IN THE COURT OF APPEAL OF TANZANIA

AT DAR ES SALAAM

(CORAM: WAMBALI, J.A., MWANDAMBO, J.A. And MASHAKA, J.A.)

CIVIL APPEAL NO. 58 OF 2020

OPHIR TANZANIA (BLOCK 1) LIMITED .....APPELLANT

VERSUS

COMMISSIONER GENERAL

TANZANIA REVENUE AUTHORITY.....RESPONDENT

(Appeal from the Judgment and Decree of the Tax Revenue Appeals Tribunal at Dar es Salaam)

(Mjemmas, Chairman)

Dated the 1st day of November, 2019
in
Tax Appeal No. 43 of 2018

JUDGMENT OF THE COURT

29th June & 6th August, 2021

WAMBALI, J.A.:

This appeal emanates from the decision of the Tax Revenue Appeals Tribunal (the TRAT) delivered on 1st November, 2019 in Tax Appeal No.43 of 2018. The impugned decision confirmed the decision of the Tax Revenue Appeals Board (The TRAB) in Tax Appeal No.104 of 2014 in respect of withholding tax on payment made by the appellant for services rendered offshore by non-residents in the years 2010 - 2012.

The dispute between the parties emanated from the audit which was conducted by the respondent, the Commissioner General, Tanzania

Revenue Authority (the CG-TRA) in March 2014 on the appellant covering the years of income 2010 - 2013. It is in the record of appeal that in the said audit the respondent found, among others matters, that there was a difference between the appellant's figures on imported services reported in the Value Added Tax (VAT) returns compared to those reported in the withholding tax returns for the requisite years under the audit. Noteworthy, after several communications between the parties, it seemed that efforts to sort out the dispute on the findings did not yield fruits. Consequently, on 30th September, 2014 the respondent issued the appellant with a withholding tax certificate demanding payment of TZS. 18,368,593,534.00 being principal tax and interest due.

Aggrieved by the decision of the respondent, the appellant filed an appeal before the TRAB, which was however, dismissed in its entirety. The appellant's further appeal to the TRAT was equally dismissed, hence the present appeal.

Particularly, the TRAT held among others that; **Firstly**, the services the appellant imported from the non-resident persons were rendered in Tanzania and the payment of service fee paid by the appellant to non-resident persons had a source in Tanzania. **Secondly**, the place of performance of the services or place of rendering of services is not a

determinant factor of the source of payment of service fees. **Thirdly**, the appellant had obligation to withhold tax for payments made to its non-residents service providers or suppliers in respect of service rendered to its non-resident service providers or suppliers outside Tanzania but utilized in Tanzania.

It is based on the above findings of the TRAT that the appellant has approached the Court armed with a memorandum of appeal stuffed with two grounds, which we take liberty to reproduce hereunder: -

1. *That the Tax Revenue Appeals Tribunal erred in law in holding that irrespective of place of rendering services as the payment in this appeal was made by the appellant, who is a resident in Tanzania, for services utilized in the United Republic, then the payments made are subject to withholding tax under the provisions of sections 6(1) (b), 69(1) (i) and 83(1) (b) of the Income Tax Act, 2004.*

2. *The Tax Revenue Appeals Tribunal erred in law by confirming the decision of the Board that the appellant's company had obligation to withhold tax for the payments made to its non-resident service provider outside the United Republic of Tanzania for services utilized in the United*

Republic under the provisions of section(s) 6 (1) (b), 69 (i) (ii) and 83 (1) (b) of the Income Tax Act, 2004."

It is worth pointing out that at the hearing, the appellant's counsel argued the appeal generally much as, essentially, the epicenter of the complaints in both grounds of appeal rest on the alleged wrong interpretation by the TRAT of the provisions of section 69 (i) (ii) read together with sections 6 (1) (b) and 83 (1) (b) of the Income Tax Act, (the ITA) which resulted in the alleged erroneous finding with regard to payment of withholding tax.

