

Zim government cuts mobile airtime VAT

By [Sam Hungwe](#)

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Local newspapers have been flooded with letters from agitated telecommunication users complaining over unfair charges by the country's three mobile networks. The Zimbabwe government has now cut punitive tax on mobile airtime, admitting this had affected "talk time" by mobile phone users.

In his budget statement for 2009, acting Finance Minister Patrick Chinamasa said on 29 January 2009, that value added tax (VAT) on mobile airtime would be cut from 22.5% to 15% effective 1 February 2009.

This, he said, should translate into more usage of mobile phones, generating more income for the networks. The move is likely to result in a minor cut in tariff levels by the mobile phone networks.

Econet, Telecel and NetOne, were expected to meet under the Telecommunications Operators Association of Zimbabwe to agree on new tariff levels before consulting with the Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ), an executive said.

MISA recently argued that charging in foreign currency had added to "the appalling state of fixed and mobile telephone networks in Zimbabwe which has seen subscribers failing to communicate as and when they desire, despite the high tariff charges".

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