



TANZANIA INSURANCE REGULATORY AUTHORITY

MAMLAKA YA USIMAMIZI WA BIMA TANZANIA

**GUIDELINES FOR PREMIUM LEVY COMPUTATION AND
COLLECTION**

**MIONGOZO YA UKOKOTOAJI NA UKUSANYAJI WA TOZO
ZA ADA YA BIMA**

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SECTION ONE: INTRODUCTION		SEHEMU YA KWANZA: UTANGULIZI	
1.1 Authorization and Powers	These Guidelines are issued pursuant to Section 6 (2) (l) of the Insurance Act cap 394, and Regulation 43 of the Insurance Regulation 2009.	1.1 Idhini na Mamlaka	Miongozo hii inatolewa kwa mujibu wa Kifungu 6 (2) (l) cha Sheria ya Bima Sura 394. Na Kanuni ya 43 ya Kanuni za Bima za Mwaka 2009.
1.2 Citation	These Guidelines may be cited as <i>“Guidelines for Premium Levy Computation and Collection, 2024”</i>	1.2 Nukuu	Miongozo hii itafahamika kama <i>“Miongozo Ya Ukokotoaji na Ukusanyaji Wa Tozo za Ada za Bima, 2024”</i>
1.3 Background and Rationale	<p>1.3.1 These guidelines aim to enhance the efficiency of computing and collecting premium levies by insurers and reinsurers.</p> <p>1.3.2 Section 6(2)(l) of the Act mandates the Authority to prescribe levies on premiums and commissions to ensure adequate funding for its operations.</p> <p>1.3.3 Additionally, Regulation 43 stipulates that insurers and reinsurers must remit a premium levy equivalent to one and a half (1.5) percent of their gross premium income to the Authority.</p> <p>1.3.4 Thus, these guidelines aim to establish a framework for the computation and collection of premium levies.</p>	1.3 Usuli na Mantiki	<p>1.3.1 Miongozo hii inalenga kuongeza ufanisi katika ukokotoaji na ukusanyaji wa tozo za ada ya bima kwa kampuni za bima na bima mtawanyo.</p> <p>1.3.2 Kifungu cha 6(2)(l) cha Sheria ya Bima, kinaiaigiza Mamlaka kutoa maelekezo juu ya ukokotoaji wa tozo za ada za bima na kamisheni ili kuhakikisha upatikanaji wa fedha za kutosha kuiwezesha kutekeleza shughuli zake.</p> <p>1.3.3 Aidha, Kanuni ya 43 inabainisha kuwa kampuni za bima na bima mtawanyo zinapaswa kulipa tozo ya ada ya bima asilimia moja na nusu (1.5) ya mapato yao ya jumla yatokanayo na ada za bima kwa Mamlaka.</p> <p>1.3.4 Hivyo, miongozo hii inalenga kuanzisha mfumo wa ukokotoaji na ulipaji wa tozo za ada za bima.</p>
1.4 Application and Scope	These Guidelines shall apply to all insurers and reinsurers registered and licensed under the Insurance Act Cap 394.	1.4 Matumizi na Mawanda	Miongozo hii itatumika kwa kampuni zote za bima na bima mtawanyo zilizosajiliwa na kupewa leseni kwa mujibu wa Sheria ya Bima Sura 394.
1.5 Purpose and Objectives	<p>1.5.1 The primary objective of these Guidelines is to establish clarity and uniformity in the computation and collection of premium levies imposed by the Tanzania Insurance Regulatory Authority.</p> <p>1.5.2 The specific objectives of these guidelines are as follows:</p> <ol style="list-style-type: none"> i. To set up the computation and collection of monthly premium levies; ii. To define the turnaround times for each step of the premium levy process; and 	1.5 Lengo na Madhumuni	<p>1.5.1 Lengo kuu la Miongozo hii ni kuweka uwazi na usawa katika ukokotoaji na ukusanyaji wa tozo za ada ya bima iliyowekwa na Mamlaka ya Usimamizi wa Bima Tanzania.</p> <p>1.5.2 Malengo maalum ya miongozo hii ni:</p> <ol style="list-style-type: none"> i. Kuweka utaratibu wa ukokotoaji na ukusanyaji tozo za ada ya bima kila mwezi; ii. Kuweka utaratibu wa kudhibiti na kusimamia muda wa kutumika kwenye kila hatua ya mchakato wa tozo za ada ya bima; na



