enter the rest of the information ensuring that all required fields are filled (required fields are in red and marked with an asterisk).
6. Click SAVE button when you are done.

### 3.4 Editing Service Levy information

1. Use the search instruction in section 3.1 above to locate a specific corporate entity for editing.
2. Click the EDIT button to start editing corporate entity information stored in the database.
3. Click SAVE button when you are done with editing.
4. Click the CLOSE button to end the editing session.

### 3.5 Printing Service Levy Registration information

1. Use the search instruction in section 3.1 above to locate a specific corporate entity.
2. Click the PRINT button.

### 3.6 Service Levy Debit Posting

To access the Service Levy Debit Posting function go to the FEES/LEVIES Menu >Service Levy (SL) >SL Declaration.

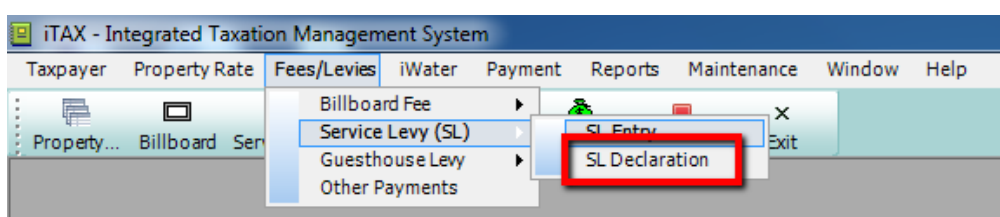


Figure 9 – Service Levy Declaration Menu

The Service Levy Debit Posting window will display.

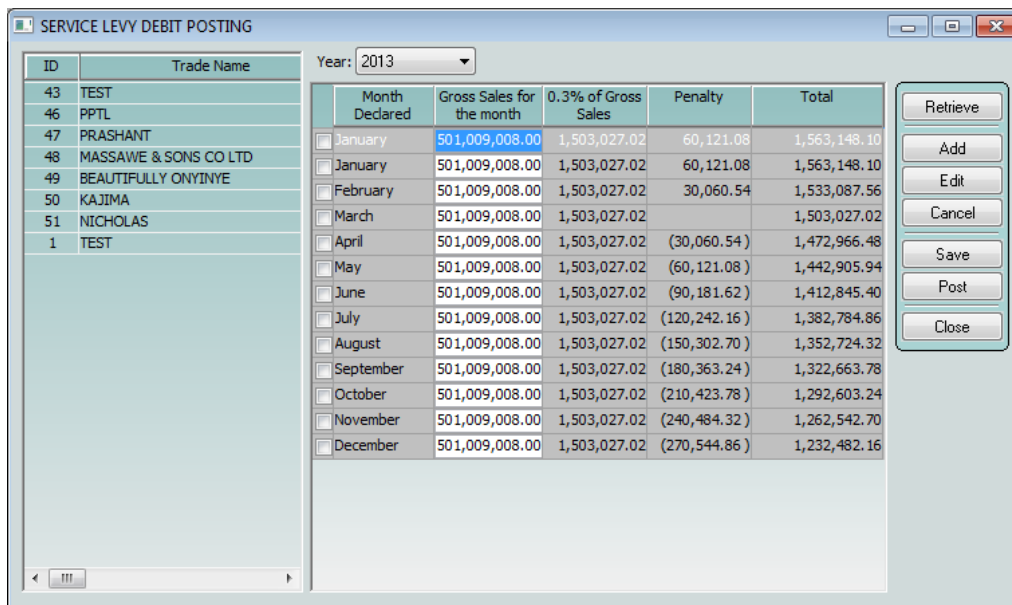


Figure 10 – Service Levy Debit Posting window

1. Select the year from the dropdown list and then click the RETRIEVE button. The system populates the window fields with information stored in the database.
2. Select the Trade Name of the taxpayer from the left pane.
3. Select the month you want to process and click the POST button. If posting is successful, a confirmation message is displayed.

## 4 REPORTS MODULE

In the iTAX application reports are grouped together under the Reports Module. Reports that use data generated by the Service Levy module are General Abstract of Collections and Collection Report. These reports are described in the sections below

### 4.1 General Abstract of Collections

To access the General Abstract of Collections report go to REPORTS Menu > COLLECTION / PAYMENT > GENERAL ABSTRACT OF COLLECTIONS.

