



IHC SECTOR INTELLIGENCE

Zimbabwe Property Tax Factsheet

Two charges created by the Finance Act (No. 7) of 2025 took effect on 1 January 2026. These are a 15% final presumptive tax on commercial rental income, and a 20% special capital gains tax on the transfer of shares in land-holding entities. Both run through TaRMS, and the second closes the share transfer route around the Deeds Registry.

SECTOR
Real Estate

FOCUS MARKET
Zimbabwe

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CONTENTS

Contents

Contents 2

What Changed On 1 January 2026 3

Presumptive Rental Income Tax 4

 What One Year Of Non-Compliance Costs..... 4

Special Capital Gains Tax On Land-Holding Entities 5

How Both Charges Are Administered In TaRMS 6

Who Is Affected 7

Enforcement & Penalties..... 7

Investment Implications..... 8

Key Takeaways 8

Sources 9

About Investor Hosting Centre 9

SECTION 01

What Changed On 1 January 2026

Two separate charges, one on holding property and one on transferring it. Both created by the same Act and both administered inside TaRMS.

15%

RENTAL TAX RATE

20%

SHARE TRANSFER TAX

30 Days

TO PAY ON TRANSFER

100%

PENALTY ON UNPAID TAX

The first charge is a presumptive rental income tax, levied at 15% of the gross rental received from premises let for trade or business. It is a final tax, so no deductions are allowed against it. ZIMRA set out its application in Public Notice 08 of 2026, issued on 5 February 2026.

The second is a special capital gains tax, levied at 20% of the value of the transaction on the transfer of shares or interests in a land-holding entity. It enters the Capital Gains Tax Act [Chapter 23:01] as section 30C, following the design of the section 30B charge on mining title transfers that the Finance Act (No. 13) of 2023 introduced.

DATA PROVENANCE

- ZIMRA Public Notice 08 of 2026, Presumptive Rental Income Tax, issued 5 February 2026, in terms of the Finance Act, 2025 (Act No. 7 of 2025).
- ZIMRA, Special Capital Gains Tax, 25 September 2025, covering the section 30B charge and the TaRMS filing route.
- ZIMRA, New Tax and Revenue Management System (TaRMS), for the 12 October 2023 go live date and the single account and single TIN design.
 - Veritas Zimbabwe, Acts of 2025, confirming the Finance Act, 2025 as Act No. 7 of 2025.
- Muvingi and Mugadza, Capital Gains Tax Updates in Zimbabwe (2026), 28 January 2026, for the section 30C rate, scope and entity definition.
 - Simbarashe Hamudi of Baker Tilly Central Africa, writing in The Financial Gazette, 1 June 2026, for section 30C liability, payment window and documentation.
- ZIMRA public notices index, for Public Notice 63 of 2025 on TaRMS and FDMS integration.

SECTION 02

Presumptive Rental Income Tax

The tax is payable by the proprietor, landlord, owner, lessee or sub-lessee of land or premises who receives rental. It is charged on gross rental received, not on rental profit, and it is treated as a final tax.

ELEMENT	POSITION
Rate	15% of the gross rental received, treated as a final tax with no deductions allowed.
Scope	Premises let for trade or business.
Exclusion	Residential premises are not liable. Where a property is part commercial and part residential, the part occupied as residential premises falls outside the charge.
Who Registers	Proprietors, landlords, owners, lessees and sub-lessees receiving rental, including non-resident and diaspora owners acting through a local representative.
Registration	Within 30 days of becoming a registrable proprietor.
Return	By the 5th day of the month following the month of receipt.
Payment	By the 10th day of the month following the month in which the rental was received.
Agents	Agents and intermediaries must verify that the tax has been paid before disbursing funds, and issue withholding certificates.
Tenants	May be appointed statutory agents where the proprietor fails to remit.
Penalty	Recovery of the outstanding tax and a penalty equal to 100% of the unpaid tax.
Other Taxes	The charge operates alongside value added tax, pay as you earn, informal trader tax and non-resident tax obligations. It does not replace them.

Table 1 — Presumptive rental income tax, as set out in ZIMRA Public Notice 08 of 2026.

What One Year Of Non-Compliance Costs

A landlord letting commercial space for US\$10 000 a month receives US\$120 000 of gross rental in a year, on which the tax is US\$18 000. A landlord who neither registers nor remits faces recovery of that US\$18 000 together with a penalty equal to 100% of it.

