

**ETHIOPIA**

**SALES AND EXCISE TAX PROCLAMATION No.  
68/1993**

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**SECTION I. GENERAL**

**1. Short title.**

This Proclamation may be cited as "Sales and Excise Tax Proclamation No. 68/1993".

**2. Definition.**

In this Proclamation, unless the context otherwise requires:

(1) "person" means a physical or juridical person;

(2) "goods" means any type of goods or commodity that has exchange value, utility and brings about satisfaction and includes animals;

(3) "sales" means exchange of goods in cash or in kind and includes rendering services upon receipt of payment;

(4) "producer" means any person who manufactures or produces goods;

(5) "raw material" means goods that a producer uses as an input in the production process and shall include

goods that are to be mixed or fixed to other goods to bring about finished product;

(6) "importer" means any person who imports goods into the country;

(7) "service" means services enumerated under [Schedule C](#) of this Proclamation and regulations to be issued for the implementation of this Proclamation.

(8) "service supplier" means the person who renders the services referred to in sub-article 7 of this Article;

(9) "informal service rendering or production activity" means providing services or producing goods outside business premises in residential houses, or on the veranda or on street payments, and the sales income it generates is of a subsistence level and is carried out without employees;

(10) "Bonded Warehouse" means the building or place destined for storage of specified goods before the tax is paid, secured in accordance with requirements of the Tax Authority;

(11) "Pure Alcohol" means alcohol of purity of 96 degrees or more.

(12) "Alcohol" means Ethyl Alcohol;

(13) "Denatured alcohol" means alcohol of any form to which has been added the substance or substances rendering it unfit for human consumption;

(14) "Tax Authority" means the body designated to collect revenues categorized as control, regional and joint under Proclamation No. 33/1992;

(15) "Tax Appeal Commission" means the Tax Appeal Commission established by the [Income Tax Proclamation](#) or a body which may be established by other laws to succeed it;

(16) "Ministry" and "Minister" means the Ministry and Minister of Finance, respectively;

### **3. Repeals.**

Sales Tax Council of State Special Decree No. 16/1990 is hereby repealed.

### **4. Scope.**

Unless exempted under [Article 16](#) of this Proclamation or directives to be issued thereunder, the tax shall be paid in accordance with the provisions of this Proclamation on:

- (1) goods produced locally;
- (2) goods imported; and
- (3) services rendered locally.

## **SECTION 2. SALES TAX**

### **5. Rate of Sales Tax.**

The Sales Tax shall be paid on:

(1) Goods, sold locally and goods imported mentioned under [Schedule "A"](#) of this Proclamation 5% (five percent) or fixed rate on the basis of weight, as the case may be;

(2) Goods sold locally and goods imported, except goods mentioned under sub-article 1 of this Article and [Schedule "B"](#) 12% (twelve percent);

(3) Service mentioned under [Schedule "C"](#) of this Proclamation and in a directive to be issued in a public notice by the Minister:

- (a) contractors and taxpayers whose daily sales income is between Birr 25-50 five percent (5%)
- (b) others ten percent (10%).

## **6. Basis of Computation of the Sales Tax.**

(1) In respect of goods produced locally, the producers wholesale price and the excise tax paid, as the case may be;

(2) in respect of goods imported, cost insurance and freight (C.I.F.) plus customs duty and the excise tax paid, as the case may be;

(3) in respect of services, the service charge shall be the basis for the computation of the tax payable thereon.

## **7. Assessment of Tax.**

(1) The Sales tax on goods imported shall be paid in accordance with sub-article 2 of [Article 6](#).

(2) Where the taxpayer has the obligation to keep books of account and supporting documents, the Sales Tax shall be assessed by the Tax Authority on the basis of such books of account and supporting documents.

(3) The provisions of the [Income Tax Proclamation No. 173/1961](#), concerning appeals shall mutatis mutandis, apply to appeal regarding Sales tax.

(4) If for any reason the books of accounts and supporting documents are unacceptable to the Tax Authority or if the taxpayer fails to submit same when requested by the Tax Authority or if no books of account and supporting documents are maintained, the Tax Authority shall assess the tax on the basis of information available to it or on the basis of wholesale price of such good in the local market or, if the wholesale price is unknown on the basis of the wholesale price of an equivalent good;

(5) The assessment made shall be prepared in an assessment notification and be delivered to the taxpayer. Delivery of the assessment notification shall be made in accordance with the provisions of [Income Tax Proclamation](#).

