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The Effectiveness of the Use of Alternative Dispute Resolution in Resolving Tax Disputes in Tanzania: A Comparative Study with Kenya

ISABELL LODRICK URONU*

ABSTRACT

This article examines the effectiveness of alternative dispute resolution (ADR) in resolving tax disputes in Tanzania, with comparative reference to Kenya. It argues that Tanzania's tax laws recognize ADR but do not give it the procedural and institutional clarity that predictable, fair and enforceable outcomes require, and that Kenya's experience shows how that gap may be narrowed. The article employs doctrinal and comparative approaches. It finds that Tanzania has a legal and institutional basis for ADR in tax disputes, but the framework remains fragmented and lacks a comprehensive tax-specific procedure. Key challenges include uncertainty concerning ADR and statutory objection and appeal timelines, inadequate safeguards for independence and confidentiality, uncertainty regarding the legal effect and enforcement of settlements, limited taxpayer awareness, unequal bargaining power and weak institutional coordination. Compared with Tanzania, Kenya has a more structured tax ADR framework supported by specific legislation and subsidiary regulations. The article concludes that ADR has significant potential to improve tax dispute resolution in Tanzania. It recommends the development of a coherent tax-specific ADR framework, clearer settlement procedures, stronger safeguards for neutrality and confidentiality, improved institutional coordination and greater awareness among taxpayers and relevant practitioners.

Keywords: *Tax disputes, Alternative Dispute Resolution, Tanzania & Kenya.*

I. INTRODUCTION

Taxation constitutes one of the principal means through which the State finances public expenditure and performs its governmental functions. The exercise of taxation powers, however, inevitably generates disputes between taxpayers and revenue authorities concerning assessments, interpretation of tax legislation, deductions, exemptions, penalties, interest, valuation, classification and the exercise of administrative powers.[1] The existence of effective

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[1] A H QURESHI, THE PUBLIC INTERNATIONAL LAW OF TAXATION: TEXT, CASES AND MATERIALS (Kluwer Law International 1994); S James and C Alley, *Tax Compliance, Self-Assessment and Tax Administration* (2004) 2(2)

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mechanisms for resolving such disputes is therefore important not only for taxpayers but also for revenue administration, voluntary compliance and the protection of public revenue.

Traditionally, tax disputes have predominantly been resolved through administrative objections, appeals before specialized tax bodies and judicial adjudication. While adjudication remains indispensable for disputes requiring authoritative determination of questions of law, constitutional questions or matters of public importance, not every tax dispute necessarily requires a fully adversarial determination. Disputes involving factual disagreements, accounting reconciliation, computation, valuation and other matters capable of lawful consensual resolution may, in appropriate circumstances, benefit from negotiation, mediation, conciliation or other forms of alternative dispute resolution (ADR).[2]

Tanzania has increasingly recognized the possibility of consensual resolution of tax disputes. The constitutional framework promotes dispute resolution, while the Tax Revenue Appeals Act establishes the Tax Revenue Appeals Board (TRAB) and the Tax Revenue Appeals Tribunal (TRAT) as specialized tax dispute resolution institutions and recognizes mediation, conciliation, arbitration and settlement mechanisms.[3] The Tax Administration Act also provides for the Tax Ombudsman, whose functions include resolving appropriate complaints through mediation and conciliation.[4] More recent Finance Acts have further strengthened the statutory recognition of amicable settlement in tax appeals.[5]

Despite these developments, the existence of legal recognition does not necessarily establish an effective ADR system. The central issue is whether the existing framework provides sufficiently clear rules concerning when ADR may be invoked, which disputes are suitable for settlement, who may facilitate the process, how confidentiality is protected, how statutory objection and appeal periods are preserved, and what legal consequences follow from a settlement.

Kenya provides a useful comparative jurisdiction because it has developed a more structured tax ADR framework. The Kenyan Constitution expressly promotes alternative forms of dispute resolution, while the Tax Appeals Tribunal Act, the Tax Procedures Act, the Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations 2020 and the Kenya Revenue

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JOURNAL OF FINANCE AND MANAGEMENT IN PUBLIC SERVICES 27–42.

[2] V THURONYI AND I ESPEJO, HOW CAN AN EXCESSIVE VOLUME OF TAX DISPUTES BE DEALT WITH? (IMF Legal Department, December 2013) https://www.imf.org/external/np/leg/tlaw/2013/eng/tdisputes.pdf.

