

**GOVERNMENT OF ZAMBIA
ACT**

No. 5 of 1999

Date of Assent: 29th March 1999

An Act to amend the Mines and Minerals Act

[1st April, 1999

ENACTED by the Parliament of Zambia.

1. (1) This Act may be cited as the Mines and Minerals (Amendment) Act, 1999, and shall be read as one with the Mines and Minerals Act, in this Act referred to as the principal Act.

(2) This Act shall come into operation on the 1st April 1999.

2. The deletion of subsection (1) and (2) and the substitution therefor of the following subsections amend section sixty-six of the principal Act:

(1) The holder of a large-scale mining licence shall in accordance with the licence, this Act and the terms of any relevant development agreement, pay to the Republic, a royalty on the gross value of minerals produced under the licence at the rate of two per Centum.

(2) In this section-

" gross value " means the realised price for a sale free- on-board, at the point of export from Zambia or point of delivery within Zambia.

Provided that if the Minister considers that the realised price does not correspond to the price that would have been paid for the minerals if they had been sold on similar terms in a transaction, at arms length, between a willing seller and a willing buyer, a notice may be given to that effect to the Licensee; and the amount of the market value shall be determined in accordance with mechanism contained in sections *ninety-seven A* to *ninety-seven D* of the Income Tax Act.

3. The principal Act is amended by the repeal of the Third Schedule.