(6) If the Tax Authority fails to assess the tax and notify the taxpayer of the amount still due within five years from the date of declaration and payment of the tax by the taxpayer in accordance with [Article 8](#) of this Proclamation, the tax so paid shall be final and conclusive, without prejudice to the criminal penalty imposed under [Article 20](#) of this Proclamation. However, where the taxpayer conceals information, the five years period of limitation shall not bar the Tax Authority from demanding the payment of the additional tax due.

## **8. Payment of Sales Tax.**

(1) The Sales tax shall be paid within the time prescribed under sub-article 8 of this Article:

(a) in respect of goods produced locally by the producer;

(b) in respect of goods imported by the importer; and

(c) in respect of services rendered locally by the person rendering the service.

(2) Notwithstanding the provisions of sub-article 1 of this Article, where the Tax Authority has reason to believe that the tax cannot effectively be collected at the level of the producer or importer, he may issue directives to the effect that the collection of the tax shall be made at the level of the wholesaler or the retailer without exceeding the amount collectable at the level of the producer or importer.

(3) Time of Payment:

(a) Where the taxpayer is a producer, service supplier, wholesaler or retailer, he shall pay the tax on his daily sales income within three days from the date of the sales transaction. However, in any event, the payment shall not be delayed later than five days.

(b) Where the taxpayer is an importer, he shall pay the tax simultaneously as the Customs duty.

(4) Where the tax paid by the taxpayer is found to be lesser than the tax assessed by the Tax Authority the taxpayer shall forthwith pay the difference to the Tax Authority as soon as he receives the assessment notification. Where the tax paid by the taxpayer is found to be more than the tax assessed, the difference shall forthwith be paid back.

## **9. Rebate of Tax Paid on Raw Materials.**

(1) The Sales tax paid on raw materials used in the locally produced goods shall be refunded. However, the tax paid on pure alcohol used as raw material shall not be refunded.

(2) The procedure for refunding the tax paid on raw materials in accordance with sub-article 1 of this Article shall be regulated by directives.

## **SECTION 3. EXCISE TAX**

### **10. Rate of Excise Tax.**

The Excise tax shall be paid on goods mentioned under Schedule "D" attached to this Proclamation:

(a) when imported;

(b) when produced locally at the rate prescribed in the schedule.

### **11. Basis of Computation of Excise Tax.**

(1) In respect of goods produced locally, the cost of production;

(2) in respect of goods imported, cost, insurance and freight (C.I.F.).

### **12. Payment of Excise Tax.**

(1) The tax shall be paid within the time prescribed under sub-article 2 of this Article:

(a) in respect of goods produced locally, by the producer;

(b) in respect of goods imported, by the importer.

(2) Time of payment:

(a) unless decided otherwise as provided for under sub-article 2(b) of this Article the excise tax on goods specified under Schedule "D" shall be payable:

1. When imported, at the time of clearing the goods from Customs area;

2. When produced locally, not later than three days from the date of production.

(b) Where the taxpayer requests for permission to deposit goods produced, in a Bonded Warehouse without payment of tax and if the request is approved by the Tax Authority, the payment of the tax on such goods so deposited shall be effected at the time they are being removed from the Bonded Warehouse;

(c) If the Tax Authority believes that the activity of the taxpayer requires a Bonded Warehouse may give him permission to establish such Bonded Warehouse. The conditions under which the Bonded Warehouse operates, shall also

be laid down by directive to be issued by the Tax Authority. No goods shall therefore be deposited in or removed from a Bonded Warehouse except in the presence and under the control of a representative of the Tax Authority;

(d) Where a producer fails to keep proper accounts and records or fails to submit a monthly declaration or pay the tax within the time limit prescribed in this Proclamation or submits a declaration which upon investigation is found incorrect, the Tax Authority shall be empowered to forbid the producer to remove any goods from the place of production or Bonded Warehouse.