During the hearing of the appeal, the appellant was duly represented by a consortium of learned advocates, namely; Mr. Wilson Kamugisha Mukebezi, Mr. Alan Kileo, Ms. Emma Lyamuya and Ms. Catherine Mokiri, all from B & E Ako Law in Dar es Salaam.

Submitting in support of the grounds of appeal, Mr. Mukebezi strongly and spiritedly criticized the holding of the TRAT on the interpretation of the respective alluded to provisions of the ITA. Particularly, he described the TRAT's interpretation as utterly misconceived on the ground that it focused on the place where the recipient resides and where the services are consumed contrary to the

intended meaning of the respective provisions of the law. He argued further that the source rule in Tanzania has its root in section 6 (1) (b) of the ITA and that the said provision imposes tax liability to non-resident person's income only to the extent that it has a source in Tanzania. He also made reference to the provisions of section 69 (i) (ii) of the ITA and argued that the key condition for the payment of service fee to have a source in Tanzania is that it must be attributable to services rendered in Tanzania.

To this end, he categorically submitted that the place of rendering services is therefore paramount. He further emphasized that the thrust of his argument is supported by paragraph (ii) of section 69 of the ITA which provides that where the payer is the Government, the place of rendering the services becomes irrelevant.

The learned counsel for the appellant then made reference to section 83(1) (b) of the ITA and argued that the said provision entails that the obligation to withhold tax on service fee arises only if the source requirement under section 69 (i) (ii) of the ITA is satisfied. In this regard, he maintained that the said provisions should not be read in isolation from section 6 (1) (b) of the ITA regarding the liability of non-resident persons to pay tax in Tanzania. Indeed, in his view, the

combined reading of those provisions leads to the interpretation that the withholding tax obligation is not triggered if the service fee paid does not have a source in the United Republic of Tanzania.

Ultimately, Mr. Mukebezi submitted that in the instant case therefore, the service fee payment could only have had a source in Tanzania if it was attributable to services rendered in Tanzania. On the contrary, he argued, in the instant case, the services were rendered outside Tanzania. To support his argument, Mr. Mukebezi, relied on the decision of the Court in **The Commissioner General, Tanzania Revenue Authority v. Pan African Energy Tanzania Limited**, Civil Appeal No. 146 of 2015 (unreported).

It is however, significant to state that though Mr. Mukebezi acknowledged the fact that the decision of the TRAT was heavily influenced by the decision of the Court in **Tullow Tanzania BV v. The Commissioner General, Tanzania Revenue Authority,** Civil Appeal No.24 of 2018, which was also followed in **Shell Deep Water Tanzania BV v. The Commissioner General, Tanzania Revenue Authority**, Civil Appeal No.123 of 2018 and **The Commissioner General, Tanzania Revenue Authority v. Aggreko International Projects Limited**, Civil Appeal No.148 of 2018 (all unreported), he strongly

criticized that decision on the argument that the Court wrongly relied on improper definitions of the word "rendered" to arrive to the conclusion that withholding tax is applicable for payment made to non-resident for services rendered outside Tanzania.

The learned counsel also criticized the Court in relying on its decisions in **BP Tanzania Limited v. The Commissioner General Tanzania Revenue Authority**, Civil Appeal No.125 of 2015 (unreported) because it dealt with the interpretation of section 69 (e) of the ITA and that of **Barrick Gold PLC v. The Commissioner General Tanzania Revenue Authority**, Civil Appeal No.16 of 2015 (unreported), in which the issue involved a tax avoidance transaction scheme. That reliance therefore, he argued, led the Court to wrongly conclude that withholding tax is payable for payment made for service rendered by non-resident persons while out of Tanzania.

Mr. Mukebezi further faulted the holding of the Court in **Tullow Tanzania BV** (*supra*) for holding that the word "**rendered**" used under section 69 (i) (ii) of the ITA is synonymous to the words "**supplied**" or "**delivered**".