[3] Constitution of the United Republic of Tanzania, 1977, Cap 2 R.E. 2023, art 107A(2)(d); Tax Revenue Appeals Act, Cap 408 R.E. 2023, ss 18 and 23.

[4] Tax Administration Act, Cap 438 R.E. 2023, ss 31–32.

[5] Finance Act 2021, Act No 3 of 2021; Finance Act 2022, Act No 5 of 2022; Finance Act 2024, Act No 6 of 2024; Finance Act 2026, Act No 2 of 2026.

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Authority (KRA) ADR Framework collectively provide a more detailed institutional and procedural framework.[6]

This article therefore examines whether Tanzania's existing framework is capable of delivering effective ADR in tax disputes and identifies lessons that may be drawn from Kenya, using doctrinal analysis of the relevant instruments and a comparison with Kenya, whose legal, institutional and administrative tax structures are sufficiently similar to Tanzania's while differing in the level of ADR development. The article does not suggest that ADR should replace formal tax adjudication. Rather, it examines how ADR can complement the existing tax dispute resolution system while preserving legality, taxpayer rights and the State's legitimate interest in protecting public revenue.

II. THE LEGAL PROBLEM

The principal legal problem addressed by this article arises from the tension between the formal recognition of ADR in Tanzanian tax law and the limited procedural institutionalization of that recognition. Tanzania has legal provisions capable of supporting consensual resolution of tax disputes. However, these provisions are dispersed across different legal instruments and do not appear to constitute a single, comprehensive tax-specific ADR regime. The Tax Revenue Appeals Act and its subsidiary rules, the Tax Administration Act, Finance Acts and other legal instruments regulate different aspects of tax dispute resolution, but the framework does not provide sufficiently detailed and coordinated rules governing the complete life cycle of tax ADR.[7]

This creates several legal uncertainties. First, the relationship between ADR and the statutory objection and appeal procedures is insufficiently clear. A taxpayer may wish to explore settlement while simultaneously needing to protect a statutory right to object or appeal within a prescribed period. If ADR discussions do not suspend or otherwise protect statutory timelines, taxpayers may face the difficult choice of abandoning settlement discussions or initiating formal proceedings merely to preserve their legal rights.

Second, the framework does not sufficiently clarify the institutional independence of persons facilitating ADR. Tax disputes ordinarily place a taxpayer against the revenue authority

[6] Constitution of Kenya, 2010, art 159(2)(c); Tax Appeals Tribunal Act No 40 of 2013, s 28; Tax Procedures Act No 29 of 2015, s 55; Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations 2020, Legal Notice No 123 of 2020; KENYA REVENUE AUTHORITY, *The Alternative Dispute Resolution (ADR) Framework* (launched 17 June 2015, revised 27 June 2019) https://www.kra.go.ke/images/publications/ADR-FRAMEWORK.pdf.

[7] Tax Administration Act, Cap 438 R.E. 2023; Tax Revenue Appeals Act, Cap 408 R.E. 2023; Tax Revenue Appeals Board Rules 2018, GN No 217 of 2018; Tax Revenue Appeals Tribunal Rules 2018, GN No 222 of 2018.

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responsible for assessment, collection and enforcement. Where persons involved in assessment or enforcement also participate in settlement, questions may arise concerning neutrality, conflict of interest and the taxpayer's confidence in the process.

Third, the legal status of settlements requires greater clarity. An effective settlement mechanism should identify the authority competent to approve a settlement, the form in which the settlement must be recorded, the circumstances in which it becomes final and enforceable, and the circumstances, if any, in which it may subsequently be challenged or reopened.

Fourth, the effectiveness of ADR is affected by accessibility and bargaining inequality. Taxpayers, particularly those without professional representation, may have limited understanding of ADR and may be uncertain whether informal discussions with the Tanzania Revenue Authority (TRA) constitute legally recognized settlement proceedings.

The legal problem is therefore not simply that Tanzania lacks ADR. Rather, the problem is that ADR exists without sufficient procedural and institutional clarity to guarantee predictable, fair and enforceable outcomes.

III. LITERATURE REVIEW

Existing literature on tax dispute resolution reflects a growing recognition of the importance of efficient mechanisms for resolving disputes between taxpayers and tax authorities. However, there remains a noticeable gap in scholarship specifically addressing the effectiveness of ADR in tax disputes within the Tanzanian context.