### **13. Assessment of the Excise Tax.**

(1) If the Tax Authority accepts that the books and records maintained by the producer are properly kept and that the monthly declaration submitted by him pursuant to [Article 14\(d\)](#) of this Proclamation is correct, the tax paid in accordance with the monthly declaration shall be considered accurate.

(2) If the Tax Authority finds unsatisfactory the declaration submitted under sub-article 1 of this Article or if it finds out within five years from the date of declaration that there is an amount due over and above the declared tax, may assess the tax by estimation and demand the payment thereof. Without prejudice to the criminal penalty imposed under [Article 20](#) of this proclamation, however, where the taxpayer conceals information, the five years period of limitation shall not bar the Tax Authority from demanding the payment of the additional tax due.

## **SECTION 4. COMMON PROVISIONS (Sales and Excise Tax)**

### **14. Obligations of the Taxpayer. (Sales and Excise Tax)**

In addition to the obligations specified in the other provisions of this Proclamation, every taxpayer shall:

(a) maintain books of accounts and supporting documents in accordance with proper accounting principles and in a manner acceptable to the Tax Authority;

(b) submit to the Tax Authority in a form which shall be supplied by said Authority, a declaration containing such information as may be necessary for proper collection of the tax;

(c) comply fully with the requirements of the inspection of his premises by the delegate of the Tax Authority in accordance with sub-article 1 and 2 of [Article 15](#) of this Proclamation;

(d) comply fully with the requirements of the inspection of his premises by the delegate of the Tax Authority;

(e) immediately communicate to the Tax Authority the type and address as well as the commencement and termination date of his business and notify any subsequent change in the type or address of such business;

(f) pay in full the tax due within 30 days from the date of termination where such business is terminated.

### **15. Power of the Tax Authority. (Sales and Excise Tax)**

In addition to the powers specified in the other provisions of this Proclamation the Tax Authority shall have the following powers and duties:

(1) Order the taxpayer to submit books of accounts and supporting documents necessary for the assessment of the tax or where necessary, require the taxpayer to be present in person and have inspected or explain such books and documents.

(2) Enter business premises or stores of the taxpayer or to any place suspected to be storage of the products, inspect, collect information and take appropriate measures:

(a) during the regular working hours of the taxpayer where it suspects that production or sale of goods is carried on or there is information that may be necessary for the proper assessment of the tax, and to ensure the observance of this Proclamation and regulations issued for the implementation of this Proclamation;

(b) at any time where it suspects that an offense resulting from the violation of the provisions of this Proclamation or regulations issued for the implementation of the Proclamation has been committed.

(3) Where it deems necessary, delegate, upon approval of the Minister or the relevant regional executive

committee, a body to collect the tax;

(4) Notify the taxpayer the tax to be paid in accordance with this Proclamation;

(5) As regards goods imported:

(a) sell such goods where the tax in respect of them is not paid within six months from the day of deposit within the premises of government warehouse or in the case of perishable goods, decide on their sale at any time it thinks fit;

(b) transfer to the Government Treasury the balance, if any, remaining after the deduction of the tax and other expenses, provided, however, that it shall pay the same person entitled thereto where he claims it within five years from the date of the sale and where his claims are proved.

## **16. Exemption. (Sales and Excise Tax)**

(1) Goods and services exempt from tax or which have reduced tax rates under appropriate laws, international agreements approved by the Government or under agreements consented to by the Minister shall be exempted.

(2) Persons engaged in informal service rendering or production activity and persons engaged in formal trade, including sales of Tella, whose daily sales income does not exceed Birr 25 (twenty five birr), shall be exempted.

(3) Goods locally produced for direct export shall be exempted.

(4) In addition to exemptions provided for in this Article, goods and services may be exempted by directives to be issued by the Minister.

## **17. Appeal. (Sales and Excise Tax)**

(1) Any taxpayer who objects to an assessment made by the Tax Authority has the right to appeal, within 30 days from the receipt of assessment notification, to the Tax Appeal Commission by depositing in each with the Tax Authority an amount equal to 50% of the tax assessed.

(2) If no appeal is made within the period prescribed under sub-article 1 of this Article, the assessment of the tax made by the Tax Authority shall be deemed to be correct and final and shall be immediately payable.

