
CHANGES TO THE VALUE ADDED TAX CODE

LAW NO. 10/2025 OF DECEMBER 29

By: Gisela Vaz

Law No. 10/2025 of December 29, which amends the Value Added Tax Code (VAT), was approved as part of a package of tax reforms. This law aims to modernize the tax system and adapt the VAT regime to the demands of the digital economy and new forms of commercial transactions. The aforementioned amendments came into force on January 1, 2026, with the following aspects being noteworthy:

- i. Inclusion of digital goods and services in the new CIVA, such as software, digital applications and platforms, cloud computing services, media and streaming services, digital financial services, digital intermediation, and any comparable electronic features made available remotely;
- ii. Transfers of digital goods and digital services are considered taxable in Mozambique when the purchaser is established in Mozambican territory, regardless of the domicile of the supplier;
- iii. When the provider is non-resident, the obligations to settle, declare, and pay VAT fall on the Mozambican purchaser;
- iv. Taxable persons are required to submit their returns to the competent authority on a monthly basis, within the following deadlines:
 - a) by the fifteenth day of the following month in the case of periodic returns with credits or without transactions;
 - b) by the last day of the month following that to which the transactions covered therein relate, with payment; and
 - c) by the tenth day of the month following that to which the digital services provided by non-residents relate.
- v. Taxable persons must submit to the Tax Administration the invoices or equivalent documents issued for each transaction involving the supply of goods or services, in accordance with the terms to be regulated.