Ongwamuhana[8] examines the broader issue of tax compliance and dispute resolution in Tanzania, particularly focusing on delays within the formal adjudicative system. He observes that tax disputes, especially those reaching higher appellate levels, may take several years to be resolved, thereby tying up significant government revenue and undermining efficiency in tax administration.[9] While his work is valuable in highlighting systemic delays, it does not explore ADR as an alternative mechanism for addressing such inefficiencies. This article builds on Ongwamuhana's finding of systemic delay by examining whether ADR can serve as a viable solution, particularly within the institutional framework of TRAB and TRAT.

[8] K ONGWAMUHANA, TAX COMPLIANCE IN TANZANIA: ANALYSIS OF LAW AND POLICY AFFECTING VOLUNTARY TAXPAYER COMPLIANCE (Mkuki na Nyota Publishers 2011).
[9] Ongwamuhana (n 8) 202–203.

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Kimei[10] examines the emerging use of mediation in Tanzania's tax dispute resolution system in light of the reforms introduced through the Finance Acts of 2021 and 2022. She observes that the system has been clogged with cases, and she contrasts a structured negotiation facilitated by a neutral third party with "amicable settlement" efforts under the auspices of the tax authority. She calls for more robust structural and legislative change and for the greater involvement of ADR professionals with a strong tax law background. This article builds on Kimei's finding that the present settlement arrangements fall short of structured mediation by conducting a doctrinal analysis to assess the effectiveness of ADR and propose reforms for strengthening its implementation.

Gashaw[11] provides a comparative and analytical perspective on the application of ADR in tax disputes, with a focus on Ethiopia. He argues that ADR mechanisms can complement formal tax dispute systems by providing flexible, efficient, and less adversarial avenues for resolving disputes, but cautions that their effectiveness depends on the existence of clear procedural rules and institutional support. This article adopts Gashaw's analytical framework to assess whether Tanzania's legal system provides the necessary procedural clarity and institutional support for effective ADR implementation.

Muigua[12] analyzes the KRA ADR Framework and the 2020 Regulations as the basis of tax ADR in Kenya, with South Africa as a case study. He reports that the Framework has brought the KRA numerous successes, with growing use by taxpayers and an average resolution time of 42 days in 2020/2021, but he also identifies lack of independence from the KRA, the use of KRA employees as facilitators, time constraints and the absence of clear criteria on when to settle.[13] This work is directly relevant to the present article as it offers a working model within the East African context together with an account of its limits. This article relies on Muigua's analysis to draw comparative lessons and evaluate how similar frameworks could be adapted within Tanzania's legal system.

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[10] M Kimei, *Tax Dispute Resolution System in Tanzania: Mediation as a Way Forward* (iResolve 2023) https://www.iresolve.co.tz/webmak2/wp-content/uploads/2023/08/Tax-Dispute-Resolution-a-system-in-Tanzania_mediation_by-Madeline-Kimei-Final.pdf.

[11] Misganaw Gashaw, *Room for Alternative Dispute Resolution (ADR) Processes in Tax Disputes: A Message for the Ethiopian Tax Administrations*, in YAZACHEW BELEW (ED), THE RESOLUTION OF COMMERCIAL/BUSINESS DISPUTES IN ETHIOPIA: TOWARDS ALTERNATIVES TO ADJUDICATION? (Ethiopian Business Law Series vol 5, AAU Printing Press 2012).

[12] K Muigua, *The Alternative Dispute Resolution (ADR) Framework for Tax Dispute Resolution in Kenya* (2022) http://kmco.co.ke/wp-content/uploads/2022/02/ADR-of-Tax-Disputes-in-Kenya-Article-by-Dr-Kariuki-Muigua-00000002.pdf; see also K MUIGUA, ALTERNATIVE DISPUTE RESOLUTION AND ACCESS TO JUSTICE IN KENYA (Glenwood Publishers 2015).

[13] Muigua, *ADR Framework* (n 12) 27–31.

