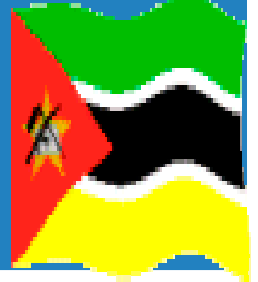




Mozambique Revenue Authority



TAX SYSTEM REFORM IN MOZAMBIQUE



By: **Herminio Sueia** – Director General of Planning, Studies and International Cooperation .

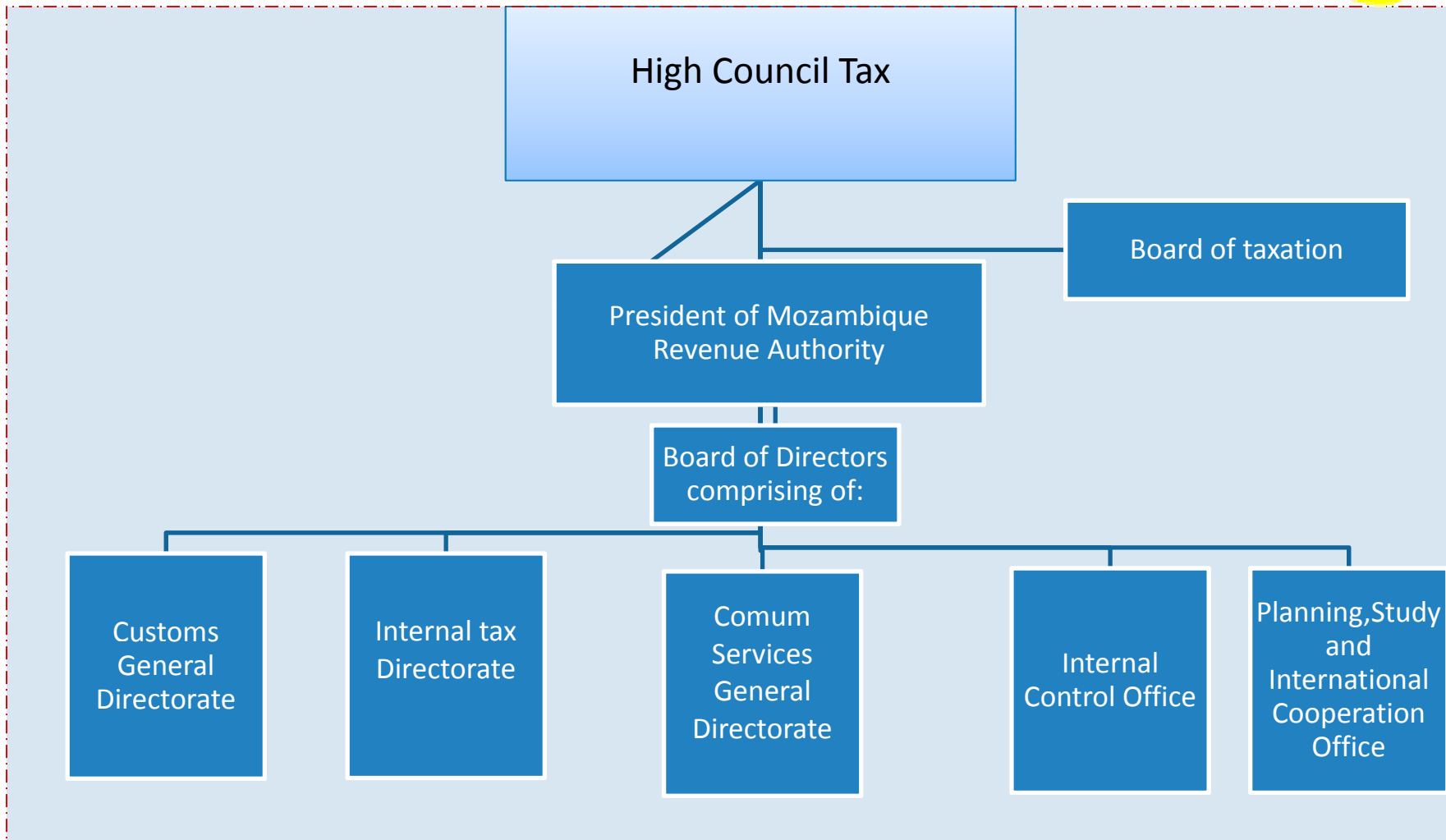
Nairobi - Kenya, 22nd

March 2011

Email: hsueia@at.gov.mz

Mozambique Revenue Authority

Created by lawn.º 1/2006 on the 22nd, March



stuff: 3214 / Tax Areas: 25 e 3 large Taxpayers / Units and Place of billing: 55 / Fiscal and Collecting Points: 55 / Border Posts: 35

