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The Finance Bill, 2022

containing the Finance Minister's Supplementary Revenue Proposals apparently underwent some amendment by the House of Assembly before it was referred to the Senate after which Parliament went into Recess until later this month.

So we will delay further consideration of the Bill until specific details of the amendments are to hand.

USD FEES set for Vehicle Registration, Licence Plates etc – and Vehicle Licences (all payable in ZWL\$)

The relevant legislation on fees for Vehicle Registration, Licence Plates and Vehicle Licences is contained in Part I ('Fees') and Part II ('Vehicle Classifications and Tariffs') of the Third Schedule to the principal Vehicle Registration & Licensing Regulations, 1999 contained in Statutory Instrument 427 of 1999.

On 2nd September 2022 the Minister of Transport gazetted Statutory Instrument 156 of 2022 repealing and replacing Part I and Part II of the Third Schedule, setting all fees in USD but they "may be payable in local currency (ZWL) for Locally-registered Vehicles at the Ruling Exchange Rate of the day."

24 items are listed in the replacement **Part I** ('Fees') of the Third Schedule, as set out below. The four new categories added to the 20 listed in SI 296 of 2020, which the latest SI replaces, are listed first.

United States Dollars

• "First Time <u>Vehicle</u> Registration	80
• First Time <u>Motor Cycle</u> Registration	70
• First Time <u>Trailer</u> Registration	70
• Personalized Plates (the high price of 'vanity' plates)	1 200
• Change of Ownership for Motor <u>Vehicle</u> (Buying <u>new plates</u>)	95
• Change of Ownership for Motor Vehicle (Retaining <u>existing plates</u>)	15
• Change of Ownership <u>motor cycle/trailer</u> (Buying <u>new plates</u>)	85
• Change of Ownership motor cycle/trailer (Retaining plates)	15
• Replacement of lost <u>PSV Motor Vehicle</u> Number Plate	85
• Replacement of <u>PSV Trailer</u> Number Plate	80
• Replacement of lost Motor <u>Vehicle</u> Number Plate	85
• Duplicate Third Plate (i.e. the laminated disk for the windshield)	35
• Garage Plate	50

• Garage Licence (50% to be remitted to government)	50
• Abnormal Load Plate (AVR)	50
• Temporary Identity Card (T.I.C)	35
• Change of address for motor vehicle ordinarily kept at night	3
• Change of Vehicle Particulars	3
• Search Fee	5
• Cancellation of registration	3
• Advice of sale of motor vehicle	3
• Authorization of Change of Ownership	50
• Duplicate Registration Book	15
• Vehicle Licensing booklet	50”

14 Classes of Vehicles by Net Vehicle Mass are listed in the replacement **Part II** (‘Vehicle Classification and Tariffs’, i.e. Licences) of the Third Schedule, as set out below. There are 5 alternative licensing periods – for 4, 6, 8, 10 or 12 months.

Vehicle licence fees for 4 months are shown below. To calculate the fees for each longer period, simply divide the quarterly figures shown below by 4 and then multiply by 6, 8, 10 or 12.

<u>Net Mass</u>	<u>4 months</u>
Up to 1 500kg	US\$ 20
1 501kg to 2 250kg	25
2 251kg to 3 000kg	30
3 001kg to 3 750kg	60
3 751kg to 4 250kg	75
4 251kg to 5 000kg	90
5 001kg to 5 750kg	100
5 751kg to 6 250kg	105
6 250kg (<i>sic</i> – should be 6251kg) to 7 000kg	120
7 001kg to 7 750kg	130
7 751kg to 9 250kg	140
9 251kg to 10 000kg	150
10 001kg to 10 750kg	200
10 751kg and above	300

To reiterate, Vehicle Licence Fees “may be payable in local currency (ZWL) for Locally-registered Vehicles at the Ruling Exchange Rate of the day.”

FEES for DRIVING Licences & Permits set in USD, ‘payable in local currency (for local drivers)’

There are various fees payable in regard to driving licences and permits – for a tractor driver’s permit, a learner’s licence, a duplicate learner’s licence, tests and certificates of competency for 5 classes of vehicles, the driver’s licence itself after successful testing, and an international driver’s permit; plus ‘search’ fees.

Gazetted on 2nd September 2022 in Statutory Instrument 158 of 2022 the Road Traffic (Licensing of Drivers) (Amendment) Regulations, 2022 (No. 35) repealed and replaced section 12 (‘Prescribed fees’) of the principal regulations contained in Rhodesia Government Notice No. 240 of 1977.