On the other hand, the learned counsel for the appellant sought to rely on a book by Reuven Avi Yonah on **International Tax as**

International Law: Analysis of International Tax Regime which discusses at length the problem of territorial jurisdiction (source) and how the international community has formulated rules to avoid double taxation, which rules have acquired international norm status. In short, he emphasized that the said rules provide that in assessing the payment of services rendered, the place where the service provider is located prevails.

In this regard, Mr. Mukebezi implored us to depart from the decision in **Tullow Tanzania Bv** (*supra*) and follow the decision in **Pan African Energy Tanzania Limited** (*supra*) resulting in allowing the appeal with costs. Noteworthy, the prayer of the learned counsel was premised on the contention that: -

Firstly, in relation to service "perform" is the most natural meaning of the word "render" as used in section 69 (i) (ii) of the ITA which speaks of "employment exercised" and "service rendered" in the same breath in relation to service fees.

Secondly, in its plain English meaning the word "render" (in relation to employment or the giving service) means to perform as defined in Oxford Advanced Learner's Dictionary, 8th Edition at page 1248. In addition, Mr. Mukebezi made reference to the online dictionary

(www.dictionary.com) on the definition of the word "render" in its widest connotation. To this end, he concluded that those trusted dictionaries define the word render (rendered, rendering) as perform (performed, performing). Consequently, he submitted that payment made to the non-resident service providers by the appellant were not so paid for delivering of the said services and thus they were paid for performing the services.

Thirdly, in the learned counsel's view, the holding of the Court in **Tullow Tanzania Bv** (*supra*) that if the service is rendered "TO" a resident of Tanzania then withholding tax is applicable is wrong because the law provides that for withholding tax to apply, the service should be rendered "IN" Tanzania. In this regard, Mr. Mukebezi made reference to the definition of the words "IN" and "TO" in the Oxford Advanced Learners Dictionary, 8th Edition in which "IN" is defined to mean "at a point within an area or space" and "TO" to mean "in the direction of something or toward something" as reflected at pages 56 and 1569, respectively.

In addition, he made reference to the Collins Dictionary and Thesaurus in which the word "IN" is defined to mean "inside or within"

while the term "TO" as a preposition is used to indicate the destination of the subject or object of an action.

In the premises, relying on those definitions, he submitted that the phrase "rendering services in the United Republic of Tanzania will plainly mean to render service inside or within Tanzania whereas "rendering services to a resident of Tanzania", will plainly mean to render service directed to or to which the destination is Tanzania. In his submission, therefore, the two words do not mean the same thing.

Fourthly, the reliance by the Court on the decision of **BP Tanzania Limited** (*supra*) was plainly wrong because in that appeal, the Court dealt with the interpretation of the provisions of section 69 (e), while in **Tullow Tanzania Bv** (*supra*) the decision revolved on the interpretation of section 69 (i) (ii) of the ITA which provisions have different objectives. Moreover, in his view, the reliance by the Court on its decision in **Barrick Gold PLC** (supra) was equally wrong because there was no tax avoidance scheme to influence the Court to observe that there was a modern approach in interpretation of tax statutes.

In essence, he emphasized that in **Tullow Tanzania Bv** (supra), the main issue which the Court had to consider and determine was whether the appellant was required to withhold tax for payments it made

to its non-resident consultants for the services rendered off shore as far as section 69(i) (ii) of the ITA is concerned. In the end, pressing reliance on the decision of the Court in **Pan African Energy Tanzania Limited** (supra) he urged us to allow the appeal with costs.

On the adversary side, the attendance of the respondent was duly expressed by the presence of Ms. Gloria Achimpota, learned Senior State Attorney assisted by Mr. Noa Tito, Mr. Harold Gugami and Mr. Marcel Busegano, all learned State Attorneys.

