AUTORIDADE TRIBUTÁRIA DE MOÇAMBIQUE

- Tax System of Mozambique

Administration

The Tax Administration of Mozambique was established in 2006 pursuant to Law No. 1/2006 of March 22. Defined as a state body, it aims to ensure effectiveness, efficiency and fairness in the implementation of tax and customs policies, and to provide greater convenience for taxpayers to fulfill their tax obligations.

Investment Regulations

- *Investment Law*, Law No. 8/23 of June 9;
- *Regulations on the Implementation of the Investment Law* (Decree No. 8/2024 of March 7);

Investment Law

- Fair and Non-Discriminatory Treatment
- In accordance with the principles of international law, the State ensures that investors conducting investments within its territory and their investments are accorded fair and equitable treatment.

Investment Law

- Priority Application of International Law
- The safeguards and incentives provided for in this Law shall not affect the application of more favorable regimes stipulated in international treaties or agreements to which Mozambique is a signatory.
- The State guarantees the following rights to investors:The right to operate and manage enterprises in accordance with the law; government intervention in enterprise management is prohibited.

Investment Law

- Investors may freely invest in all areas of economic activity within the scope permitted by law.
- Dispute Resolution

Investors have the right to file a complaint and initiate a hierarchical appeal procedure against acts made by the competent authorities responsible for making decisions on investment projects.

Dispute Resolution

- If an (investment) dispute cannot be resolved through amicable or consultative means, it may be settled through national or international non-litigious dispute resolution mechanisms, particularly mediation, conciliation and arbitration. This is subject to the condition that, pursuant to special laws or agreements, such disputes are not exclusively submitted to national competent courts, mandatory arbitration or other dispute resolution mechanisms.

Dispute Resolution Mechanisms

- The State guarantees that all private investors have the right to protect their legally safeguarded rights and interests through national courts;
- Parties to a dispute shall give priority to resolving differences through amicable consultation or negotiation;
- If a dispute cannot be resolved through amicable consultation or negotiation, it may be handled through national or international non-litigious dispute resolution mechanisms (including mediation, conciliation and arbitration). This is on the premise that special laws or agreements do not explicitly stipulate that the dispute must be exclusively under the jurisdiction of national competent courts, or must be resolved through arbitration or other dispute resolution methods.

3.Tax Incentives

- **Operators in Special Economic Zones**
- Exemption from taxes for the first 5 fiscal years;
- 50% reduction in tax rate for the 6th to 10th fiscal years;
- 25% reduction in tax rate for the duration of the projects.
- **Enterprises in Special Economic Zones**
- Exemption from taxes for the first 3 fiscal years;
- 50% reduction in tax rate for the 4th to 10th fiscal years;
- 25% reduction in tax rate for the 11th to 15th fiscal years.

3. Tax Incentives

- Operators and Enterprises in Industrial Free Trade Zones
- Exemption from Corporate Income Tax (IRPC) for the first 10 fiscal years;
- 50% reduction in Corporate Income Tax rate for the 11th to 15th fiscal years;
- 25% reduction in Corporate Income Tax (IRPC) rate for the duration of the projects.
- Enterprises in Isolated Industrial Free Trade Zones
- Exemption from taxes for the first 5 fiscal years;
- 50% reduction in tax rate for the 6th to 10th fiscal years;
- 25% reduction in tax rate for the duration of the projects.

3. Tax Incentives

- Hotel and Tourism Industry
  • Exemption from customs duties and Value-Added Tax (VAT) for equipment and materials classified as Category "K", as well as materials strictly required for construction and equipping and indispensable for business operations.
- Agriculture and Fisheries Industry
  • Exemption from customs duties and VAT for equipment and materials classified as Category "K", as well as their spare parts and accessories;
  • 50% reduction in Corporate Income Tax (IRPC)

Thanks