



SUBMISSION OF INCOME TAX RETURNS FOR THE TAX YEAR ENDED 31ST DECEMBER 2020

The Zimbabwe Revenue Authority has issued **Public Notice 23 of 2021** calling for the submission of income tax returns for the tax year ended **31st December 2020**. The returns concerned are the income tax return for individuals who have income from employment but are not under the Final Deduction System **ITF1**; income tax for income from Trade and Investment **ITF12C**; transfer pricing return **ITF12C2** for clients with related party transactions and capital gains tax returns **CGT1** for persons who disposed of specified assets and marketable securities in 2020. The returns are due by the **30th April 2021** and we urge all our clients to meet the deadline or apply for an extension of time within which to submit the returns to the Commissioner. Dormant companies are also expected to submit income tax returns to the Commissioner General.

1. Employment Income [ITF1]

The income tax return ITF1 is required from persons in the following situations:

- Terminated employment before the end of 12 months; or
- Were employed for periods less than 12 months; or
- Changed employers; or
- Received income from more than one employer; or
- Received pension in addition to employment income.

The 2020 year of assessment has two tax periods January to July and August to December for persons in employment and two separate returns supported by the relevant P6 forms must be submitted. Employees who are on the Final Deduction System and do not fall in the above categories are not required to submit returns.

2. Income from Trade and Investments [ITF12C]

All taxpayers specified on Self-Assessment in terms of Section 37A of the Income Tax Act [Chapter 23:06] should submit ITF 12C Returns, accompanied by the relevant financial statements, by 30 April 2021. Nil returns must be submitted where there was no income received or accrued.

3. Transfer Pricing return

Taxpayers who had transactions with related parties are also required to submit the transfer pricing return **ITF12C2**.

4. Capital Gains Tax [CGT1]

Persons who disposed of specified assets and marketable securities in 2020 and did not submit Capital Gains Tax Returns at the time of sale are also required to submit returns on **Form CGT1** by 30 April 2021.

5. Taxpayers with approved Accounting Years

Taxpayers with approved accounting years other than 31 December should ensure that returns are submitted on dates set by the Commissioner General in respect of their accounting periods.

6. Dormant Companies

Dormant companies that are registered for tax must submit **Nil** returns. Dormant companies that are not registered for tax **must register** and submit Nil returns.

7. Non-submission of returns attracts penalties and interest. The returns must be submitted online on <http://efiling.zimra.co.zw> or to emails provided on the notice. BDO is available to assist clients to apply for extensions and also for the completion of returns.