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Whitehead[14] provides a comparative overview of tax dispute resolution mechanisms across various jurisdictions, including the use of ADR processes such as mediation and arbitration. He emphasizes that structured dispute resolution frameworks can significantly reduce litigation costs and improve efficiency in tax administration.[15] However, the jurisdictions covered in his work are largely limited to developed countries and a few African states such as South Africa and Nigeria, with little or no focus on East African jurisdictions like Tanzania. This article uses Whitehead's comparative approach while incorporating Kenya as a relevant regional comparator, thereby making the analysis more contextually applicable.

Thuronyi and Espejo[16] examine strategies for managing excessive volumes of tax disputes, emphasizing the importance of resolving disputes at early stages through administrative mechanisms, including ADR. They argue that ADR processes offer flexibility, reduce costs, and ease the burden on formal adjudicative bodies. Their work is particularly relevant in highlighting the policy rationale for adopting ADR in tax systems. However, they do not specifically address the legal and procedural challenges associated with implementing ADR in developing countries such as Tanzania. This article builds on Thuronyi and Espejo's policy argument by examining the extent to which Tanzanian laws facilitate or hinder the practical application of ADR in tax dispute resolution.

Twaib[17] provides a Tanzanian-focused analysis of the operation of tax law through examination of legal principles and decided cases involving taxation disputes. The author demonstrates that tax disputes commonly arise from disagreements regarding interpretation of tax legislation, assessment of tax liabilities, and the exercise of powers by tax authorities. His analysis highlights the importance of effective mechanisms for balancing the revenue interests of the State with the protection of taxpayers' legal rights. However, while the work provides valuable insights into the nature and resolution of tax disputes within Tanzania, it primarily focuses on substantive tax law and judicial interpretation rather than examining the effectiveness of ADR as a mechanism for resolving such disputes. This article builds on Twaib's analysis by shifting attention from the legal determination of tax disputes to the effectiveness of ADR mechanisms in reducing delays, improving efficiency, and enhancing access to justice within Tanzania's tax dispute resolution framework involving the TRA, TRAB, and TRAT.

[14] S WHITEHEAD (ED), THE TAX DISPUTES AND LITIGATION REVIEW (2nd edn, Law Business Research 2014).
[15] Whitehead (n 14) 15–20.
[16] Thuronyi and Espejo (n 2) 5–7, 31–32.
[17] F TWAIB, A CASEBOOK ON THE TAX LAW OF TANZANIA (LawAfrica Publishing 2018).

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Ongwamuhana and others[18] provide a comprehensive analysis of tax dispute resolution mechanisms in Tanzania, examining the procedures involved in resolving disputes between taxpayers and tax authorities. The authors examine the process of tax disputes from their emergence at the TRA level through administrative objections and appeals before specialized tax dispute resolution institutions. They highlight challenges associated with tax dispute resolution, including procedural requirements, delays, and the complexity of tax litigation, while emphasizing the importance of efficient mechanisms for resolving disagreements between taxpayers and tax authorities. However, although the work provides valuable practical guidance on Tanzania's tax dispute resolution system, it gives limited attention to ADR as a mechanism for reducing disputes and improving efficiency. This article extends the analysis of Ongwamuhana and his co-authors by specifically examining whether ADR can address existing challenges within Tanzania's tax dispute resolution framework and whether reforms are required to enhance its application before TRAB and TRAT.

IV. Conceptual framework

For purposes of this article, ADR effectiveness is understood as a multidimensional concept rather than merely the successful conclusion of a settlement. This article assesses effectiveness through criteria including accessibility, affordability, timeliness, legality, voluntariness, neutrality, confidentiality, enforceability and taxpayer confidence.[19] This approach is particularly important in tax disputes because a mechanism may dispose of a dispute quickly but nevertheless be ineffective if the settlement is unlawful, coercive, procedurally unfair or incapable of enforcement.

V. Legal framework for tax ADR in Tanzania and Kenya

A. Tanzania domestic legal framework

The Constitution of the United Republic of Tanzania provides the broader constitutional basis for dispute resolution. Article 107A(2)(d) requires the Judiciary, in the administration of justice, to promote and enhance dispute resolution among persons involved in disputes.[20] Although this provision does not itself establish a complete tax ADR procedure, it provides a constitutional context within which alternative mechanisms may operate.

[18] K Ongwamuhana, A Kileo, W Mukebezi and S Gondwe, Tax Dispute Resolution: A Manual for the Tax Practitioner (Mkuki na Nyota Publishers 2015).