| Payment Date       | Taxpayer Name         | Receipt No. | Cropus sts  | Cropi        | Crong fac    | House       | Baskty       | usking       | fiards,erty  | Crop         | Service Levy | icens produ  | Grand Total    |               |                         |                       |
|--------------------|-----------------------|-------------|-------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|---------------|-------------------------|-----------------------|
| 26/03/2013         | FRANK, JACOB KAJIGILI | 1223        |             |              |              | 100.00      |              |              |              |              |              |              | 80,000.00      |               |                         |                       |
|                    |                       | 123         |             |              |              |             |              |              |              |              |              | 27,780.00    | 27,780.00      |               |                         |                       |
|                    | KINYAMAGOHA, ISMAIL   | 123         |             |              |              |             |              |              |              | 000.00       |              |              | 5,000.00       |               |                         |                       |
|                    |                       | 1235        |             |              |              |             |              |              |              | 00.00        |              |              | 13,500,000.00  |               |                         |                       |
|                    |                       | 125         |             |              |              |             |              |              |              | 00.00        |              |              | 500,000.00     |               |                         |                       |
|                    | MASSAWE, JOHN B.      | 456567      |             |              |              |             |              |              |              |              |              | 000.00       | 500,000.00     |               |                         |                       |
|                    |                       | 4567        |             |              |              |             |              |              |              | 00.00        |              |              | 480,000.00     |               |                         |                       |
|                    |                       | 8765        |             |              |              |             |              |              |              | 00.00        |              |              | 80,000.00      |               |                         |                       |
|                    |                       | 987654      |             |              |              |             |              |              |              |              | 834,400.00   |              | 1,668,800.00   |               |                         |                       |
|                    | MTELEWA               | 1234        |             |              |              |             |              |              |              | 00.00        |              |              | 100,800,000.00 |               |                         |                       |
|                    |                       | 234         |             |              |              |             |              |              |              | 00.00        |              |              | 16,800,000.00  |               |                         |                       |
|                    |                       | 5588        | 00.00       |              |              |             |              |              |              |              |              |              | 2,000.00       |               |                         |                       |
|                    |                       | 6666        |             |              |              |             |              |              |              |              | 1,000,000.00 |              | 1,000,000.00   |               |                         |                       |
|                    | nicholas              | 00987       |             |              |              |             |              |              |              |              |              | 57,420.00    | 57,420.00      |               |                         |                       |
|                    |                       | 1234        |             |              |              |             |              | 100.00       |              |              |              |              | 80,000.00      |               |                         |                       |
|                    |                       | 2345        |             |              |              |             |              |              |              |              |              | 62,400.00    | 62,400.00      |               |                         |                       |
|                    |                       | 23456       |             |              |              |             |              |              |              | 0.00         |              |              | 0.00           |               |                         |                       |
| 28/03/2013         | Woga, Ahmadi          | 10223       |             |              |              |             |              |              |              |              |              |              | 9,000.00       |               |                         |                       |
|                    |                       | 2345432     |             |              |              | 100.00      |              |              |              | 00.00        |              |              | 270,000.00     |               |                         |                       |
|                    |                       | 876543456   |             |              |              | 110.00      |              |              |              | 10.00        |              |              | 1,744,020.00   |               |                         |                       |
|                    |                       | 8765456765  |             |              |              |             |              |              |              |              |              |              | 900.00         |               |                         |                       |
|                    |                       | 876567876   |             |              |              | 790.00      |              |              |              | 90.00        |              |              | 77,580.00      |               |                         |                       |
| <b>Grand Total</b> |                       |             | <b>8.00</b> | <b>10.00</b> | <b>12.00</b> | <b>2.00</b> | <b>00.00</b> | <b>00.00</b> | <b>00.00</b> | <b>00.00</b> | <b>00.00</b> | <b>19.00</b> | <b>00.00</b>   | <b>100.00</b> | <b>2,559,745,277.00</b> | <b>526,352,943.27</b> |

Figure 11 – General Abstract of Collections window

1. Select the type of report you wish to have, Quarterly or Monthly.
2. Click the month or quarter you wish to view depending on the above selection.
3. Select the year and then click RETRIEVE button.
4. Make sure to set the appropriate Print size and format before clicking the PRINT button.
5. To exit from the window, click the CLOSE button.

### 4.2 Collection Report

To access the Collection Report go to REPORTS Menu > COLLECTION / PAYMENT > COLLECTION REPORT.

