



ZIMBABWE EZEKIEL GUTI UNIVERSITY

2025 June Examinations

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

Department: Law and legal services

Title: Tax Law

Code: LLB 527

29 JUL 2025

Duration: 3Hrs

Authorised Materials: Candidates are allowed to bring into examination unannotated copies of Tax Statutes.

INSTRUCTIONS

1. This paper contains **2** sections and **5** questions.
2. Answer **3** questions.
3. Answer question **1** which is compulsory and any other **2** questions from Section B.
4. Start each question on a new page.
5. This question paper comprises **3** printed pages.

NB: DO NOT TURN OVER THE QUESTION PAPER OR COMMENCE WRITING UNTIL INSTRUCTED TO DO SO.

Section A

Question 1

- a. To what extent is the income tax liability in Zimbabwe dependent on the "source" of income? (20 marks)
- b. What is the significance of the expression "received by or accrued to" in the Income Tax Act (Chapter 23:06)? (10 marks)

Section B

Question 2

Does the law allow a person to organise his/her/its affairs with the sole purpose of avoiding tax? (20 marks)

Question 3

Write an essay entitled: "Tax law reform in Zimbabwe". (20 marks)

Question 4

Advise in **both** of the following situations:

- (a) Lesley Dzapasi is a 5th year law student at Zimbabwe Ezekiel Guti University. When she was in her first year, her father, a Legal Practitioner in Bindura, donated to her an entire set of both the Zimbabwe's Law Reports (1980-2016) and South African Law Reports (1947-2016). She used the law reports during the five years of her legal studies. She now wants to sell the law reports to a legal firm in Bindura for a sum of US\$25 000. Is this receipt taxable? (10 marks)

(b) The Zimbabwe Ezekeil Guti University has purchased 5 000 computers for use by students. The computers have to be installed in the Main Library and other libraries in the faculties. It has just realized that the space in all the libraries can only take 3 500 computers. The University wants to sell the excess 1 500 computers to students. Would the receipts from the sale of the 1 500 computers attract tax? (10 marks)

Question 5

Critically discuss the nature and scope of capital gains tax in Zimbabwe. (20 marks)

***** END OF QUESTION PAPER *****