[19] J M Nolan-Haley, Alternative Dispute Resolution in a Nutshell (5th edn, West Academic Publishing 2021); M Cappelletti and B Garth (eds), Access to Justice, vol 1: A World Survey (Sijthoff and Noordhoff 1978); T R Tyler, Why People Obey the Law (Yale University Press 1990).

[20] Constitution of the United Republic of Tanzania 1977, art 107A(2)(d).

The Tax Revenue Appeals Act establishes TRAB and TRAT as specialized institutions for tax disputes. The Act recognizes mediation, conciliation and arbitration among the mechanisms available within the tax appeals framework.[21] It also provides for amicable settlement of tax disputes before judgment, thereby providing an important statutory basis for consensual resolution.

The Tax Administration Act establishes the Tax Ombudsman. Sections 31 and 32 provide for an independent and impartial Ombudsman and permit complaints, where appropriate, to be resolved through mediation or conciliation.[22] The Ombudsman therefore represents an additional institutional avenue for consensual resolution of complaints arising from tax administration.

Recent Finance Acts have further developed the settlement framework. Legislative amendments have progressively altered the statutory treatment of mediation and amicable settlement and introduced time limitations governing settlement proceedings.[23] These amendments demonstrate legislative recognition that some tax disputes can appropriately be resolved through agreement rather than full adjudication. Nevertheless, the Tanzanian framework remains dispersed. The legal provisions do not yet amount to a comprehensive procedural code addressing eligibility, commencement, appointment and independence of facilitators, confidentiality, representation, termination, settlement documentation and enforcement in a unified manner.

B. Kenyan legal framework

Kenya provides a more elaborate statutory framework. Article 159(2)(c) of the Constitution expressly requires the promotion of alternative forms of dispute resolution, including reconciliation, mediation, arbitration and traditional dispute resolution mechanisms.[24] Section 28 of the Tax Appeals Tribunal Act permits parties to seek settlement outside the Tribunal. The mechanism allows settlement to be attempted while preserving the Tribunal's jurisdiction if settlement fails.[25] The Tax Procedures Act further provides a statutory basis for settlement of tax disputes outside court or tribunal proceedings.[26] The Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations 2020 supplement the statutory provisions by providing greater procedural detail concerning settlement, including consent, facilitation and

[21] Tax Revenue Appeals Act, Cap 408 R.E. 2023, ss 18(1)(b) and 23.
[22] Tax Administration Act, Cap 438 R.E. 2023, ss 31–32.
[23] Finance Act 2021, s 71; Finance Act 2022, s 117; Finance Act 2024, s 100; Finance Act 2026, s 85.
[24] Constitution of Kenya 2010, art 159(2)(c).
[25] Tax Appeals Tribunal Act No 40 of 2013, s 28.
[26] Tax Procedures Act No 29 of 2015, s 55.

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settlement agreements.[27] The KRA has also developed an ADR framework and institutional arrangements supporting tax dispute resolution.

Kenyan judicial decisions have considered the legal consequences of ADR settlements reached within tax proceedings, illustrating the importance of enforceability and procedural legality. In *Commissioner of Investigations and Enforcement v Estama Investments Limited*, the High Court found an ADR settlement to be enforceable after the Tribunal had declined to enforce it, and held that the Tribunal could not stay its own proceedings for an indeterminate period pending a related suit.[28] In *Rongai Tiles & Sanitary Wares Limited v Commissioner of Domestic Taxes*, the High Court recorded that it had adopted an ADR agreement as a preliminary decree of the court although the Commissioner had attempted to avoid the agreement, and it went on to the issue left outstanding. *Commissioner of Domestic Taxes v Thuo*, in which the High Court dismissed the Commissioner's appeal from the Tribunal, concerned a company director party to an ADR agreement with the Commissioner. The Tax Appeals Tribunal has also recognized the consensual character of ADR and the limits of compelling parties to settle, in *New Maintenance Services (K) Limited v Commissioner of Domestic Taxes*.[29]

The comparative significance of Kenya is therefore not that it has eliminated litigation. Rather, its experience demonstrates how ADR can be integrated into the tax dispute resolution system while preserving formal adjudication for disputes that require authoritative determination.

