

INCOME TAX ACT
(Cap. 52:01)

**INCOME TAX (SIDILEGA GABORONE (PROPRIETARY) LIMITED)
(DEVELOPMENT APPROVAL) ORDER, 2020**
(Published on 2nd October, 2020)

ARRANGEMENT OF PARAGRAPHS

PARAGRAPH

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IN EXERCISE of the powers conferred on the Minister of Finance and Economic Development by section 52 of the Income Tax Act, the following Order is hereby made —

1. This Order may be cited as the Income Tax (Sidilega Gaborone (Proprietary) Limited) (Development Approval) Order, 2020, and shall come into operation on the 1st July, 2020, for a period of five consecutive tax years. Citation and commencement

2. In this Order —
“Sidilega Gaborone (Proprietary) Limited” means a private limited company registered as such under the Companies Act. Interpretation

3. Sidilega Gaborone (Proprietary) Limited shall be prescribed as a health facility in the form of a hospital in Gaborone, which provides ambulatory care services, diagnostic services, operation theatres, procedure rooms and pharmacy. Cap. 42:01
Prescription

4. Sidilega Gaborone (Proprietary) Limited may be granted additional tax relief in the form of total exemption from payment of income tax on its profits for any of the five consecutive tax years commencing on 1st July, 2020 on condition that it — Additional tax relief

- (a) shall fill in and submit annual tax returns along with audited financial statements of its income to the Botswana Unified Revenue Service in accordance with section 65 of the Act during the exemption period;
- (b) shall for each year, compute the taxable income which shall be exempted from taxation under this Order, to be submitted together with the tax returns under subparagraph (a);
- (c) shall create employment for —
 - (i) 200 people in the first year of its operation,
 - (ii) 150 more people in the second year of its operation, and
 - (iii) 50 more people in the third year of its operation, 93% of who shall be citizens of Botswana;
- (d) shall ensure the proper completion of all processes, including the deduction of taxes pursuant to the provisions pertaining to withholding taxes and the filling of relevant tax returns;
- (e) is not exempt from any final taxes to be deducted from source that are due to it; and

Withdrawal of
tax relief

(f) shall upon the commencement of this Order, have paid all taxes that are due and have satisfied all other obligations under the Act.

5. (1) The Minister may withdraw a tax relief granted under this Order, where Sidilega Gaborone (Proprietary) Limited —

(a) ceases to operate the project for which the tax relief was granted; or

(b) fails to meet any of the conditions under paragraph 3.

(2) Where the Minister withdraws a tax relief in accordance with paragraph (1), this Order shall cease to have effect.

MADE this 18th day of September, 2020.

DR. THAPELO MATSHEKA,
*Minister of Finance and Economic
Development.*