As a lead counsel for the respondent, Ms. Achimpota strongly resisted the appeal. Notably, she fully adopted the written submission lodged by the respondent in Court earlier on.

Upon being invited to address the Court, she out rightly supported the decision of the TRAT and its reliance on the decision of the Court in **Tullow Tanzania Bv** (*supra*) which was followed by two other decisions, namely; **Shell Deep Water Tanzania Bv** and **Aggreko International Projects Limited** (*supra*).

In her further submission, she characterized the appellant's counsel stand that withholding tax obligation is not triggered if service paid does not have a source in the United Republic of Tanzania and that service fee payment has source in Tanzania only if it is attributable to service

rendered in Tanzania as misconceived. On the contrary, she supported the TRAT's holding that the appellant had an obligation to withhold income tax from the payments made to non-residents for the services rendered. She maintained that the payment made by the appellant had a source in Tanzania. Particularly, the learned Senior State Attorney argued that as the services for which the payments were made were consumed or utilized by the appellant in the United Republic of Tanzania for purpose of earning income in Tanzania, the payments made for such services had a source in the United Republic and thus the appellant had to withhold tax under section 83(1) (b) of the ITA. In this regard, she argued that the word rendered under section 69 (i) is synonymous with the words "**supplied**" or "**delivered**".

On the other hand, she submitted that the reliance by the TRAT on the decision of the Court in **Tullow Tanzania Bv** (*supra*) was made in accordance with the law and the evidence that the services were rendered and performed in Tanzania and the appellant failed to prove the contrary when the payment was made to a non-resident. In her firm view, the desire of the appellant to question the legality of the Court's decision in **Tullow Tanzania Bv** (*supra*) in favour of that in **Pan African Energy Tanzania Limited** (*supra*) is unfounded. She firmly

submitted that the Court rightly distinguished that decision holding that it could not apply in the circumstances of the appeal in **Tullow Tanzania Limited** (supra), and so is the present appeal.

In her further submission, she stated that since payments were made in Tanzania they are subject to withholding tax under section 83 (1) (c) of the ITA read together with section 6 (1) (b) of the same Act. In the circumstances, she urged the Court to reject the proposal of the counsel for the appellant to adopt the definitions of the word rendered contained in the dictionaries alluded to above because in **Tullow Tanzania Bv** (*supra*) the Court correctly construed the proper intent of the legislature on the meaning of the said term as it was influenced by the interpretation of the law as it were before the amendment effected by the Finance Act, No. 2 of 2016 and the Finance Act, No.8 of 2020.

Moreover, Ms. Achimpota submitted that the alluded to international jurisprudence concerning the definition and explanation on the rules on the word source described in the book by Reuven Avi Yonah, cannot in anyway supersede or overrule the definition of the term source as interpreted by the Court in **Tullow Tanzania Bv** (*supra*). In this regard, she urged us not to depart from that decision as it is a good

law. In conclusion, the learned Senior State Attorney implored the Court to dismiss the appeal with costs.

At this juncture, we wish to preface our deliberation on the merits or otherwise of the appeal by making reference to the relevant provisions of the law, the subject of the instant appeal, as they were before the amendments.

Section 6(1) (b) of the ITA concerns the chargeable income to a non-resident person. It provides as follows: -

> *"6 (1) subject to the provision of subsection (2), the chargeable income of a person for a year of income from any employment business or investment shall be: -*
>
> *(a) N/A*
>
> *(b) In the case of a non-resident person, the person's income from employment, business or investment for the year of income, but only to the extent that the income has a source in the United Republic."*

On the other hand, section 69 (i) (ii) of the ITA states that: -

> *"69 The following payment have a source in the United Republic.*
>
> *(a) -(h) N/A*

(i) Payments, including service fees of a type not mentioned in paragraphs (a) or (h) or attributable to employment exercised, service rendered or a forbearance from exercising employment or "rendering service".