Tax Due, 15% Of Gross Rental		18 000
Penalty, 100% Of Unpaid Tax		18 000
Total One Year Exposure		36 000

Figure 1 — One year of unremitted presumptive rental tax on US\$120 000 of gross commercial rental, US dollars.

Sources: IHC illustration. Rate and penalty from ZIMRA Public Notice 08 of 2026.

SECTION 03

Special Capital Gains Tax On Land-Holding Entities

Selling the company rather than the land no longer avoids a capital gains charge. Section 30C attaches the tax to the transfer of the shares themselves, and it does so at a rate applied to the whole transaction value.

ELEMENT	POSITION
Rate	20% of the value of the transaction.
Trigger	Transfer of shares or interests in an entity that holds title to land or immovable property in Zimbabwe at the date of transfer.
Reach	Applies whether the transaction is concluded inside or outside Zimbabwe, and to a transferee anywhere.
Entity Definition	Includes foreign incorporated companies, locally incorporated subsidiaries of foreign holding companies, trusts and joint ventures, and nominees acting for beneficial owners.
Primary Liability	The transferee. The transferor entity becomes liable only if the transferee defaults.
Payment	Within 30 days of the transfer, evidenced by entry in the share register or equivalent proof under the law of the relevant jurisdiction.
Currency	United States dollars, or the foreign currency equivalent at prevailing international exchange rates.
Documentation	Sworn affidavit stating the consideration, full particulars of transferor and transferee, and disclosure of beneficial owners or controllers.
Title	Where share ownership is contested in the Zimbabwean courts, title is not valid unless the claimant produces a tax clearance certificate confirming payment.
Effective	Year of assessment beginning 1 January 2026.

Table 2 — Section 30C, Capital Gains Tax Act [Chapter 23:01], as inserted by the Finance Act (No. 7) of 2025.

Sources: Muvingi and Mugadza, 28 January 2026; Simbarashe Hamudi, The Financial Gazette, 1 June 2026.

Share transfer, 20% of transaction value		200 000
Direct sale, 20% of a US\$400 000 gain		80 000
Direct sale, pre-2009 asset, 5% of the price		50 000

Figure 2 — Tax charged on a US\$1 000 000 Zimbabwean property transaction, by route, US dollars.

Sources: IHC illustration on a US\$1 000 000 transaction with an assumed US\$400 000 gain. Section 30C rate from Muvingi and Mugadza, 28 January 2026, and The Financial Gazette, 1 June 2026. Capital gains tax rates from Lucent, 21 December 2025, and Propertyzone, 1 July 2026.

IMPLICATION

The 20% special charge falls on the whole transaction value, not on the gain. On the illustration above it is two and a half times the capital gains tax that a direct sale of the same property would attract. Structures built to move property by moving shares now carry the heavier of the two charges, and it is the buyer who carries it. That belongs in the purchase price, not in the seller's net proceeds.

SECTION 04

How Both Charges Are Administered In TaRMS

TaRMS, the Tax and Revenue Management System, went live on 12 October 2023 and replaced ZIMRA's previous domestic tax platform. It issues a single taxpayer identification number, takes one return per tax period carrying both Zimbabwe dollar and United States dollar liability entries, and settles obligations from a single account. Penalties are computed from the due date and interest is calculated daily. Registration for a tax type, filing and payment are all done in the self-service portal at mytaxselfservice.zimra.co.zw. ZIMRA states that the transferee submits the special capital gains tax return through TaRMS and that payment is made through the single account.

STEP	ACTION
1	Confirm or obtain a taxpayer identification number in the self-service portal.
2	Register the presumptive rental income tax type where commercial rental is received.
3	File the monthly rental return by the 5th day of the following month.
4	Pay from the single account by the 10th day of the following month.
5	On a share transfer, submit the special capital gains tax return with the sworn affidavit and supporting particulars.
6	Pay the special capital gains tax within 30 days of the transfer, in United States dollars or the foreign currency equivalent.

Table 3 — The compliance sequence in TaRMS.