SECTION ONE: INTRODUCTION		SEHEMU YA KWANZA: UTANGULIZI	
	iii. To automate the premium levy process using the TSS Portal.		iii. Kurahisisha mchakato wa ukokotoaji na ukusanyaji wa tozo za ada ya bima kwa kutumia mfumo maalumu wa TSS
1.6 Definition and Acronyms	<p>In these Guidelines, unless the context requires otherwise the following words shall mean: -</p> <p>“Act” means the Insurance Act Cap 394</p> <p>“Authority” means Tanzania Insurance Regulatory Authority (TIRA) as established under the Insurance Act CAP 394 of the Laws of Tanzania;</p> <p>“Commissioner” means the Commissioner of Insurance appointed under Section 7 of the Insurance Act.</p> <p>“Insurers” means an insurance company registered and licensed under the Act.</p> <p>“Premium levy returns” means an electronic form obtained in TIRA System to be filed online by insurers and reinsurers for self-assessment of business transactions which conducted during a month.</p> <p>“Reinsurer” means an insurer assuming the risk of another insurer under the reinsurance contract;</p> <p>“Reinsurance” means a financial transaction by which risk is transferred (ceded) from an insurance company to a reinsurance company in exchange of reinsurance premium;</p> <p>“TIRAMIS” is a comprehensive information management system that allows users to access services and data related to insurance in Tanzania.</p> <p>“TSS Portal” means TIRA Self-Service Portal</p>	1.6 Maana na Vifupisho vya Maneno	<p>Katika Miongozo hii, isipokuwa kama muktadha utaelekeza vinginevyo, maneno yafuatayoyatamaanisha: -</p> <p>“Sheria” maana yake ni Sheria ya Bima Sura 394;</p> <p>“Mamlaka” maana yake ni Mamlaka ya Usimamizi wa Bima Tanzania (TIRA) iliyoanzishwa chini ya Sheria ya Bima Sura 394 ya Sheria za Tanzania;</p> <p>“Kamishna” Maana yake ni Kamishna wa Bima aliyeteuliwa chini ya kifungu Namba 7 cha Sheria ya Bima.</p> <p>“Kampuni ya Bima” maana yake ni kampuni ya bima iliyosajiliwa na kupewa leseni kwa mujibu wa sheria.</p> <p>“Marejesho ya tozo za Bima” ni fomu ya kielektroniki inayopakana katika Mfumo wa TIRA itakayowasilishwa mtandaoni na kampuni za bima na bima mtawanyo kwa ajili ya kujitathmini mwenyewe kwa miamala ya biashara iliyofanywa katika kipindi cha mwezi mmoja.</p> <p>“Kampuni ya bima mtawanyo” maana yake ni kampuni ya bima inayopokea vihatarishi vya kampuni ya bima chini ya mkataba wa bima mtawanyo;</p> <p>“Bima mtawanyo” maana yake ni shughuli za kifedha ambazo vihatarishi hutawanywa kutoka kampuni ya bima kwenda kampuni ya bima mtawanyo baada ya malipo ya ada ya bima matawanyo;</p> <p>“TIRAMIS” ni mfumo wa TIRA wa usimamizi wa taarifa unaoruhusu watumiaji kupata huduma na data zinazohusiana na bima nchini Tanzania.</p> <p>“TSS Portal” ni mfumo wa TIRA wa kujihudumia binafsi kwa wadau wa bima</p>

