

Deloitte.

Development Approval Orders.

Terry Brick

11 June 2008

- **Development Approval Orders – Section 52**
- **Tax Agreements – Section 54**

Both are mechanisms which allow tax paying investors to negotiate with Government various types of tax relief

Minister may prescribe:

- Any project
- Any business activity
- The area in which such project or activity is to be carried out
- The types and rates of the additional tax relief to be granted

- **Beneficial to the economy of Botswana or**
- **Beneficial to the economic advancement of the citizens of Botswana**
- **Specific to a particular enterprise**
- **General – eg manufacturing**

- The number of Botswana citizens that will be employed
- Training facilities
- Eventual replacement of non-citizens by citizens
- Citizen involvement in management
- Level of investment by citizens
- The area in which the project will be carried out
- Spin-off effects and the stimulus to other economic, commercial and industrial activity

- Can be revoked
- Revenue authorities can ignore the specified relief if the project has not been carried out
- Tax liability adjusted retrospectively

The Deloitte logo is displayed in white text on a dark blue background. The word "Deloitte" is in a bold, sans-serif font, followed by a small green dot.

Deloitte.

Tax agreements

- **Minister can enter into an agreement**
- **With any person**
- **Who is liable to tax**

Deloitte.

- Exemption from withholding taxes
- Exemption or limitation of any income accruing
- Exemption or limitation of any income of a non-citizen in terms of a contract of employment
- The relief from any duty, responsibility or liability under the Act

Deloitte.

Deloitte.

Audit, Tax, Consulting, Financial Advisory, Corporate Finance,

Member of
Deloitte Touche Tohmatsu