

**Tax Management Assistant II** written interview at the **Tanzania Revenue Authority (TRA)**, along with their correct answers.

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## **SECTION 1: TAXATION BASICS**

1. **Which of the following is NOT a direct tax?**
  - a) Income tax
  - b) Corporate tax
  - c) Value-added tax (VAT)
  - d) Pay-as-you-earn (PAYE)

✓ **Answer: c) Value-added tax (VAT)**
2. **What is the current VAT rate in Tanzania?**
  - a) 15%
  - b) 18%
  - c) 20%
  - d) 25%

✓ **Answer: b) 18%**
3. **Which law governs taxation in Tanzania?**
  - a) The Companies Act
  - b) The Tax Administration Act
  - c) The Employment Act
  - d) The Financial Management Act

✓ **Answer: b) The Tax Administration Act**
4. **What is the main purpose of taxation?**
  - a) To punish businesses
  - b) To generate government revenue
  - c) To support only private enterprises
  - d) To reduce the money supply

✓ **Answer: b) To generate government revenue**
5. **Which of the following is an example of an indirect tax?**
  - a) Capital gains tax
  - b) Corporate tax
  - c) Excise duty
  - d) PAYE

✓ **Answer: c) Excise duty**

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## **SECTION 2: TAX ADMINISTRATION & REGULATIONS**

6. **Which organization is responsible for tax collection in Tanzania?**
  - a) Bank of Tanzania
  - b) Tanzania Revenue Authority

- c) National Audit Office
  - d) Ministry of Finance
  - ✓ **Answer: b) Tanzania Revenue Authority**
7. **Which type of tax is charged on the profits of a company?**
- a) Excise duty
  - b) Income tax
  - c) Corporate tax
  - d) Import duty
- ✓ **Answer: c) Corporate tax**
8. **Which document is used to register for a Taxpayer Identification Number (TIN) in Tanzania?**
- a) TRA Form ITX 100.01
  - b) TRA Form VAT 250
  - c) Business License Application Form
  - d) Customs Declaration Form
- ✓ **Answer: a) TRA Form ITX 100.01**
9. **Which tax is deducted directly from employees' salaries?**
- a) VAT
  - b) PAYE
  - c) Import duty
  - d) Excise duty
- ✓ **Answer: b) PAYE**
10. **A company must file its annual tax returns with TRA by which date?**
- a) 31st March
  - b) 30th June
  - c) 31st December
  - d) 31st July
- ✓ **Answer: b) 30th June**

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### SECTION 3: VALUE-ADDED TAX (VAT)

11. **Which businesses are required to register for VAT?**
- a) Those with annual turnover above TZS 100 million
  - b) All businesses
  - c) Small businesses only
  - d) Only government entities
- ✓ **Answer: a) Those with annual turnover above TZS 100 million**
12. **What does "input VAT" mean?**
- a) VAT charged on sales
  - b) VAT paid on purchases
  - c) VAT payable to the government
  - d) VAT collected by TRA
- ✓ **Answer: b) VAT paid on purchases**

13. **What is the penalty for late VAT returns submission?**

- a) TZS 100,000 per month
- b) 5% of the unpaid tax
- c) TZS 300,000 per month
- d) 2% of the unpaid tax per month

✓ **Answer: a) TZS 100,000 per month**

14. **Zero-rated supplies are:**

- a) Exempt from VAT
- b) Taxed at 0% VAT
- c) Subject to 18% VAT
- d) Taxed at a lower rate

✓ **Answer: b) Taxed at 0% VAT**

15. **VAT returns must be filed:**

- a) Weekly
- b) Monthly
- c) Annually
- d) Every two months

✓ **Answer: b) Monthly**

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## SECTION 4: CUSTOMS & EXCISE DUTY

16. **Which authority regulates imports and exports in Tanzania?**

- a) Tanzania Ports Authority
- b) Tanzania Revenue Authority
- c) Ministry of Trade
- d) Bank of Tanzania

✓ **Answer: b) Tanzania Revenue Authority**

17. **Excise duty is charged on:**

- a) Imported goods only
- b) Luxury goods and services
- c) All goods and services
- d) Income earned by businesses