SECTION 05

Who Is Affected

POSITION	WHAT APPLIES
Owner of commercial rental property	Presumptive rental income tax at 15% of gross rental, with a monthly return and monthly payment.
Owner of residential rental property	Outside the presumptive charge. Other tax obligations are unaffected.
Non-resident or diaspora owner	The same obligations, discharged through a local representative.
Company, trust or joint venture holding Zimbabwean land	A transfer of its shares or interests triggers the 20% special capital gains tax.
Foreign incorporated holder of Zimbabwean land	Within the charge. Incorporation outside Zimbabwe does not remove the liability.
Buyer of shares in a land-holding entity	Primary liability for the special capital gains tax, payable within 30 days of transfer.
Letting agent or intermediary	Must verify that the tax has been paid before disbursing funds, and issue withholding certificates.
Tenant of commercial premises	May be appointed a statutory agent where the proprietor fails to remit.

Table 4 — Application by position.

SECTION 06

Enforcement & Penalties

FAILURE	CONSEQUENCE
Failure to register or remit presumptive rental tax	Recovery of the outstanding tax and a penalty equal to 100% of the unpaid tax.
Transferee defaults on the special capital gains tax	Liability passes to the transferor entity.
Contested share ownership without proof of payment	Title is not valid unless the claimant produces a tax clearance certificate confirming payment.
Agent disburses funds without verifying payment	The agent carries a verification obligation under the notice and must issue withholding certificates.

Table 5 — Stated consequences of non-compliance.

SECTION 07

Investment Implications

- Commercial rental yield must be modelled net of a 15% charge on gross rent, before any operating cost is deducted. A unit let at US\$10 000 a month carries US\$1500 a month of tax.
- Acquisition structuring changes. Buying the shares of a land-holding company attracts 20% of the whole transaction value, against 20% of the gain on a direct transfer of the same asset.
- The buyer carries the special charge, so it belongs in the price negotiation rather than in the seller's net proceeds.
- Offshore holding gives no relief. The charge follows Zimbabwean land title regardless of where the entity is incorporated or where the deal is signed.
- Tax clearance has become a title question. A buyer who cannot show payment cannot defend ownership in a contested matter.
- Rental compliance is monthly, not annual. For most owners the operational change is the cadence of the obligation rather than the rate.
- Residential portfolios are outside the presumptive charge, which widens the after-tax gap between residential and commercial letting.

A 20% charge on the whole transaction value, carried by the buyer, is the price now put on moving property by moving shares.

SECTION 09

Key Takeaways

- 1 The Finance Act (No. 7) of 2025 created both charges, and both took effect on 1 January 2026.
- 2 Presumptive rental income tax is 15% of gross rental received, and it is a final tax with no deductions.
- 3 The presumptive charge applies to premises let for trade or business. Residential premises are excluded.
- 4 Rental returns are due by the 5th of the following month and payment by the 10th.
- 5 Failure to register or remit attracts recovery of the tax plus a penalty equal to 100% of it.
- 6 Section 30C charges 20% of the value of the transaction on transfers of shares or interests in land-holding entities.
- 7 The transferee carries primary liability and must pay within 30 days, in United States dollars or the foreign currency equivalent.
- 8 The charge reaches foreign incorporated entities and transactions concluded outside Zimbabwe.
- 9 Registration, filing and payment for both charges run through TaRMS and the self-service portal.

SECTION 10

Sources

- ZIMRA Public Notice 08 of 2026, Presumptive Rental Income Tax, 5 February 2026: <https://www.zimra.co.zw/public-notice-08-of-2026-presumptive-rental-income-tax>
- ZIMRA, Special Capital Gains Tax, 25 September 2025: <https://www.zimra.co.zw/news/2337:special-capital-gains-tax>
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- Simbarashe Hamudi, Special capital gains tax on indirect transfers of land, The Financial Gazette, 1 June 2026: <https://fingaz.co.zw/2026/06/01/special-capital-gains-tax-on-indirect-transfers-of-land/>

SECTION 11

About Investor Hosting Centre

Investor Hosting Centre is a data-driven digital investment facilitation platform connecting global investors with bankable opportunities across Africa, with a focus on Mining, Agriculture, Real Estate and more. As a one-stop shop, IHC provides end-to-end hosting services for governments, private sector players, development partners and individuals, from travel facilitation, transfers and accommodation through to meetings, conferences and events. IHC combines technology and data-driven insight to help investors make informed decisions and convert opportunities into actionable investments. www.investorhosting.com