VI. Main findings and discussion

A. Absence of a comprehensive tax-specific ADR procedure

The first major legal weakness identified by this article is the absence of a comprehensive tax-specific ADR procedure. Although Tanzanian law recognizes objection, appeal, amicable settlement and other forms of dispute resolution,[30] the legal framework does not appear to provide a complete procedure governing the initiation, conduct and conclusion of mediation, conciliation or negotiation in tax disputes. A comprehensive procedure would ordinarily identify

[27] Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations 2020, Legal Notice No 123 of 2020.

[28] *Commissioner of Investigations and Enforcement v Estama Investments Limited* (Tax Appeal E039 of 2020) [2020] KEHC 10245 (KLR); Kenya Revenue Authority, *High Court Rules That Tax Tribunal Cannot Stay Own Proceedings* https://www.kra.go.ke/news-center/press-release/1014-high-court-rules-that-tax-tribunal-cannot-stay-own-proceedings.

[29] *Rongai Tiles & Sanitary Wares Limited v Commissioner of Domestic Taxes* (Tax Appeal E011 of 2020) [2023] KEHC 18546 (KLR); *Commissioner of Domestic Taxes v Thuo* (Income Tax Appeal E026 of 2022) [2024] KEHC 9395 (KLR); *New Maintenance Services (K) Limited v Commissioner of Domestic Taxes*, Tax Appeals Tribunal No 599 of 2020 (2022).

[30] Tax Administration Act, Cap 438 R.E. 2023, ss 62, 63 and 64; Tax Revenue Appeals Act, Cap 408 R.E. 2023, ss 4, 9 and 23, as amended by the Finance Act 2026, Act No 2 of 2026, s 85; Tax Revenue Appeals Board Rules 2018, GN No 217 of 2018, r 16(11); Tax Revenue Appeals Tribunal Rules 2018, GN No 222 of 2018, r 15(8).

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the disputes eligible for ADR, the persons authorized to initiate ADR, the time within which ADR may be requested, the institution responsible for administering the process, the manner of selecting a neutral, the rights and duties of participants, confidentiality obligations, the treatment of admissions, the recording of settlements and the consequences of failure to settle.

The absence of these matters may cause ADR to operate informally and inconsistently. Different TRA offices or officials may adopt different approaches to settlement. Some taxpayers may be allowed to negotiate while others may proceed directly to objection or appeal. Such variation may affect equality before the law and public confidence in tax administration. Tax decisions in which courts have emphasized compliance with statutory objection and appeal procedures illustrate the point. In *Commissioner General, Tanzania Revenue Authority v JSC Atomredmetzoloto (ARMZ)*, the Court of Appeal held that the Board had no jurisdiction over the appeals before it, since the Board was barred from entertaining an appeal on a tax assessment and a stamp duty dispute had first to pass through the Stamp Duty Officer and the Commissioner, and it nullified the proceedings below.[31] In *Bryson Bwire Mbonde v Tanzania Revenue Authority*, a vehicle owner's damages suit over delayed re-registration failed because section 7 of the Tax Revenue Appeals Act gives the Board sole original jurisdiction over civil proceedings arising from the revenue laws, so that the trial court had none; the Court of Appeal dismissed the appeal with costs.[32] Such cases demonstrate that tax disputes are highly procedural and that uncertainty concerning the correct procedure may result in preliminary objections, dismissal of appeals or additional litigation. Where ADR is not clearly integrated into the statutory procedure, parties may litigate over procedural questions instead of resolving the substantive tax dispute. The findings therefore indicate that the principal weakness is not the complete absence of settlement mechanisms but the absence of a sufficiently detailed, predictable and taxpayer-accessible tax ADR procedure.

B. Uncertainty concerning the relationship between ADR and statutory objection and appeal periods

A second weakness concerns the relationship between ADR and statutory objection and appeal timelines. Tax legislation prescribes specific periods within which a taxpayer must object to a tax decision and pursue an appeal against an objection decision.[33] These timelines serve to promote finality and orderly tax administration. However, they may create difficulties where

[31] *Commissioner General, Tanzania Revenue Authority v JSC Atomredmetzoloto (ARMZ)*, Consolidated Civil Appeals Nos 78 and 79 of 2018, [2020] TZCA 306.
[32] *Bryson Bwire Mbonde v Tanzania Revenue Authority*, Civil Appeal No 88 of 2018, [2021] TZCA 280.
[33] Tax Administration Act, Cap 438 R.E. 2023, s 62(1), (2), (7) and (11); Tax Revenue Appeals Act, Cap 408 R.E. 2023, s 17(1)–(4); see also Tax Revenue Appeals Board Rules 2018, GN No 217 of 2018, rr 3 and 5.