✓ **Answer: b) Luxury goods and services**

18. **Which document is used for import declaration?**

- a) VAT Return Form
- b) TIN Application Form
- c) Bill of Entry
- d) PAYE Summary Form

✓ **Answer: c) Bill of Entry**

19. **Which tax applies to alcoholic beverages and cigarettes?**

- a) VAT
- b) Excise duty
- c) Income tax

d) Capital gains tax

✓ **Answer: b) Excise duty**

20. **Which tax is NOT charged on exports in Tanzania?**

a) Export duty

b) VAT

c) Import duty

d) Excise duty

✓ **Answer: b) VAT**

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## SECTION 5: TAX COMPLIANCE & PENALTIES

21. **Which penalty applies for tax evasion in Tanzania?**

a) Imprisonment

b) Fines

c) Both fines and imprisonment

d) None

✓ **Answer: c) Both fines and imprisonment**

22. **The statute of limitations for tax audits in Tanzania is:**

a) 3 years

b) 5 years

c) 7 years

d) 10 years

✓ **Answer: b) 5 years**

23. **What is a tax amnesty?**

a) A tax increase

b) A period where penalties are waived

c) A tax refund

d) A customs clearance process

✓ **Answer: b) A period where penalties are waived**

24. **If a taxpayer disagrees with TRA's tax assessment, they should:**

a) Ignore it

b) Appeal to the Tax Appeals Board

c) Pay without questioning

d) Go to the police

✓ **Answer: b) Appeal to the Tax Appeals Board**

25. **What is the fine for not displaying a TIN certificate?**

a) TZS 50,000

b) TZS 250,000

c) TZS 500,000

d) TZS 1,000,000

✓ **Answer: c) TZS 500,000**

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## SECTION 6: TAXPAYER SERVICE & RIGHTS

26. Which of the following is a service offered by TRA to taxpayers?

- a) Tax consultation only
- b) TIN registration assistance
- c) Tax refunds only
- d) Direct tax calculation assistance

✓ Answer: b) TIN registration assistance

27. A taxpayer has the right to appeal against the tax assessment within how many days of receiving the notice from TRA?

- a) 15 days
- b) 30 days
- c) 60 days
- d) 90 days

✓ Answer: b) 30 days

28. Which of the following is considered a tax evasion act?

- a) Failing to keep proper books of accounts
- b) Filing tax returns late
- c) Paying taxes on time
- d) Voluntarily disclosing tax issues to TRA

✓ Answer: a) Failing to keep proper books of accounts

29. Which service can a taxpayer use to verify their tax registration status?

- a) Call TRA customer care
- b) Visit the nearest TRA office
- c) Use TRA's online portal
- d) Send an email to TRA

✓ Answer: c) Use TRA's online portal

30. Taxpayers have the right to receive a tax refund in Tanzania within:

- a) 1 month
- b) 3 months
- c) 6 months
- d) 1 year

✓ Answer: b) 3 months

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## SECTION 7: TAX RETURNS & FILING

31. The purpose of filing tax returns is to:

- a) Report income and expenses to the government
- b) Appeal against tax assessments
- c) Claim a refund

- d) Increase taxes  
✓ **Answer: a) Report income and expenses to the government**
32. **Which of the following documents is required for filing corporate tax returns in Tanzania?**  
a) Certificate of Incorporation  
b) Taxpayer Identification Number (TIN) certificate  
c) Audited financial statements  
d) All of the above  
✓ **Answer: d) All of the above**
33. **What is the penalty for failing to file tax returns by the due date?**  
a) TZS 500,000  
b) A percentage of the unpaid tax  
c) Immediate closure of the business  
d) No penalty is applicable  
✓ **Answer: b) A percentage of the unpaid tax**
34. **The tax year for individuals and companies in Tanzania is:**  
a) January to December  
b) April to March  
c) July to June  
d) October to September  
✓ **Answer: c) July to June**
35. **Which of the following taxes is filed using a VAT return?**  
a) Corporate tax  
b) PAYE tax  
c) Value-added tax  
d) Excise duty  
✓ **Answer: c) Value-added tax**

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## SECTION 8: TAX AUDITS & ENFORCEMENT

