
Law no. 22/2022 of 28th December (CIVA)

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The Value Added Tax Code (CIVA), approved by Law no. 32/2007 of 31 December, was recently amended by Law no. 22/2022 of 28 December. The referred amendment entered into force on 1 January 2023.

The main amendments to CIVA are limited to:

1. The exemptions for the following have been introduced:
 - Transmission of iron bicycles up to 4 speeds;
 - Provision of waste removal services carried out by public entities or contracted by them.
 - Transmission of inputs of solar panels for rural electrification, until 31 December 2025.
2. The following transfers of goods and supplies of services are exempt from tax until 31 December 2023:
 - The transmission of sugar;
 - Transmissions of raw materials, intermediate products, parts, equipment and components, made by the national sugar industry;
 - Transmissions of edible oils and soaps;
 - Transmissions of goods to be used as raw materials in the oil and soap industry;
 - Transmissions of goods and services rendered within the scope of the agricultural activity of sugarcane production and destined to industry.
3. Reduction of the general tax rate to 16%.
4. The following supplies of goods and services are subject to a reduced rate of 5%:
 - The supply of medical and sanitary services and closely related operations carried out by private hospital establishments, clinics, dispensaries and similar establishments;
 - The supply of services which have as object education, as well as the supply of goods and related supplies of services, when these are effected by private establishments integrated in the National System of Education and recognized by the Ministry which superintends the area of Education;



- The provision of services which have as their object professional training, as well as the transmissions of goods and related services such as the supply of lodging, meals and didactic material, carried out by private entities;
 - The provision of services consisting in personal lessons on school or higher education subjects.
5. Taxpayers may request the corresponding refund when in a given month, they have registered a credit in their favor in excess of MZN 500.000,00, having to consider the credits in the current year in sequence. If after 12 months from the period in which the excess began, the taxpayer maintains systematic VAT credits, he shall request, if he does not wish to do so in full, the refund of at least 50% of the accumulated VAT credit.