The new fees set in USD but payable in local currency for ‘local drivers’ – a term that is unfortunately not defined – are set out below.

	<u>US\$</u>
Tractor Driver’s permit or duplicate permit	15
Learner’s Licence test	20
Duplicate Learner’s Licence	15
Test for Certificate of Competency for Class 3 or 4 vehicles	25
Test for Certificate of Competency for Class 1, 2 or 5 vehicles	30
Duplicate Driver’s Licence	15
Urgent Driver’s Licence, whether original or duplicate	50
Upon successful completion of test for any Class	15
International Driver’s Permit	100
Search Fee	5
Foreign Driver’s Licence conversion	100

The ‘Foreign Driver’s Licence Conversion’ probably needs official clarification. The fee for this is US\$100. Is it possible that in this case the US\$100 fee cannot be paid in local currency because the driver is not a ‘local driver’? But what exactly is a Local Driver? Someone who manages to drive on our local roads? In which case every driver is local. A Zimbabwe citizen? But then what of the many ‘local’ drivers who hold foreign passports – or dual citizenship?

Sub-section (7) of section 12 of the Regulations may be relevant to this question of who is a ‘local’ driver, where it refers to “a person applying **in terms of section 19(1) of the Road Traffic Act** to the Registrar for a Driver’s Licence...” To see the significance of this we need next to turn to the Act’s sub-section (1) of section 19 (‘Issue of Drivers Licences to holders of Foreign Drivers Licences and International Driving Permits’). The Proviso to sub-section (1) may provide a clue. It says the Registrar cannot issue a Zimbabwean driver’s licence to the holder of a foreign licence/international permit “if the applicant **was ordinarily resident in Zimbabwe** when he obtained the foreign drivers licence or international permit.”

So perhaps a ‘local driver’ is simply one who is ordinarily resident in Zimbabwe? If so, this would exclude in-transit HMV drivers, and might exclude expatriates from the right to pay USD fees in local currency. But as I say, this probably needs official clarification.

Former Z\$ FEES for Public Service Vehicles set in USD – other USD fees unchanged since 2013

Background

Any vehicle that transports goods or passengers for hire or reward is required to periodically obtain a Fitness Certificate and an Operator’s Licence; apply for a Route Authority; pay any Overload Fees; obtain various permits where applicable (Foreign Operators/Bi-lateral/Comesa Treaty permits); and in the case of foreign-registered Public Service Vehicles pay Transit Charges per every 100 kilometres travelled.

In Statutory Instrument 106 of 2013 all fees were set in US Dollars, with licences ranging up to US\$900 for a foreign operator’s licence valid for 84 days, for example.

Transit charges (‘return journey’) for every 100km distance travelled or part thereof by Public Service Vehicles registered outside Zimbabwe, for example, ranged from US\$10 for Mutare to Forbes for a foreign omnibus, through US\$60 for Harare to Chirundu for a rigid three axles or less, up to US\$120 from Harare to Beitbridge for a multiple-axles foreign goods combination.

There are 25 routes with 3 possible variations, resulting in 75 permutations of transit charges.

Latest

On 2nd September 2022 Statutory Instrument 159 of 2022 repealed and replaced the Fourth Schedule ('Fees') in the principal Road Motor Transportation (Public Service Vehicles) Regulations, 1998 (SI 134/1998).

All fees have now been set in USD. While section 11 of SI 159 of 2022 says, "The fees stipulated for locally-registered vehicles may be payable in local currency at the prevailing bank rate of the day", section 3 says, "Application for a foreign Operator's Licence – payable in US\$ only."

The fees for periods of validity for **foreign operators** for 14-84 days range from US\$100 application + US\$400 licence up to US\$350 application + US\$900; the figures remain as they were set in 2013.

The fees for **local operators** are as follows –

- A local Operator's Licence for 3 years has been set at US\$75 per vehicle (US\$85 per vehicle for a Duplicate) – both prefaced by US\$50 Application Fees.
- A Route Authority Fee (or Duplicate) has been set at US\$25, prefaced by a US\$50 Application Fee.
- Bilateral Permits and COMESA Treaty Permits each cost US\$100, prefaced by US\$50 Application Fees.
- The various Applications for Certificates of Fitness, Re-inspection, Verification of Particulars, Garage Inspection, Daily Storage Fees, Use of Weighbridge etc now cost between US\$10 and US\$25. Overload Fees are 50 cents per kilogram.
- "A fee of US\$25 shall be payable where a vehicle is found operating under Notice prohibiting its use and presented for an inspection."
- A new set of items, 'Driving Test Fees' has been inserted into the Fourth Schedule. There is some overlap with the Licence Fees stipulated in Statutory Instrument 158 of 2022, the Road Traffic (Licensing of Drivers) (Amendment) Regulations, 2022 (No. 35), which we reported above.

