



Botswana Tax reference table

**Tax rates and return submission
deadlines under the new Income Tax,
Tax Administration and VAT legislation**



July 2026

01 Effective date and source Acts

The Income Tax Act, 2026, the Tax Administration Act, 2026, The VAT Act, 2026 and their related regulations came into operation on 1 July 2026.

02 Updated tax rates

A. Resident individual income tax table

Taxable income	Tax payable / tax rate
P0 - P48,000	0%
P48,001 - P84,000	0 + 5% excess of P48,000
P84,001 - P120,000	P1,800 + 12.5% of excess over P84,000
P120,001 - P156,000	P6,300 + 18.75% of excess over P120,000
P156,001 - P400,000	P13,050 + 25% of excess over P156,000
Above P400,001	P74,050 + 27.5% of excess over P400,000

B. Non-resident individual income tax table

Taxable income	Tax payable / tax rate
P0 - P84,000	5% of taxable income
P84,001 - P120,000	P4,200 + 12.5% of excess over P84,000
P120,001 - P156,000	P8,700 + 18.75% of excess over P120,000
P156,001 - P400,000	P15,450 + 25% of excess over P156,000
Above P400,001	P76,450 + 27.5% of excess over P400,000

C. Net aggregate gain tax table — individuals

Net aggregate gain	Tax payable / tax rate
P0 - P36,000	0%
P36,001 - P84,000	0 + 5% of excess over P36,000
P84,001 - P120,000	P2,400 + 12.5% of excess over P84,000
P120,001 - P156,000	P6,900 + 18.75% of excess over P120,000
P156,001 - P400,000	P13,650 + 25% of excess over P156,000
Above P400,001	P74,650 + 27.5% of excess over P400,000





D. Company, fund and trustee rates

Taxpayer / income type	Rate
Mining companies, other than diamond mining where Government has equity	Higher of formula rate $70 - (1500/X)$ or 24.5% (X is the company's taxable income as a percentage of its gross income for the tax year)
International Financial Services Centre company —	
-approved financial operations	15%
-all other taxable income	24.5%
Mutual association	5%
Other companies	24.5%
Non-approved fund	24.5%
Trustee — deceased estate during first 3 years	Resident individual rates
Trustee — other trusts	25%

Note: Concessionary tax rates and other tax relief granted under development approval orders will continue to apply in accordance with the relevant approval order.

E. Non-resident tax / withholding tax rates

Payment / income type	Rate
Dividends	10%
Interest	15%
Royalties	15%
Technical fees	15%
Insurance premium	3%
Entertainment fees	10%
Director's fees	15%
Natural resource amounts	15%
Repatriated profit of permanent establishment	10%
Capital gain	10%



F. Resident withholding tax rates

Payment type	Rate
Dividends	10%
Interest	10%
Director's fees	10%
Construction contracts	3%
Rent	5%
Commission / brokerage	10%

G. International transport income tax

Income type	Rate
International air transport income tax	0%

03 DTA application note

The new legislation imposes stricter treaty access and anti-abuse provisions. Accordingly, entitlement to Double Taxation Agreement (DTA) relief should be reviewed before each transaction, taking into account beneficial ownership, tax residency, permanent establishment exposure, and any applicable BURS administrative requirements.



04 Income tax and withholding tax returns submission deadlines

Taxpayer / situation	Return or payment type	Deadline
All taxpayers	Tax year	1 July to 30 June
Companies	Income tax return	Within 4 months after the end of the accounting period
Individuals, partnerships, trusts and non-profit organisations	Income tax return	On or before 30 September each year
Withholding agents	Withholding tax payment	Within 14 days after the end of the month in which tax was withheld
Withholding agents	Annual withholding tax return	On or before 28 July each year
Non-residents, where applicable	Quarterly return	Last day of the month following the quarter
Taxpayer disposing of relevant asset	Advance capital gains tax	Within 28 days of disposal of the asset

05 VAT rate and VAT return/payment deadlines

The VAT Act, 2026 provides a standard VAT rate of 14% and zero-rated supplies at 0%. VAT returns and VAT payments are due within 28 days after the end of the relevant VAT tax period.

VAT return and payment deadlines

VAT taxpayer category	Tax period	Return and payment deadline
Category A / B taxpayers	Every 2 months	Within 28 days after the end of the 2-month tax period
Category C taxpayers	Monthly	Within 28 days after month-end
Large unregistered persons / Government entities accounting for reverse charge	Every 2 months	Within 28 days after the end of the 2-month tax period
Non-resident remote service suppliers	Quarterly	Within 28 days after the end of the quarter

06 Penalties and interest

Tax type	Late filing / return penalties	Late payment / withholding penalties	Late payment interest	Other key penalties / notes
VAT	Greater of P50 per day or part of a day, capped at P5,000, or 10% of unpaid tax for each month or part month that the return remains outstanding.	Greater of P50 per day or 10% of unpaid tax per month or part month, capped at the amount of tax payable.	1.5% per month or part month on unpaid tax after the due date.	Fixed penalties may apply for VAT registration failures, failure to notify changes, and invoice-related non-compliance.
Income Tax	Greater of P100 per day or part of a day, capped at P20,000, or 10% of unpaid tax for each month or part month that the return remains outstanding.	Greater of P50 per day or 10% of unpaid tax per month or part month, capped at the amount of tax payable.	1.5% per month or part month on unpaid tax after the due date.	Penalties may apply for failure to maintain records, registration failures, tax shortfalls, false or misleading statements, tax avoidance and tax evasion.
Withholding Tax, including PAYE	Failure to submit required withholding tax returns or documents may attract late filing/document penalties, including P50 per day, capped at P5,000, where treated as an outstanding document.	Failure to withhold or remit withholding tax, including PAYE where applicable, may result in a penalty equal to the greater of P500 per day or 10% of the withholding tax payable, capped at the amount of tax payable.	1.5% per month or part month on unpaid tax after the due date.	Failure to issue a withholding tax certificate, notify a relevant contract, or comply with employer registration and withholding obligations may attract fixed monetary penalties, including P100 per day where applicable.

07 Filing method and submission evidence

Tax returns may be submitted in person or electronically through the BURS online portal. For in-person filing, the submission date is the date indicated by the BURS official receipt stamp. For electronic filing, it is the date recorded in the electronically generated receipt or system log.

08 Income tax return not required — key cases

- An individual whose only income is employment income from a single employer, unless the Commissioner General requests a return.
- A non-resident whose only Botswana-source income is subject to final withholding tax.
- An individual may still file where tax withheld exceeds the final liability, and must file where the final liability exceeds tax withheld.



Let's talk

To get assistance, please contact

Rudi Binedell

Country Senior Partner &
Tax Leader

+267 370 9700

rudi.binedell@pwc.com

Nilusha Weeraratne

Associate Director

+267 370 9700

nilusha.weeraratne@pwc.com

Masa Selerio

Senior Manager

+267 370 9700

masa.selerio@pwc.com

Pauline Kgabomotse

Manager

+267 370 9700

pauline.kgabomotse@pwc.com

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