



Botswana COVID-19 Proposed Tax Concessions



Introduction

On 31 March 2020 the Minister of Finance and Economic Development, Dr. T. Matsheka, announced Government's intention to introduce the following tax concessions as part of broad measures to mitigate the impact of the COVID-19 pandemic induced lockdown.

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| Self Assessment Tax (SAT) | — Deferral of 75% of any 2 self-assessment tax (SAT) quarterly payments due between March and September 2020 |
| Deferred Payments | — The deferred payments will be repaid from March 2021 |
| VAT Refunds < BWP250million | — VAT refunds will now be made within 21 days from the date of filing the VAT return (period reduced from the previous 60 days) |
| VAT Refunds > BWP250million | — The refund period for businesses with annual turnover in excess of P250 million will be negotiated on a case-by-case basis |
| Training Levy | — Waiver of payment of training levy for 6 months |
| COVID-19 Wage Subsidy | — Businesses that are registered for tax will be eligible for COVID-19 wage subsidies regardless of whether they owe tax. Unless specifically exempted such subsidies are taxable. |

The above proposals will take effect upon publication of the **enabling statutory instrument**. Unless the statutory instrument provides otherwise, taxpayers are required to continue to comply with their tax obligations.

Manual statutory filing will not be possible during the lockdown period. To avoid incurring late payment and/or late filing penalties taxpayers are thus encouraged to utilize the online compliance platforms provided by BURS. Where it is not possible to comply with tax obligations because of, for example, failure of the electronic platforms, impossibility to submit returns because of the lockdown, clients should request BURS to waive any interest or penalties that may be levied. Click this [link](#) for details of e-services provided BURS.

The Government is also setting up a COVID-19 (Corona Virus) Pandemic Relief Fund into which it will inject P2 billion. The private sector is called upon to generously contribute to the Fund. Such contributions will be tax deductible only if Fund is prescribed by the Minister and approved by the Commissioner General.

Please access a copy of the summary of the statement issued by the Ministry of Finance Economic Development detailing the socio-economic measures announced by the Minister on this [link](#).

In addition to fiscal measures the Government, under the Emergency Powers Act (Cap.22.04), published regulations on 2 April 2020 aimed at avoiding and containing the spread of the COVID-19. The regulations became effective immediately on publication i.e. 2 April 2020. The measures include prohibition of entry into Botswana of travellers from or who have transited through specified high risk countries, mandatory quarantine for returning residents, suspension of visa issuance, prohibition of movement for persons who have tested positive for COVID-19 and mandatory social distancing which prohibits non-essential movement of people within Botswana. A range of services have been specified as essential. Heavy fines, penalties and/or imprisonment may be imposed for non-compliance with the Regulations.

KPMG tax professionals can assist you with management of the tax compliance process including assistance with preparation of tax returns, review of tax return prior to online submission, applications for waiver of penalties and/or interest. For assistance please contact any one of the following tax professionals:

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