For example, the Learner Licence Fee is US\$20 in SI 158 for all learner drivers and also in SI 159 for PSV learner drivers.

Similarly, a Class 3 and 4 certificate of competency is US\$25 in both; and a Class 1, 2 and 5 certificate of competency is US\$30 in both SI's.

However, while the search fee is US\$5 in SI 158, it is US\$10 in regard to PSV drivers.

Re-testing of PSV drivers is US\$25 for Class 3 and 4, and US\$30 for Class 1, 2 and 5. There is no 're-testing' of ordinary motorists. Pity, with so many undisciplined, foolhardy and downright dangerous drivers on the roads.

Finally, PSV drivers are subject to a 'Production Fee' of US\$15. This is not explained.

In 2013, during the dollarization era, all Public Service Vehicle Fees in the Fourth Schedule were set in USD, by SI 106 of 2013.

In 2019, SI 225 of 2019 changed most fees to ZWL\$ – with the exception of Foreign Operators' Licences; and Transit Charges for PSV registered in Mozambique, Malawi and outside Zimbabwe.

In 2020, when SI 297 of 2020 increased the ZWL\$ fees, the USD fees for the excepted categories remained unchanged.

In the latest development, SI 159 of 2022 has kept the USD fees for Foreign Operators' Licences; and Transit Charges for PSV registered in Mozambique, Malawi and outside Zimbabwe at the same levels as in 2013.

USD AXLE-LOADING FEES gazetted for Locally-registered Vehicles: can pay in local currency

Background

In 2012 the Axle-loading Fees for both locally-registered vehicles and foreign-registered vehicles – levied due to potential damage to roads caused by loaded/super-loaded/abnormally-loaded heavy vehicles – were set in United States Dollars, with locally-registered vehicles paying less than foreign ones.

In October 2021 Statutory Instrument 251 of 2021 replaced the Third Schedule ('Fees') in the principal Road Traffic (Axle Loading) Regulations, 1993 (SI 106 of 1993). The fourteen **USD** Fees for **foreign-registered** vehicles remained the same as in 2012 –

US\$120 for a 3-year registration of an Abnormal vehicle

US\$40 for an unescorted abnormal and US\$100 for one with an escort

US\$12 per kilometre for super-abnormal loads

Period Permits (for cranes/combine-harvesters/cane-haulers/buses and similar vehicles) ranged from US\$110 for one month up to US\$1 100 for twelve months.

There were also US dollar charges per kilometre depending on 'Single Wheel Mass', ranging from US\$0.11/km for 3750-4350kg SWM up to US\$0.20/km for 4751-5000kg SWM, subject to a minimum of US\$70, payable in respect of each single journey.

The fourteen Fees for **locally-registered** vehicles were changed to ZWL\$ amounts in 2021.

Latest

One year later, on 2nd September 2022, SI 157 of 2022 repealed and replaced the Third Schedule in the principal Regulations, retaining the USD figures for foreign-registered vehicles; and re-setting all the ZWL\$ amounts in USD at the 2012 figures (one benefit of a stable currency).

As was the case in 2012, this means that all the USD fees for locally-registered vehicles are lower than the corresponding fees for foreign-registered vehicles.

The various fees for locally-registered vehicles are as follows –

US\$100 for a 3-year registration of an Abnormal vehicle

US\$30 for an unescorted abnormal and US\$70 for one with an escort

US\$6 per kilometre for super-abnormal loads

Period Permits (for cranes/combine harvesters/cane haulers/buses/similar vehicles) range from US\$85 for one month up to US\$850 for twelve months.

The US\$ charges per kilometre depending on 'Single Wheel Mass', for locally-registered vehicles range from US\$0.08/km for 3750-4350kg SWM to US\$0.15/km for 4751-5000kg SWM, subject to a minimum of US\$50, payable in respect of each single journey.

Paragraph 6 of the Third Schedule states, "The fees for foreign-registered vehicles shall be payable in United States Dollars or equivalent in other foreign currencies, using the above rates" (i.e. the unchanged 2012 rates for foreign-registered vehicles).

Paragraph 7 of the Third Schedule states, "The fees stipulated above (i.e. for locally-registered vehicles) may be payable in local currency for locally-registered vehicles at the prevailing interbank rate of the day."

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