(3) Without prejudice to the provisions of sub-article 1 of this Article the provisions of the [Income Tax Proclamation](#), concerning appeals shall mutatis mutandis, apply to appeal regarding taxes imposed by this Proclamation.

## **18. Penalties. (Sales and Excise Tax)**

Any taxpayer shall pay:

(1) 20% of the Tax assessed, if he fails to declare as provided for in this Proclamation;

(2) Compound interest at the prevailing rate on the amount in default where he fails to pay the tax within the period prescribed under this Proclamation.

## **SECTION 5. MISCELLANEOUS PROVISIONS (Sales and Excise Tax)**

### **19. Duty to Cooperate. (Sales and Excise Tax)**

(1) Any person has the duty to cooperate with the Tax Authority in the implementation of this Proclamation.

(2) Without prejudice to the generality of duties provided for in sub-article 1 of this Article, the duty to cooperate shall, in particular, include:

- (a) disclosure of the identify of the taxpayer, the nature and condition of his business;
- (b) supply, in due time, of information necessary for the collection of the tax;
- (c) notification forthwith of the issuance, renewal or cancellation of licenses.
- (d) refraining from the supply of services to any person who fails to present tax clearance certificate, and
- (e) rendering upon request by the Tax Authority technical and professional assistance necessary for the collection of the tax.

## **20. Offenses. (Sales and Excise Tax)**

Unless the relevant provisions of the Penal Code impose greater punishment:

(1) Any taxpayer who, with the intention of evading or under paying the tax, makes false declaration concerning his production activity, prices, service or sales or submits incorrect books of accounts and supporting documents, or refuses to supply or conceals information necessary for the assessment of the tax, or in any way obstruct or attempts to obstruct the work of the Tax Authority shall, upon conviction by the court, be punishable:

- (a) with one year imprisonment and Birr 5000 (Birr five thousand) fine, if the offense is committed for the first time;
- (b) with two years imprisonment and Birr 10,000 (Birr ten thousand) fine, if the offense is committed for the second time;
- (c) in addition to three years imprisonment and Birr 20,000 (Birr twenty thousand) fine, his license shall be cancelled, if the offense is committed for the third time.

(2) Any person who fails to fulfill his duties under sub-article 1 and 2 of [Article 19](#) of this Proclamation, shall upon conviction by the court, be punishable with imprisonment not exceeding one year of with fine not exceeding Birr 3000.

## **21. Powers of the Minister. (Sales and Excise Tax)**

The Minister shall have the power to:

- (a) waive, for good cause in whole or in part, the tax assessed under this Proclamation; and
- (b) issue directives for the better carrying out of this Proclamation and the regulation to be issued for the implementation of this Proclamation.

## **22. Transitory Provisions. (Sales and Excise Tax)**

(1) All turn-over, transaction, and excise taxes due prior to the coming into force of this Proclamation shall be paid in accordance with the relevant tax laws then in force.

(2) Taxes that should have been paid in accordance with the Sales Tax Council of States Special Decree No. 16/1990 but remain unpaid shall be collected in accordance with said Decree and directives issued thereunder.

## **23. Effective Date. (Sales and Excise Tax)**

This Proclamation shall enter into force as of the 16th day of August 1993.

### ***SCHEDULE A. GOODS THAT SHALL BE LIABLE TO 5 PERCENT SALES TAX WHEN EITHER PRODUCED LOCALLY OR IMPORTED***

#### **1. Live Animals**

- 1.1 Live horses, asses, mules and hinnies



1.2 Live animals of the bovine species

1.3 Live swine

1.4 Live sheep and goats

1.5 Live poultry, that is to say, fowls, ducks, geese turkeys and guinea fowls

1.6 Other live animals and birds

2. Meat and Edible Meat Offals

2.1 Meat and edible offals of the animals falling within Article 1.1 to 1.4 fresh, chilled or frozen.

2.2 Dead Poultry (that is to say, fowls, ducks, geese, turkeys and guinea-fowls) and edible offals thereof, fresh, chilled or frozen.

2.3 Other meat and edible meat offals, fresh chilled or frozen.

3. Fish, Crustaceans and Mollusc

3.1 Fish, fresh (live or dead), chilled or frozen.

3.2 Crustaceans & mollusks whether in shell or not, fresh (live or dead), chilled, frozen, crustaceans in shell, simply boiled in water.