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parties are engaged in settlement discussions. If a taxpayer begins negotiations with the TRA but does not file a formal objection within the prescribed period, the taxpayer may risk losing the statutory right to challenge the tax decision. Conversely, where an objection has already been filed while settlement discussions are continuing, uncertainty may arise as to how the ADR process should interact with the pending objection, including whether the objection should proceed concurrently, be suspended or be otherwise dealt with while settlement discussions are ongoing.

The law should clearly provide whether the commencement of ADR suspends statutory timelines. It should also clarify whether a taxpayer must preserve the right of appeal by filing a protective objection or appeal while participating in ADR. Without such clarification, taxpayers may be discouraged from using ADR because they fear losing their legal rights. Tax decisions in which appeals were affected by failure to comply with statutory time limits illustrate the risk. In *Star Media (Tanzania) Limited v Tanzania Revenue Authority*, the Board had refused an extension of time and the Tribunal had dismissed the taxpayer's appeal; the Court of Appeal dismissed the further appeal with costs, holding that raising illegality does not of itself entitle a party to an extension.[34] The general judicial approach is that statutory periods must be respected unless the law permits extension or the relevant tribunal exercises a lawful discretion to enlarge time. In *Dianarose Spareparts Ltd v Commissioner General, Tanzania Revenue Authority*, the Court of Appeal accordingly treated an application for more time to appeal from the Tribunal as turning on whether the applicant had shown good cause under rule 10 of its Rules, a discretionary question that depends on the circumstances of each case.[35] This principle demonstrates the need for ADR legislation to expressly address the effect of settlement discussions on statutory timelines.

The findings therefore indicate that ADR cannot operate effectively unless its relationship with mandatory statutory objection and appeal periods is expressly regulated. A taxpayer should not be required to choose between attempting consensual resolution and preserving a statutory right of appeal.

C. Lack of clear independence and neutrality requirements

The third weakness relates to the independence and neutrality of persons conducting ADR. In many tax disputes, the TRA is one of the parties. If TRA officials who participated in issuing an assessment also conduct settlement discussions, the taxpayer may question whether the process

[34] *Star Media (Tanzania) Limited v Tanzania Revenue Authority*, Civil Appeal No 211 of 2019, [2021] TZCA 191.
[35] *Dianarose Spareparts Ltd v Commissioner General, Tanzania Revenue Authority*, Civil Application No 245/20 of 2021, [2022] TZCA 818.

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is neutral. The principle of neutrality does not necessarily require the mediator to be entirely external to the tax administration. Tax disputes involve technical and statutory matters that may require the participation of tax officials. Nevertheless, the person facilitating settlement should not have an undisclosed personal or institutional conflict of interest, a standard that the Code of Conduct and Practice for Reconciliators, Negotiators, Mediators and Arbitrators, made under the Civil Procedure Code, already sets for accredited practitioners through its written disclosure rule.[36] The legal framework should provide for impartiality, disclosure of conflicts, recusal and, where appropriate, appointment of an independent ADR practitioner.[37]

The findings indicate that independence is not merely a theoretical requirement. The actual and perceived neutrality of the facilitator may influence the taxpayer's willingness to participate and make meaningful settlement proposals. A tax ADR framework would therefore benefit from clear rules concerning separation of functions, conflicts of interest and appointment of independent or separately designated settlement officers.

D. Uncertainty concerning confidentiality and without-prejudice protection

The fourth weakness is the lack of clear rules governing confidentiality and without-prejudice communication in tax ADR. Confidentiality is central to mediation and negotiation because parties must be able to discuss settlement options, disclose weaknesses and make proposals without fearing that those statements will later be used against them. The Code of Conduct and Practice binds the practitioner, the parties and those accompanying them not to disclose session communications to non-parties, subject to listed exceptions.[38] In tax disputes, confidentiality is particularly important because the taxpayer may disclose financial information, accounting records, business practices or explanations concerning tax treatment. If the taxpayer believes that information disclosed during ADR may automatically be used for audit or enforcement purposes, the taxpayer may avoid meaningful participation.