(ii) In the United Republic, regardless of the place of payment, or ..."

Moreover, section 83(1) of the ITA specifically provides as follows:-

"83 (1) subject to sub-section (2), a resident person who: -

(a) N/A

(b) Pays a service fee or an insurance premium with a source in United Republic to a non-resident person shall withhold income tax from the payment at the rate provided for in paragraph 4(c) of the First Schedule."

Admittedly, the Court in **Tullow Tanzania Bv** (*supra*) made thorough discussion concerning the above stated provisions and made reference to other decisions in **BP Tanzania Limited** and **Pan African Energy Tanzania Limited** (*supra*) and then it extensively stated as follows: -

"Reading sections 6 (1) (b), 69 (i) (ii) and 83 (1) (b), all together gives two conditions for a payment

to a non-resident to be subjected to withholding tax. These are: -

(1) the service of which the payment is made must be rendered in the United Republic of Tanzania, and

(2) the payment should have a source in the United Republic of Tanzania.

The withholding obligation under section 83(1) (b) of the Act applies to a payment for service fee with a source in the United Republic of Tanzania and section 69 stipulates what payment have a source in the United Republic of Tanzania."

The Court then reasoned: -

"It is our strong view that the word ***rendered*** *used under section 69 (i) (i) is synonymous to words "supplied" or "delivered". In this regard, a non-resident who provides services to a resident, has delivered/supplied services to a resident of the United Republic of Tanzania.*

The recipient of the service is actually the payer for such services, in which case, "source of payment" cannot be any other place except where the payer resides. In other words, as the services of which the payment were made were consumed or utilized by the appellant in the United Republic of Tanzania for purposes of earning income in the United Republic,

then payments made for such services had a source in the United Republic of Tanzania, and the respondent had to withhold tax under section 83(1) (c) of the Act."

It is also not out of place to point out that in the said decision the Court considered the Indian Income Tax Act, 1961 for purpose of relating to the decision in **Pan African Energy Tanzania Limited** (supra) and stated thus: -

*"As opposed to the Indian Income Act 1961 (as amended in 2010), where its section 9 provides for "**income deemed to have a source in India**." Section 69 of the Tanzania Income Tax Act deals with "**source of payment**." These are two distinct concepts and it is our considered view that one cannot rely on an interpretation of section 9 of the Indian Income Tax 1961 (as amended) in interpreting section 69 of the Tanzania Income Tax Act, 2004. While "income is earned," "Payments are made," in which case the rules for determination of where a particular income is earned cannot be the same as the rules in determining where a particular payment originates. Payment ordinarily originates from where the payer is, regardless of where such payments are effected."*

The Act imposes a withholding obligation on a service fee based on the source of payment of such fees, this being the case therefore, we see no ambiguity on section 69 (i) (ii). The key question that the Court is invited to look into is not the nature of the payment, but rather, the source where the payment originated.

In our view, the Court's finding in respect of the case of ***Pan African Energy*** *(supra) was much influenced by findings of the Tribunal that section 9(1) (vii) (c) of the Indian Income Tax Act is in parimateria with section 69 of the Tanzania Income Tax".*

Most significantly, the Court then reproduced the said provisions of the Indian Income Tax Act, 1961 and concluded as follows: -

"It is clear from the wording of the provisions above that they are substantially different from section 69(i) (ii). While the Indian Act talks of the source of income, on the other hand section 69 (i) (i) talks of source of payment. The case of ***Pan African Energy*** *(supra) is therefore distinguishable as it relied on the interpretation of section 9(1) (vii) c) of the Indian Income Tax Act to arrive at a finding that the said provision, as it was, was in parimateria with section 69(i) (ii) of the Act."*

We have deliberately extensively reproduced the reasoning and holding of the Court in **Tullow Tanzania Bv** (*supra*) in order to appreciate the substance of the position of the law as expounded concerning the interpretation of the complained of respective provisions of the ITA.