4. Mild and cream, fresh, not concentrated or sweetened.

5. Birds' eggs and egg yolks, fresh, dried or otherwise preserved, sweetened or not.

6. Natural Honey.

7. Products of Animal Origin, not Elsewhere specified or included.

7.1 Human hair, unworked, whether or not washed or scoured; waste of human hair.

7.2 Pigs' hogs' and boars' bristles or hair; badger hair and other brush-making hair; waste of such bristles and hair.

7.3 Horsehair and horsehair waste, whether or not put up on a layer or between two layers of other material.

7.4 Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof.

7.5 Fish waste.

7.6 Skins and other parts of birds with their feathers or down, feathers and parts of feathers (whether or not with trimmed edges) and down, not further worked than cleaned, disinfected, or treated for preservation, powder and waste of feathers or parts of feathers.

7.7 Bones and horn-cores, unworked, defatted, simply prepared (but not cut to shape), treated with acid or degelatinized, powder and waste of these products except for use as fertilizers).

7.8 Horns, antlers, hooves, nails, claws and beaks of animals, unworked or simply prepared but not cut to shape, and waste and powder of those products; whalebone and the like, unworked or simply prepared but not cut to shape, and hair and waste of these products (except for use as fertilizer).

7.9 Coral and similar substances, unworked or simply prepared but not otherwise worked; shells unworked or simply prepared but not cut to shape, powder and waste of shells.

7.10 Natural sponges.

7.11 Ambergris, castoreum, civet and musk; cantharides; bile, whether or not dried; or otherwise provisionally preserved, of a kind used in the preparation of pharmaceutical products.

7.12 Semen, silk worm eggs.

7.13 Semen, silk worn eggs.

8. Lives Trees and other Plants, Bulbs, Roots and the like; cut Flowers and Ornamental Foliage.

8.1 Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant in growth or in flower.

8.2 Other live plants, including trees, shrubs, bushes, roots, cuttings and slips.

8.3 Cut flowers and flower buds of a kind suitable for bouquet or for ornamental purposes, fresh, dried bleached, impregnated or otherwise prepared.

8.4 Foliage, branches and other parts (other than flower or buds) of trees, shrubs, bushes and other plants, and mosses, lichens and grasses, being goods of a kind suitable for bouquet or ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared.

9. Edible Vegetables and Certain Roots and tubers.

9.1 Vegetables, fresh or chilled.

9.2 Dried leguminous vegetables, shelled, whether or not skinned or split, when imported for plant breeding.

9.3 Manioc, arrowroot, salep, Jerusalem artichokes roots and tubers with high starch or insulin content, fresh.

10. Edible Fruit and Nuts; Peel or Melons or Citrus Fruits.

10.1 Dates, bananas, coconuts, Brazil nuts, cashew nuts, pineapples, avocados, mangoes, guavas and mangosteens, fresh.

10.2 Citrus fruit, fresh.

10.3 Figs, fresh.

10.4 Grapes, fresh.

10.5 Nuts other than those falling within Article 10.1, fresh.

10.6 Apples, pears and quinces, fresh.

10.7 Stone fruit, fresh.

10.8 Berries, fresh.

10.9 Other fruit, fresh.

11. Coffee and Spices.

11.1 Coffee beans, raw.

11.2 Pepper of the genus "piper", pimento of the genus "Capsicum" or the genus "pimenta".

11.3 Vanilla.

11.4 Cinnamon and cinnamon tree flowers.

11.5 Cloves (whole fruit, cloves and stems).

11.6 Nutmeg, mace and cardamoms.

11.7 Seeds of anise, badian, fennel, coriander, cumin, caraway and juniper.

11.8 Thyme, saffron and bay leaves, other spices.

12. All Kinds of Cereals.

13. Products of the Milling Industry; Malt and Starohes, Gluten, Inulin.

13.1 Cereal flours.

13.2 Cereal grouts and cereal meal; other worked cereal grains (for example, rolled, flaked, polished, peeled or kibbled), but not further prepared); germ of cereals, whole, rolled, flaked or ground.

