

MOZAMBIQUE

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AMENDMENTS TO THE MOZAMBICAN PERSONAL INCOME TAX CODE

With the new Law, employment income (1st category) is no longer aggregated with other income. It is withheld at source on a definitive basis and, as a consequence, there will be no additional payment for reimbursement (at the end).

The Mozambican tax system is currently undergoing a process of reform with a view to simplifying the procedures for taxpayers to comply with their tax obligations. In this context, an amendment has been made to the Personal Income Tax Code (*Código do Imposto Sobre o Rendimento das Pessoas Singulares*), approved by Law no. 33/2007 of 31 December, through approval of Law no. 20/2013 of 23 September.

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The new Law also changes the situation for spouses, as each spouse now has to submit their income tax return individually.

It is also important to note that taxpayers who earn First Category Income (employment income) have until 31 March of this year to submit their tax return (on the form *Modelo 10*) to their local tax office, together with the declaration of income issued by their employer.

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