Indeed, it is appreciated that at the hearing of the appeal counsel for the parties, conceded, both in their written and oral submissions, that the decision of the Court in **Tullow Tanzania Bv** (*supra*) on the interpretation of the said provisions of the ITA was followed later in **Shell Deep Water Tanzania Bv** and **Aggreko International Projects Limited** (*supra*) decided on 11th April 2019 and 4th July, 2019 respectively. Particularly, in the latter decision, the Court expressed its concurrence with the decision in **Tullow Tanzania Bv** (*supra*) when it stated thus: -

> *"We firmly subscribe to the position held by this Court as expounded in **Tullow Tanzania Bv** case (supra) a position also adopted in **Shell Deep Water Tanzania Bv** (supra) on the issue of "the source" and "services rendered" and also where it was stated that as the recipient of the service is the actual payer for such service, the "source payment" has to be where the payer resides."*

It is thus not surprising, in our view that, as the dispute between the parties was on the interpretation of the complained of provisions, the decision of the TRAT, the subject of this appeal was greatly and correctly influenced by the decision of the Court in **Tullow Tanzania Bv** (*supra*). We however take cognizance of the fact that in his spirited submission at the hearing the appellant's counsel bitterly contested that decision on the argument that it is bad law and thus, it could not be relied upon by the TRAT to hold as it did.

On our part, we must state that we have thoroughly scanned the record of appeal and we are satisfied that the facts and circumstances of the case in the present appeal are similar with that obtaining in **Tullow Tanzania Bv** (*supra*). In the circumstances, we are settled that the TRAT correctly decided as it did and properly followed the decision of the Court in **Tullow Tanzania Bv** (*supra*).

Moreover, we are alive to the invitation of the learned counsel for the appellant to us to depart from that decision in favour of **Pan African Energy Tanzania Limited** (supra) on the contention that the former is bad law.

Nevertheless, we must make it clear that the respective argument is not novel. Our research indicates that the same argument was made before the Court by the appellant's counsel in **National Microfinance**

Bank Limited (NMB) v. The Commissioner General, Tanzania Revenue Authority, Civil Appeal No. 168 of 2018 (unreported). However, in the end the Court followed what it stated and held in **Tullow Tanzania Bv** (*supra*). Most unfortunately, this decision was not brought to the attention of the Court by the learned counsel for the parties at the hearing of the instant appeal, though the same counsel for the appellant acted for **NMB**. Apparently, in **NMB** (*supra*) reference was also made to the decision of the Court in **Shell Deep Water Tanzania Bv** (*supra*). However, no reference was made to **Aggreko International Projects Limited** (*supra*), notably because it was decided later, that is, on 4th July, 2019.

Be that as it may, the crucial point is that in **NMB** (*supra*), after considering the invitation of the appellant's counsel to depart from the decision in **Tullow Tanzania Bv** (*supra*), the Court stated as follows: -

> *"We just as well subscribe to the reasoning of the Court in distinguishing from it the case of* ***Pan African Energy*** *(supra). That being the position, we find no cause to embrace the appellant's invitation to us to depart from the decision in Tullow. We note that, of recent, a corresponding stance was adopted by the Court in the unreported Civil Appeal No.123 of 2018* ***Shell Deep Water Tanzania Bv. v. Commissioner General (TRA)."***

Similarly, in the instant appeal, having regard to factual setting in the record of appeal on the dispute between the parties and the settled position of the law on the interpretation of the respective provisions of the ITA stated above, we reaffirm the holding that the decision in **Pan African Energy Tanzania Limited** (*supra*) was correctly distinguished in **Tullow Tanzania Bv** (*supra*).