13.3 Flour, meal and flakes of potato.

13.4 Malt, roasted or not including malt flour).

14. Oil Seeds and Oleaginous Fruit, Miscellaneous Grains, Seeds and Fruit; Industrial and Medical Plants, Straw and Fodder.

14.1 Oil seeds and oleaginous fruit, whole or broken.

14.2 Flours or meals of oil seeds or oleaginous fruit, non-defatted, (excluding mustard flour).

14.3 Seeds, fruit and spores, of a kind used for sowing.

14.4 Sugar beet, whole or sliced, fresh, dried or powdered; sugar cane.

14.5 Hop cones and lupulin.

14.6 Plants and parts (including seeds and fruit) of trees, bushes, shrubs or other plants, being goods of a kind used primarily in perfumery, in pharmacy, or for insecticidal, fungicidal or similar purposes, fresh or dried, whole, cut crushed, ground or powdered.

14.7 Chicory roots, fresh or dried, whole or cut, unroasted, locust beans, fresh or dried, whether or not kibbled or ground, but not further prepared, fruit kernels and other vegetable products of a kind used primarily for human food, not falling within any other articles.

14.8 Cereal straw and husks, unprepared, or chopped but not otherwise prepared.

14.9 Mangolds, swedes, fodder roots, hay, lucerne, clover, sainfoin, forage kale, lupines, vetches and similar forage products.

15. Gums, Resin and other Vegetable Saps and Extracts.

15.1 Shelled, seed lac, stick lac and other lacs.

15.2 Natural gums, resins, gum resins and balsams.

16. Vegetable Plating Materials, Vegetable Products not Elsewhere Specified or included.

16.1 Vegetable materials of a kind used primarily for plaiting for example cereal straw, cleaned, bleached or dyed osier, reeds, rushes, rattans, bamboos, raffia and lime bark.

16.2 Vegetable materials, whether or not put up on a layer or between two layers of other material, of a kind used primarily as stuffing or as padding (for example, kapok, vegetable hair and eel-grass).

16.3 Vegetable materials, of a kind used primarily in brushes or in brooms (for example, sorgho pissava, couch-grass and istle, whether or not in bundles or hanks).

16.4 Raw vegetable materials of kind used primarily in dyeing or in tanning.

17. Cocoa.

17.1 Cocoa beans, whole or broken, raw or roasted.

17.2 Cocoa shells, husks, skins and waste.

18. Infant or Invalid Food, of any Origin.

19. Earth, Stone and Limestone.

19.1 Natural sands of all kinds whether or not colored, other than metal bearing sands.

19.2 Quartz, quartzite, including quartzite not further worked than roughly split.

19.3 Clay.

19.4 Granite, porphyry, basalt, sandstone and other monumental and building stone, including such stone not further worked than roughly split, roughly squared or squared by sawing.

19.5 Pebbles and crushed or broken stone, gravel, macadam and tarred macadam, of kind commonly used for concrete aggregate, for road metalling and the like.

19.6 Limestone flux and calcareous stone, commonly used for the manufacture of lime or cement.

## 20. Pharmaceutical Products.

20.1 Organo-therapeutic glands or other organs, dried, whether or not powdered; organo-therapeutic extracts of glands or other organs or of their secretions; other animal substances prepared for therapeutic or prophylactic use, not elsewhere specified or included.

20.2 Antisera; microbial vaccines, toxins, microbial cultures (including ferments but excluding yeasts) and similar products.

20.3 Medicaments (including veterinary medicaments).

20.4 Wadding, gauze, bandages and similar articles (for example, dressings, adhesive plasters, poultices), impregnated or coated with pharmaceutical substances or put up in retail packings for medical or surgical purposes.

20.5 Essential oils for use as medicine.

20.6 Other pharmaceutical good.

## 21. Hides and Skins.

21.1 Raw hides and skins (fresh, salted, dried, pickled or limed), whether or not split, including sheepskins in the wool.

21.2 Raw fur skins.

## 22. Printed Books, Newspapers, Picture & Other Products of the Printing Industry; Manuscripts, typescripts and Plans.

22.1 Printed books, booklets, brochures, pamphlets and leaflets.

22.2 Newspapers journals and periodicals, whether or not illustrated.

22.3 Children's picture books and painting books.

22.4 Music, printed or in manuscript, whether or not bound or illustrated.

22.5 Maps and hydrographic and similar charts of all kinds, including atlases, wall maps and topographical plans, printed globes (terrestrial or celestial).