SECTION TWO : PREMIUM LEVY COMPUTATION AND COLLECTION		SEHEMU YA PILI: UKOKOTOAJI NA ULIPAJI WA TOZO YA ADA YA BIMA	
2.1 Premium levy Computation	<p>2.1.1 A premium levy shall be determined on Gross Premium written.</p> <p>2.1.2 For Reinsurance company premium levy shall be determined on Premiums as received from the insurer.</p>	2.1 Ukokotoaji wa tozo ya ada ya bima	<p>2.1.1 Ukokotoaji wa tozo za ada ya bima kwa kampuni ya bima utategemea mapato ghafi yanayotokana na ada ya bima ambayo yamepokelewa na kampuni hiyo ya bima.</p> <p>2.1.2 Kwa Kampuni ya Bima Mtawanyo, tozo ya ada ya bima itakayotowza itaamuliwa kulingana na ada ya bima itakayopokelewa kutoka kwa kampuni ya awali ya bima.</p>
2.2 Duration for premium levy payment	Premium levy will be charged to insurer and reinsurer on monthly basis through TSS Portal.	2.2 Muda wa kulipa tozo ya ada ya bima	Tozo ya ada ya bima itatozwa kwa kampuni ya bima na kampuni ya bima mtawanyo kila mwezi kwenye mfumo wa TSS.
2.3 Premium levy on Foreign Facultative Reinsurance arrangements	For foreign placements, facultative premium levy of 1.5% will be imposed on the approved amount to be sent to foreign reinsurers. This amount shall be subtracted from the monthly premium levies charged on the insurers' gross written premiums mentioned in 2.1. above to avoid double levy.	2.3. Tozo kwa malipo ya ada ya bima yanayoenda nje ya nchi	Malipo ya ada ya bima yaliyoidhinishwa kwenda kwa kampuni za bima zilizoko nje ya nchi yatakuwa na tozo ya asilimia 1.5. Kiasi hiki kitapunguzwa kutoka kwenye tozo ya ada ya bima ya kila mwezi itokanayo na mapato ghafi ya kampuni kwa kipindi husika kama ilivoainishwa katika kifungu 2.1 hapo juu.
2.4. Premium levy on Minimum and Deposit Premium	<p>2.4.1. The determination of the minimum and deposit premium (M&DP) levy will be based on the estimated gross premium income derived from the insurer's and reinsurer's treaty arrangements. Both the insurer and reinsurer are obligated to remit a premium levy of 1.5% of the M&DP to the Authority before tax deductions.</p> <p>2.4.2. Regarding Premium Adjustment on MD&P, it entails an initial minimum deposit paid by the insured based on projected revenue, which is later adjusted at the end of the policy period upon actual revenue determination. Similarly, both the insurer and reinsurer are required to remit a premium levy of 1.5% of the Premium Adjustment on MD&P to the Authority before tax deductions.</p>	2.4. Tozo ya Ada ya Bima kwa Kiwango cha chini na Malipo ya Awali.	<p>2.4.1. Tozo ya Ada ya Bima kwa kiwango cha chini na malipo ya awali (M&DP) itaamuliwa kulingana na mapato yaliyokadiriwa ya malipo kamili kutokana na makubaliano ya mkataba wa bima mtawanyo. Kampuni ya bima na bima mtawanyo zinapaswa kulipa asilimia 1.5 ya M&DP kwa Mamlaka kabla ya kuanza kwa makubaliano ya mkataba.</p> <p>2.4.2. Kuhusu Marekebisho ya tozo ya ada ya bima kwenye MD&P, inahusisha amana ya awali ya chini kabisa inayolipwa na aliyewekewa bima kulingana na mapato yaliyotarajiwa, ambayo hurekebishwa baadaye mwishoni mwa kipindi cha sera baada ya kubaini mapato halisi. Vile vile, kampuni ya bima na bima mtawanyo wanatakiwa kutuma tozo ya ada ya bima ya 1.5% ya marekebisho ya tozo ya ada ya MD&P kwa Mamlaka kabla ya makato ya kodi.</p>

SECTION THREE: TIMELINES FOR SUBMISSION, CONFIRMATION AND PAYMENT		SEHEMU YA TATU: MUDA WA UWASILISHAJI, UTHIBITISHAJI NA MALIPO YA ADA YA BIMA	
3.1 Submission of Premium Levy Returns	Insurers and Reinsurers are required to submit their premium levy returns on monthly basis. These returns should be filed and submitted within twenty (20) days after end of each month.	3.1 Uwasilishaji wa ritani wa tozo ya ada ya bima	Kampuni za bima na bima mtawanyo wanatakiwa kuwasilisha ritani zao za ukukotoaji wa tozo ya ada ya bima kila mwezi. Ritani hizo zinatakiwa kuandaliwa na kuwasilishwa ndani ya siku ishirini (20) baada ya kuisha mwezi uliotangulia.
3.2 Confirmation of Premium Levy Statement	Insurer and Reinsurer are obligated to review and confirm the issued premium levy statement within seven (07) days of receipt. If the insurer fails to confirm the statement within the specified period, a control number will be generated based on the billed amount in their levy statement	3.2 Uthibishaji wa taarifa ya tozo ya ada ya bima	Kampuni ya bima na bima mtawanyo inatakiwa kupitia na kuthibitisha taarifa ya malipo ya tozo ya ada ya bima iliyotolewa ndani ya siku saba (07) baada ya kuipokea. Ikiwa kampuni ya bima itashindwa kuthibitisha taarifa hiyo ndani ya muda uliowekwa, nambari ya malipo itatolewa kulingana na kiasi kilichotozwa kwenye taarifa yake ya malipo.
3.3 Payment of premium levy	Once the control number is generated, insurer and reinsurer are required to make settlement of the billed amount within fourteen (14) days after receiving the control number.	3.3 Malipo ya tozo ya ada ya bima	Baada ya nambari ya malipo kutolewa, kampuni ya bima na bima mtawanyo zinatakiwa kufanya malipo ya kiasi kilichotozwa ndani ya siku kumi na nne (14) baada ya kupokea nambari ya malipo.