In the circumstances, we respectfully decline the invitation of the appellant's counsel to hold that the decision in **Pan African Energy Tanzania Limited** (*supra*) applies to the circumstances of the instant appeal. We do not also think that the interpretation of the respective words proposed by the appellant's counsel as described in the referred dictionaries can apply in the circumstances of this appeal in view of the decision in **Tullow Tanzania Bv** (*supra*). On the other hand, we are mindful of the invitation of the appellant's counsel to the Court to depart from that decision as alluded to above. Nevertheless, we respectfully find the invitation misplaced. This is so because apart from not finding any patent error in the said decision, it is not within the jurisdiction of the Full Court to depart from the decision of the same Court, however erroneous it might be.

At this juncture, it is instructive to make reference to the decision of the Court in **Abually Alibhai Aziz v. Bhatia Brothers Limited**, Miscellaneous Civil Appeal No.1 of 1999 (unreported) in which the Court earlier on in Civil Appeal No. 42 of 1995 (unreported) involving the same parties followed the procedure of referring such kind of prayers to the Full Bench of the Court as per the procedure laid down by the erstwhile Court of Appeal for East Africa in **P.H.R. Poole v. R** [1960] E.A. 62. In that appeal it was specifically stated that: -

> *"A Full Court of Appeal has no greater powers than the division of the Court, but if it is to be contended that there are grounds, upon which the Court could act, for departing from a previous decision of the Court, it is obviously desirable that the matter should, if practicable, be considered by a bench of five judges."*

It is in that regard that in **Freeman Aikael Mbowe and the Hon. Attorney General v. Alex O. Lema**, Civil Appeal No. 84 of 2001 (unreported) the Court stated categorically that: -

> *"...In the practice of this Court, a Full Bench may overrule an earlier precedent in one of two ways. In the first place it may do so in the process of resolving a conflict in the decisions of the Court. This is the traditional way and does not require*

elaboration. However, in appropriate circumstances a Full Bench may, when so required depart from a previous decision of the Court without there being conflicting decisions on the matter at issue..."

More importantly, the Court stated further that: -

"Admittedly where the Full Bench departs from a decision of three judges the effect is to overrule that decision because it cannot stand side by side with and in competition to the decision of the Full Bench." [see also **Mussa Arbogast Mutalemwa v. The Republic,** Criminal Application No. 5 of 1996 (unreported)].

From the foregoing, with profound respect, we hold the firm view that the invitation by the learned counsel for the appellant to us to depart from the decision of the Court in **Tullow Tanzania Bv** (*supra*) is totally misplaced. Besides, it is our settled position that in view of the settled position of the law by the Court on the complained of interpretation of the provisions of ITA with regard to withholding tax obligation, the TRAT properly followed the respective decision to hold that the appellant was duty bound to withhold tax on payments that

were made to non-residents. Therefore, we find that the TRAT properly and correctly confirmed the decision of the TRAB.

Consequently, we hold that the two grounds of appeal are without substance. In the circumstances, considering our deliberation above, we find that the appeal is devoid of merit, and we hereby dismiss it with costs.

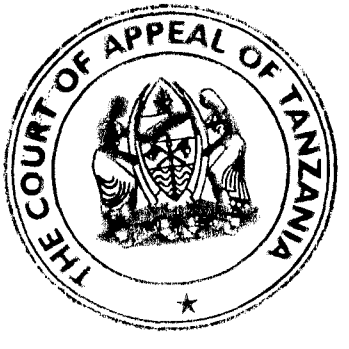
DATED at **DAR ES SALAAM** this 4th day of August, 2021.

F. L. K. WAMBALI
JUSTICE OF APPEAL

L. J. S. MWANDAMBO
JUSTICE OF APPEAL

L. L. MASHAKA
JUSTICE OF APPEAL

The Judgment delivered this 6th day of August, 2021 in the presence of Mr. Meya Anthony counsel for the appellant and Ms. Gloria Achimpota, Senior State Attorney for the respondent is hereby certified as a true copy of the original.



G. H. HERBERT
DEPUTY REGISTRAR
COURT OF APPEAL