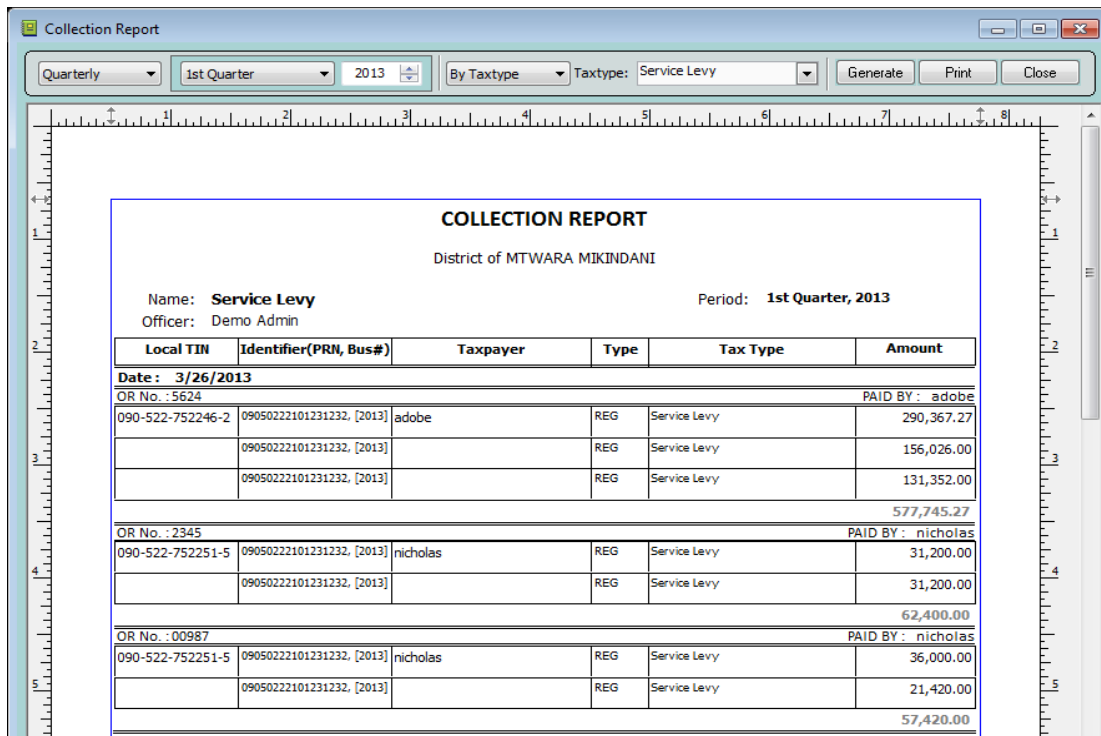


Figure 12 – Collection Report window

1. Select the type of report you wish to have, Quarterly or Monthly.
2. Click the month or quarter you wish to view depending on the above selection.
3. Select the year and the tax type. If by “tax type” is selected, then select the tax type from the tax type dropdown box.
4. Click the GENERATE button to display the report.
5. Make sure to set the appropriate Print size and format before clicking the PRINT button.
6. To exit from the window, click the CLOSE button.

### 4.3 List of Businesses

To access the List of Businesses Report go to REPORTS Menu > SERVICE LEVY > LIST OF BUSINESSES.

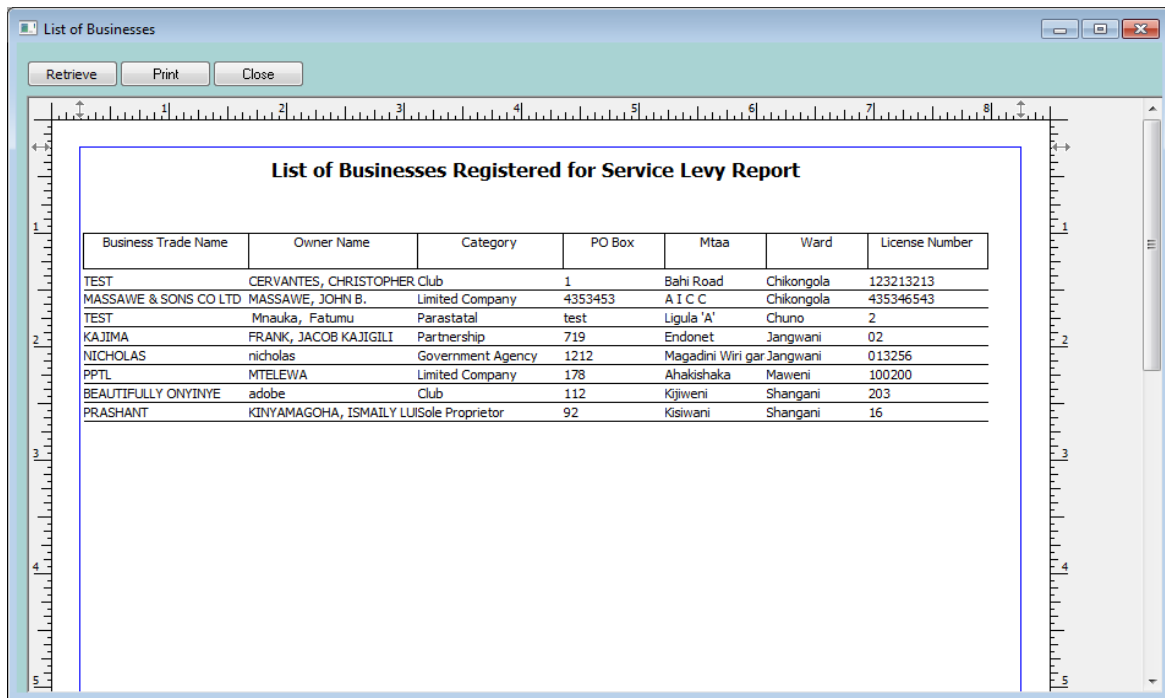


Figure 13 – Collection Report window

1. Make sure to set the appropriate Print size and format before clicking the PRINT button.
2. To exit from the window, click the CLOSE button.

## 5 ACCRONYMS AND ABBREVIATIONS

|         |   |
|---------|---|
| GFA     | GFA Consulting Group GmbH, Hamburg, Germany       |
| GIZ/GTZ | German Development Cooperation, Eschborn, Germany |
| iTAX    | Integrated Tax Management System                  |
| LGA     | Local Government Authority                        |
| TIN     | Taxpayer Identification Number                    |