STRATEGIC OBJECTIVES OF MRA



- **Increase Revenue Collection in a Sustainable manner;**
- **Modernize and strengthen the Tax Administration;**
- **Develop Information and communication technologies to improve Tax management Systems**

Main Tax Reforms Activities



- Simplification of Tax and Customs legislation;
- The establishment of the Simplified Tax for Small Taxpayers (ISPC), which entered into force in January 1, 2009;
- The Launching of Campaign for Education and Popularization of the Tax, with the Government's commitment;
- Signing of Memorandum of Understanding with different stakeholders which includes economic, social, cultural, artistic and academic sectors, for joint implementation Campaign on Fiscal education and popularization of the Tax under the slogan **“We All Make Mozambique”**;
- Implementation of a training program for 12,500 train the trainers for Tax Dissemination;
- From 2006 to 2010, 26 new buildings were constructed for (Tax and Customs offices, residences, etc...), and 25 buildings rehabilitated;
- Creation of the Institute of Public Finance and Fiscal Training which provides the education and training programs for staff and relevant stakeholders in the institution.

Ratio Development Tax

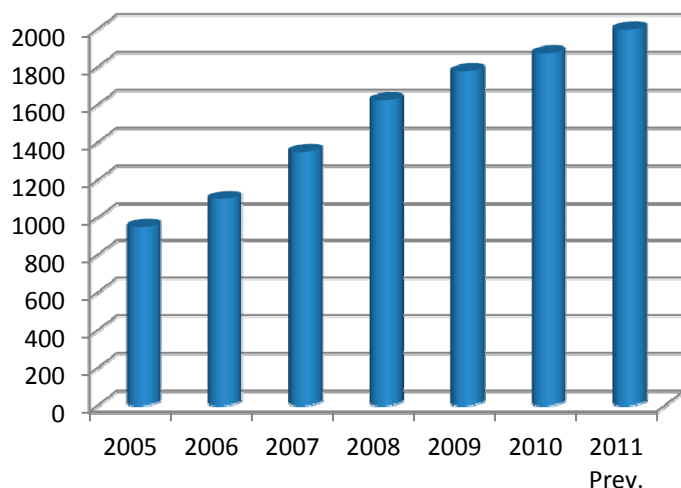


(millions - USD)

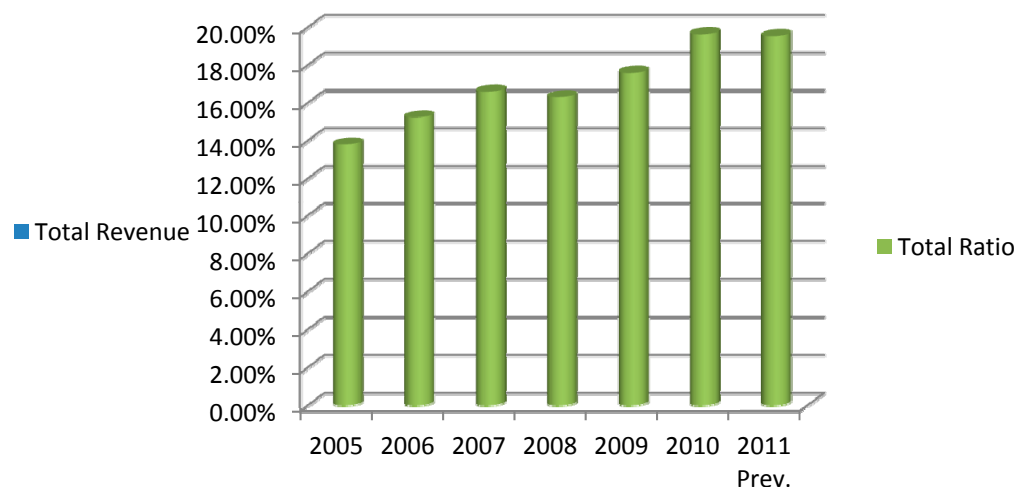
Anos	2005	2006	2007	2008	2009	2010	2011 Prev.
Total Revenue	946,31	1.099,36	1.348,73	1.621,43	1.774,67	1.869,52	2.057,33
Fiscal Revenue	758,95	886,04	1.094,10	1.341,14	1.467,58	1.579,57	1.742,09
Total Revenue Ratio	13,80%	15,24%	16,60%	16,30%	17,60%	19,64%	20,10%
Fiscal Revenue Ratio	11,07%	12,28%	13,47%	13,49%	14,55%	16,60%	17,00%
GDP	6.855,26	7.212,55	8.123,79	9.944,46	10.084,09	9.517,93	10.217,98
Exchange rate MT/USD	22,13	24,99	25,56	24,17	26,71	33,96	36,70