22.6 Plans and drawings for industrial, architectural, engineering, commercial or similar purposes, whether original or reproductions on sensitized paper, manuscripts and typescripts.

22.7 Cheque books (but not travellers' cheques), lottery tickets.

22.8 Transfers (Decalcomanias).

## 23. Cotton.

23.1 Cotton, not carded or combed.

23.2 Cotton linters.

23.3 Cotton waste (including pulled or garnetted rags), not carded or combed.

23.4 Cotton, carded or combed.

## 24. Works of Art, Collectors' Pieces and Antiques.

24.1 Paintings, drawings and pastels, executed entirely by hand, other than for permanent public exhibition.

24.2 Original engravings, prints and lithographs, other than for permanent public exhibition.

24.3 Original sculptures and statuary, in and material, other than for permanent public exhibition.

24.4 Postage, revenue and similar stamps (including stamp postmarks and franked envelopes, letter cards and the like), used, or unused not of current or new issue in the country to which they are destined.

24.5 Collections and collectors' pieces of zoological, botanical, mineralogical, anatomical, historical, archeological paleontological, ethnographic or numismatic interest.

24.6 Antiques of an age exceeding one hundred years.

25. Goods Subject to 5% Sales Tax as Exception.

25.1 Sales of food, tea and coffee, etc., in hotels other than lodging services and sales of drinks and other goods on which the tax has been paid at the place of production.

25.2 Sales of food, tea and coffee, etc., in workers canteens, other than sales of drinks and other goods on which the tax has been paid at the place of production.

25.3 Sales of Tea rooms and Bars other than sales of drinks and other goods on which the tax has been paid at the place of production.

25.4 Sales of local food and beverages.

25.5 Sales of home prepared foodstuff.

26. Goods that Shall be Subject to Sales Tax of Birr 10 Per kg.

26.1 Clothing, clothing accessories, travelling rugs and blankets, household linen and furnishing articles of textile materials, footwear, belts & headgear of any material, showing signs of appreciable wear.

26.2 Used or new rags, scrap twine, cordage, rope and cables and worn out articles of twine cordage, rope or cables, of textile materials.

## ***SCHEDULE B. GOODS THAT SHALL BE FREE OF SALES TAX WHEN EITHER PRODUCED LOCALLY OR IMPORTED, AND SALES TAX EXEMPTIONS PROVIDED TO PUBLIC BODIES AND ECONOMIC AGENTS***

1. Food.

1.1 Bread and "Injera".

2. Fertilizer.

2.1 Bones, horns, hooves, nails and other products of animal origin for use as fertilizer.

2.2 Guano and other natural fertilizer of animals or vegetable origin.

2.3 Natural calcium phosphates, natural aluminum calcium phosphates, apatite and phosphatic chalk and the like for use as fertilizer.

2.4 Nitrogenous, phosphatic, potassic mineral or chemical fertilizers.

3. Petroleum and Petroleum Products.

3.1 Aviation fuel, oils and lubricants.

3.2 Any type of kerosene.

4. Containers, wrapping and other packing materials when sold in the market after the goods contained within are unloaded.

5. Aircraft and Parts Thereof, Machinery and Requisites Needed for Aviation.

5.1 Aircraft and parts thereof and accessories thereto.

5.2 Aircraft launching gear; ground flying trainers; parts of any of the foregoing articles.

5.3 Ballons and airship.

5.4 Flying machines, gliders and kites; rotochutes; parts of any of the foregoing articles.

5.5 Parachutes and parts thereof and accessories thereto.

5.6 Radio telegraphic and radio telephonic transmission apparatus for use in aircraft and airfields.

5.7 Other equipment requisites needed for aviation.

## 6. Equipment Requisites for Railway and Tramway Transport.

6.1 Electric rail locomotives, battery operated or powered from an external source of electricity.

6.2 Other rail locomotives; tenders.

6.3 Mechanically propelled railway and tramway coaches, vans and trucks, and mechanically propelled track inspection trolleys.