36. **Who is responsible for conducting tax audits in Tanzania?**  
a) Ministry of Finance  
b) Tanzanian Parliament  
c) Tanzania Revenue Authority  
d) Bank of Tanzania  
✓ **Answer: c) Tanzania Revenue Authority**
37. **In Tanzania, how long does TRA have to conduct a tax audit after a tax return is filed?**  
a) 6 months  
b) 12 months  
c) 18 months  
d) 24 months  
✓ **Answer: b) 12 months**

38. **What happens if a tax audit reveals underpayment of taxes?**
- a) Taxpayer is given a refund
  - b) Taxpayer is fined and required to pay the tax owed
  - c) The case is dismissed
  - d) The taxpayer is exempt from taxes for the next year
- ✓ **Answer: b) Taxpayer is fined and required to pay the tax owed**
39. **What is the purpose of a tax audit?**
- a) To increase tax revenue
  - b) To ensure tax compliance and accuracy of returns
  - c) To penalize businesses
  - d) To simplify the tax system
- ✓ **Answer: b) To ensure tax compliance and accuracy of returns**
40. **If a taxpayer is found guilty of tax fraud, they may be subjected to:**
- a) A public warning
  - b) Tax increases
  - c) Penalties and imprisonment
  - d) A tax amnesty
- ✓ **Answer: c) Penalties and imprisonment**
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## **SECTION 9: INTERNATIONAL TAXATION & DOUBLE TAXATION**

41. **Which document is required for claiming tax relief under double taxation agreements?**
- a) Taxpayer Identification Number (TIN)
  - b) Proof of foreign tax payment
  - c) Bank statement
  - d) Income tax return only
- ✓ **Answer: b) Proof of foreign tax payment**
42. **What is the main aim of double taxation agreements (DTAs)?**
- a) To encourage more foreign businesses
  - b) To eliminate the taxation of foreign income twice
  - c) To impose higher taxes on foreign income
  - d) To make tax payments more complicated
- ✓ **Answer: b) To eliminate the taxation of foreign income twice**
43. **Tanzania has entered into double taxation treaties with several countries. Which is an advantage of such agreements?**
- a) Reduced corporate tax rates
  - b) Avoidance of double taxation
  - c) Elimination of VAT
  - d) Exemption from capital gains tax
- ✓ **Answer: b) Avoidance of double taxation**
44. **In which of the following cases will Tanzania impose withholding tax on payments?**
- a) Payments for domestic services

- b) Payments to employees
- c) Dividends and interest payments to non-residents
- d) Payments for the purchase of goods
- ✓ **Answer: c) Dividends and interest payments to non-residents**

45. **Which of the following is an example of transfer pricing?**

- a) Trading between related companies across borders
- b) Selling goods at discounted prices
- c) Issuing a tax rebate for exports
- d) A tax audit on a foreign company
- ✓ **Answer: a) Trading between related companies across borders**

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## SECTION 10: FINANCIAL STATEMENTS & TAX COMPLIANCE

46. **Which of the following financial documents is essential for preparing tax returns?**

- a) Balance sheet
- b) Profit and loss statement
- c) Cash flow statement
- d) All of the above
- ✓ **Answer: d) All of the above**

47. **The correct way to calculate taxable income is to:**

- a) Subtract expenses from revenue
- b) Add all liabilities to the income
- c) Multiply gross income by the tax rate
- d) Add the total assets to income
- ✓ **Answer: a) Subtract expenses from revenue**

48. **Taxable income is defined as:**

- a) Total business income
- b) Business income minus allowable deductions
- c) Business income after tax
- d) Business expenses
- ✓ **Answer: b) Business income minus allowable deductions**

49. **Which of the following can be claimed as tax-deductible expenses?**

- a) Private loans
- b) Operational expenses like rent and salaries
- c) Donations to charity
- d) Both b and c
- ✓ **Answer: d) Both b and c**

50. **The financial statements required for tax purposes must be:**

- a) Certified by a tax consultant
- b) Audited by an independent auditor
- c) Prepared by a government agency
- d) Submitted without validation
- ✓ **Answer: b) Audited by an independent auditor**



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