

**STATEMENT BY THE RT HON PRIME MINISTER,
H.E. AMBROSE MANDVULO DLAMINI
AT THE PUBLIC FILING OF INCOME TAX RETURNS 2019
CABINET OFFICES, MBABANE
Thursday, 14 November 2019**

Honourable Ministers

Eswatini Revenue Authority Commissioner General, Management and Staff

Senior Government officials

Representatives of the Business Community

Members of the media

Distinguished Guests

Ladies and Gentlemen

It is my honour to join you here today to publicly submit my personal income tax return for the year ended 30 June 2019, in compliance with the Kingdom of Eswatini's Income Tax Order of 1975 as amended.

Traditionally, I would have visited the Eswatini Revenue Authority offices to deliver my income tax return. However, the Revenue Authority has made things easier for all Emaswati who have access to internet to simply submit their returns in the comfort of their offices or homes.

The activity today is an attestation of the Eswatini Revenue Authority drive to modernize revenue mobilization in line with their vision of 100% voluntary compliance towards a better Kingdom of Eswatini.

It can be recalled that when the Eswatini Revenue Authority started the online filing initiative in 2015, its focus was only those businesses registered for the Value Added

Tax (VAT). It is gratifying that the Eswatini Revenue Authority has made great strides in ensuring that all major tax types and taxpayer segments are accommodated as part of this improvement. In the current year, companies and individuals cannot only submit their returns online, but this platform allows them to view statements and lodge queries.

It is however disheartening to learn that the level of compliance for returns filing for income tax is at 46.7%, which is too low, compared to 63.8% and 85.1% for Pay As You Earn and VAT, respectively. The online platform we have just witnessed today will surely enhance our filing compliance level, and I therefore encourage all individuals and businesses to contact the Eswatini Revenue Authority and register for the e-Tax platform.

It should be a sense of pride and a pledge of support to the continuous development of our country for all Emaswati to pay tax. These are the funds utilised by Government to provide public services that enhance the standard of living for citizens and set us on a trajectory of sustained economic growth and stability. Such services include; free primary education, public infrastructure, health, social welfare and emergency relief, among many others.

I am reliably informed that online filing is compulsory in some jurisdictions and the Eswatini Revenue Authority has made it compulsory only for Large Taxpayers in the current year.

I must say, with the advent of fourth industrial revolution we have to align ourselves as country to reap its benefits, failing which our development will be curtailed by the massive changes it brings forth. This will not only improve tax compliance, but also our rating in the World Bank's Ease of doing Business Index as our target is to be in

the top 10 in Africa to attract meaningful investment in order to grow our economy in line with our Strategic Roadmap.

It is worth reminding the public that filing of returns is one aspect of tax compliance and the main part of the chain is the payment compliance. In this regard, may I thank all those individuals and entities who consistently submit and make their tax payments on time. We sincerely appreciate them for honouring their legal obligation for the sustainability of our beautiful Kingdom.

Having said that, the rate at which the country's tax debt is increasing is a cause of serious concern. As the end of the Fiscal Year 2018/19, the tax debt increased by approximately 31% to E4.54 Billion from E3.46 Billion in 2017/18. This is a result of non-payment of liabilities from returns submitted for various tax types including income taxes, Pay As You Earn and VAT.

May I implore the Eswatini Revenue Authority to embark on a campaign to ensure that the tax debt is substantially reduced in line with its domestic resource mobilization plans. To all those taxpayers who still owe the State, I encourage them to present themselves to the Eswatini Revenue Authority and honour their legal obligations, because not doing so is not only depriving the country growth opportunities, but may have negative consequences for their businesses. Paying tax is mandatory and not optional.

As I conclude, may I pass Government's sincere gratitude to all partners who continue to support Eswatini Revenue Authority in dealing with complex revenue mobilization issues. I can mention in particular the International Monetary Fund (IMF), African Tax Administration Forum (ATAF) and the World Customs Organization.

May I once again, on behalf of His Majesty's Government, encourage all individuals and businesses who are preparing to submit their returns for the year ended 30 June 2019 to register for e-Tax with the Revenue Authority and submit their tax returns on time and online.

Thank you.