6.4 Railway and Tramway passenger coaches and luggage vans; hospital coaches, prison coaches, testing coaches, travelling post office coaches and other special purpose railway coaches.

6.5 Railway and tramway rolling stocks, the following workshops, cranes and other service vehicles.

6.6 Railway and tramway goods vans, goods wagons and other trucks.

6.7 Containers specially designed and equipped for carriage by one or more modes of transport.

6.8 Parts of railway and tramway locomotives and rolling stock.

6.9 Railway tramway track fixtures and fittings; mechanical equipment, not electrically powered, for signalling to or controlling road, rail or other vehicles, ships or aircraft, parts of the foregoing fixtures, fittings or equipment.

6.10 Railway and tramway sleepers.

6.11 Fuels for use in railway or tramway transport.

6.12 Other equipment, requisites for use in railway and tramway transport.

## 7. Equipment Requisites for Marine Transport.

7.1 Ships, boats and other vessels for commercial services and harbor utility; parts of the foregoing articles.

7.2 Vessels specially designed for towing (tugs) or pushing other vessels.

7.3 Light vessels, fire floats, dredgers of all kinds, floating cranes, and other vessels the navigability of which is subsidiary to their main functions; floating docks or submersible drilling or production platforms.

7.4 Floating structures other than vessels (for example coffer dams, landing stages, buoys and beacons).

7.5 Lighthouse lenses and other optical elements specialized for navigational aids.

7.6 Radio telegraphic and radio telephonic transmission apparatus for use in harbors or commercial ships.

7.7 Bilge or other pumps for commercial services and harbor utility vessels of boats.

7.8 Other equipment requisites needed for commercial services and harbor utility.

7.9 Fuels.

## 8. Equipment Requisites for national Defence and Public Security.

8.1 Warships.

8.2 Tanks and other armored fighting vehicles, motorized, whether or not fitted with weapons; parts of such vehicles.

8.3 All kinds of arms, ammunition and parts thereof for the use of Armed Forces.

8.4 Other vehicles and communication equipment for national defence purposes.

8.5 Arms, ammunition, communication equipment and other equipment requisite for public security purposes.

## 9. Fire Fighting Appliances for Public Use.

9.1 Fire engines and fire escapes.

9.2 Pailings and tubing specially prepared for fire fighting equipments.

- 9.3 Firemen's helmets.
- 9.4 Asbestos clothing.
- 9.5 Other fire fighting appliances and equipment requisites for fire fighting.
- 10. Bullion Imports by the National Bank of Ethiopia.
  - 10.1 Gold bullion.
  - 10.2 Silver bullion.
- 11. Coins - Legal Tender in Ethiopia.
- 12. Travellers Cheques, Revenue Stamps and Tax Bandlets.
- 13. Ambulances in a complete State.
- 14. Invalid Carriages, Whether or not Motorized or Otherwise Mechanically Propelled.
- 15. Special Equipment for Handicapped.
- 16. Photographs, Enlargements and Reproductions Having Only a Personal or Sentimental Value and not Intended for Sale.
- 17. Works of arts, Collectors' Pieces and Antiques.
  - 17.1 Paintings, drawings and pastels, executed entirely by hand imported for permanent public exhibition.
  - 17.2 Original engravings prints and lithographs imported for permanent public exhibition.
  - 17.3 Original sculptures and statuary, in any material imported for permanent public exhibition.

***SCHEDULE C. TYPE OF SERVICES SUBJECT TO SERVICE TAX UNDER ARTICLE 5 AND SUB-ARTICLE 3 OF THIS PROCLAMATION***

- | No. | Type of Service                |
|-----|--------------------------------|
| 1.  | Telecommunication              |
| 2.  | Garage                         |
| 3.  | Laundry                        |
| 4.  | Tailoring                      |
| 5.  | Legal Service                  |
| 6.  | Translation                    |
| 7.  | Photography and Photocopy      |
| 8.  | Auditing                       |
| 9.  | Works Contract                 |
| 10. | Lodging                        |
| 11. | Consultancy                    |
| 12. | Commission Agent               |
| 13. | Cinema                         |
| 14. | Hair dressing and Beauty Salon |
| 15. | Tourism                        |
| 16. | Rent of Goods                  |