

# REQUIREMENT TO ISSUE SMART INVOICES



The Zambia Revenue Authority would like to remind all Value Added Tax (VAT) registered taxpayers of the legal requirement to issue Smart Invoices. Effective 1st January 2025, input tax claims have been restricted to invoices issued from the Smart Invoice system. However, tax invoices issued outside the Smart Invoice system up to 31st December 2024 will still be valid for input tax deduction in 2025, if they meet the Ninety (90) day validity period and other mandatory features of a tax invoice.

It is essential that taxable suppliers, including fuel stations, issue Smart Invoices for all claimable products and services. Taxable suppliers are encouraged to request Smart Invoices for these transactions to ensure compliance with the law.

Failure to comply with this requirement, as outlined in Section 7A (3) of the Value Added Tax Act, will result in the following penalties:

- **1st Offence:** A fine not exceeding K40,000
- **2nd Offence:** A fine not exceeding K80,000
- **3rd or Subsequent Offence:** A fine not exceeding K120,000, imprisonment for a term not exceeding 3 years, or both.