Source: Revenue-GCE/ REO; GDP-INE; Exchange rate-BM/OE

Total Revenue



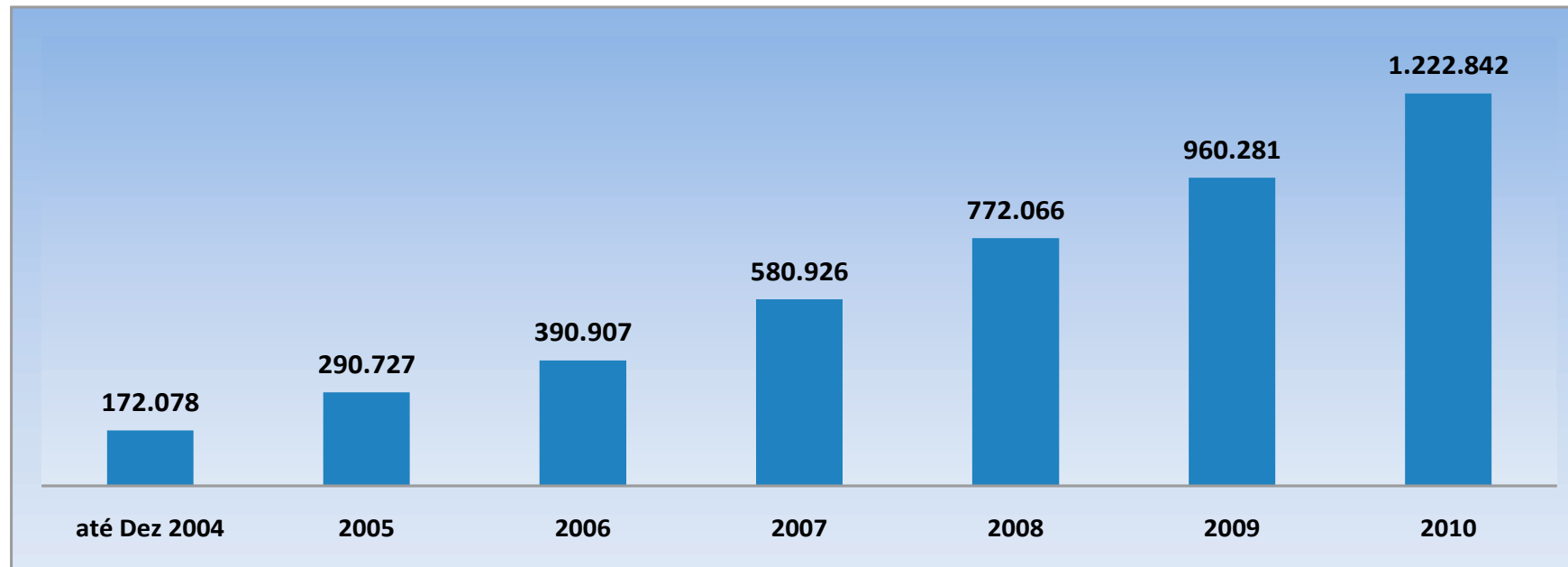
Total Ratio



Ratio Development Tax



Descrição	até Dez 2004	2005	2006	2007	2008	2009	2010	Total
Singulares	168.358	116.084	96.441	186.368	186.671	183.235	257.462	1.194.619
Colectivos	3.720	2.565	3.739	3.651	4.469	4.980	5.099	28.223
Total	172.078	118.649	100.180	190.019	191.140	188.215	262.561	1.222.842
Evolução anual	172.078	290.727	390.907	580.926	772.066	960.281	1.222.842	1.485.403



Challenges



- Implementation of the Electronic Single Window;
- Implementation of e-Taxation and e-Payment projects;
- Sensitization of informal sector to formalize its activities working towards formal sector;
- Consolidation of Fiscal and Customs Education Campaign;
- Introduction of electronic Coupon and Issuance of electronic Invoices.
- Full implementation of One Stop Boarder Post in Ressano Garcia/Lebombo;
- Full implementation of Authorized Economic Operator.

***Thank You for
your Attention***