SECTION FOUR: ROLES AND RESPONSIBILITIES		SEHEMU YA NNE: MAJUKUMU NA WAJIBU	
4.1 Roles and Responsibilities of Insurer and Reinsurer	Every Insurer and Reinsurer shall be responsible for the following: - <ul style="list-style-type: none"> i. To submit premium levy returns during the month into designated TSS Portal; and ii. To make payment of premium levy within fourteen days (14) from date of issuance of the bill (Control Number). 	4.1 Wajibu na Majukumu ya kampuni ya bima na bima mtawanyo	Kampuni ya bima na bima mtawanyo zinawajibika kwa yafuatayo: <ul style="list-style-type: none"> i. Kuwasilisha ritani ya ukokotoaji wa tozo ya ada ya bima kwa mwezi kwenye mfumo wa TSS; na ii. Kulipa tozo ya ada ya bima ndani ya siku kumi na nne (14) kuanzia tarehe ya kutolewa kwa bili (Nambari ya Malipo)

SECTION FIVE: SANCTIONS FOR NON-COMPLIANCE		SEHEMU YA TANO: HATUA KWA KUTOKUZINGATIA			
5.1 Penalties for Non-Compliance	5.1.1	Any delay made by insurer or reinsurer in payment of the billed premium levy (exceeding 14 days after issuance of a control number) will be subjected to a penalty of 5% on outstanding amount or TZS 1,000,000/- whichever is greater chargeable every month.	5.1 Adhabu kwa Kutokuzingatia	5.1.1	Kucheleweshwa kufanyika kwa malipo kwa kampuni ya bima au bima mtawanyo kwa muda unaozidi siku 14 baada ya kutolewa kwa nambari ya malipo kutasababisha adhabu ya asilimia 5 ya kiasi kilichotakiwa kulipwa au Shilingi 1,000,000/- (chochote kitakachokuwa kikubwa zaidi) na kitatozwa kila mwezi.
	5.1.2	Failure to submit premium levy returns exceeding twenty (20) days after end of the month on TSS Portal will be subjected to penalty of TZS 100,000/- for every day during which the insurer or reinsurer default.		5.1.2	Kushindwa kuwasilisha taarifa za bima zaidi ya siku ishirini (20) kwenye mfumo wa TSS kutasababisha adhabu ya kiasi cha Shilingi 100,000/- kwa kila siku ambayo kampuni ya bima au bima mtawanyo itakuwa imecheleweshwa taarifa hizo.
	5.1.3	Any unpaid penalty for a particular month shall be incorporated in the computation of the forthcoming bills.		5.1.3	Adhabu yoyote ambayo hajjalipwa kwa mwezi husika itajumuishwa katika hesabu ya bili zijazo.

SECTION SIX: REVIEW AND APPROVAL OF GUIDELINES		SEHEMU YA SITA: MAPITIO NA IDHINI YA MIONGOZO	
6.1 Review of Guidelines	<p>6.1.1 These Guidelines may be reviewed once every three years for improvement.</p> <p>6.1.2 Notwithstanding paragraph 6.1.1, the Commissioner may review these Guidelines as and when a need arises.</p> <p>6.1.3 Subject to 6.1.1 and 6.1.2, the Commissioner may issue provisions that shall form addendum to these Guidelines as and when required.</p>	6.1 Mapitio ya Miongozo	<p>6.1.1 Miongozo hii inaweza kufanyiwa mapitio mara moja kila baada ya miaka mitatu kwa ajili ya maboresho.</p> <p>6.1.2 Bila kuathiri kifungu 6.1.1, Kamishna anaweza kufanya mapitio ya Miongozo hii wakati wowote itakapohitajika.</p> <p>6.1.3 Kwa kuzingatia 6.1.1 na 6.1.2, Kamishna anaweza kutoa masharti yatakayounda nyongeza ya Miongozo hii pale itakapohitajika.</p>
6.2 Effective date	These Guidelines shall be effective on 1 st July 2024.	6.2 Tarehe rasmiya kuanza kutumika	Miongozo hii itaanza kutumika rasmi tarehe 1 Julai 2024.
6.3 Approval of Guidelines	<p>Approved by:</p>  <p>..... Dr. Baghayo A. Saqware COMMISSIONER OF INSURANCE</p>	6.3 Idhini ya Miongozo	<p>Imeidhinishwa na:</p>  <p>..... Dkt. Baghayo A. Saqware KAMISHNA WA BIMA</p>

FOR APPLICATION AND ENQUIRIES PLEASE WRITE TO:	KWA MAOMBI AU MAULIZO, ANDIKA KWA:
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