The law should specify whether statements made during ADR are confidential, whether they are inadmissible in subsequent proceedings, the circumstances in which confidentiality may be lifted and the persons bound by confidentiality.[39] It should also distinguish between information already legally obtainable by the TRA and concessions or proposals made solely for settlement purposes. A related case illustration may be drawn from judicial decisions concerning settlement negotiations and privileged communications. In *Rush & Tompkins Ltd v Greater London*

[36] Code of Conduct for Reconciliators, Negotiators, Mediators and Arbitrators, Regulations 2021, GN No 148 of 2021, First Schedule, paras 2(h) and 3(1)–(2).
[37] Code of Conduct (n 36), First Schedule, paras 2(a), 2(c), 2(d), 2(g)–(h) and 3(1)–(2).
[38] Code of Conduct (n 36), First Schedule, para 4(1)–(4).
[39] Code of Conduct (n 36), First Schedule, para 4(1)–(4).

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Council,[40] the House of Lords recognized the protection accorded to communications made during negotiations undertaken with a view to settling a dispute. The protection is intended to facilitate candid settlement discussions by preventing parties from having their negotiations or concessions used against them in subsequent proceedings. This principle is relevant to tax ADR because settlement discussions between taxpayers and the TRA may involve admissions, concessions or proposals made specifically to facilitate resolution of the dispute. However, its application within tax ADR requires clear statutory guidance, particularly given the TRA's statutory powers to obtain information for purposes of tax administration and assessment. The legal framework should therefore clarify the confidentiality and evidential status of communications made during tax ADR proceedings.

The findings indicate that confidentiality should be expressly regulated within the tax ADR framework. Such regulation should preserve the TRA's lawful information-gathering powers while protecting genuine settlement communications from inappropriate subsequent use.

E. Unclear legal effect and enforceability of ADR settlements

The fifth weakness concerns the legal status and enforceability of settlements reached through ADR. A settlement may take the form of a written agreement, a consent order, a decision of the TRA, a decision of TRAB or a decision of TRAT. The legal consequences of these forms may differ. If a settlement is reached before a formal appeal is filed, it may be unclear whether it constitutes a binding administrative decision or a contractual agreement. If it is reached during proceedings before TRAB or TRAT, the Board or Tribunal issues a final order upon submission of a written settlement agreement signed by both parties, and no appeal lies from a decision of the Board passed with the parties' consent.[41] If the taxpayer fails to comply with the settlement, it may be necessary to determine whether the TRA can enforce it as a tax liability or whether further proceedings are required.

The law should identify the form of a valid settlement, the authority required to approve it, the circumstances in which it may be reviewed or set aside and the manner in which it may be enforced. It should also clarify whether a settlement may be challenged on grounds of fraud, mistake, misrepresentation, illegality, coercion or lack of authority. A related case illustration may be found in decisions concerning consent judgments and settlement agreements. In *Motor*

[40] *Rush & Tompkins Ltd v Greater London Council* [1989] AC 1280.

[41] Tax Revenue Appeals Act, Cap 408 R.E. 2023, s 23(8)(b), inserted by the Finance Act 2021, Act No 3 of 2021, s 71 and amended by the Finance Act 2022, Act No 5 of 2022, s 117; Tax Revenue Appeals Board Rules 2018, GN No 217 of 2018, r 16(12).

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Vessel Sepideh & Another v Yusuf Mohamed Yussuf & Others,[42] the Court of Appeal affirmed that a consent judgment or order has contractual effect and may only be set aside on grounds that would justify setting aside or rescinding a contract, including fraud, collusion, lack of consensus or other recognized grounds. The Court further upheld the consent order because the compromise was a lawful agreement and the applicants' representative had been present in court and raised no objection when it was recorded. This principle is relevant to tax ADR because a settlement reached between a taxpayer and the TRA should provide certainty concerning the obligations agreed by the parties while remaining subject to the requirements of legality and the public interest. Accordingly, the statutory framework should clearly prescribe the legal effect, enforceability and permissible grounds for challenging tax ADR settlements.

The findings demonstrate that enforceability is central to the effectiveness of tax ADR. A settlement should identify the parties, disputed issues, obligations undertaken, approval authority, consequences of compliance and the limited grounds upon which it may be challenged or reopened. Without such certainty, ADR may merely postpone rather than resolve the dispute.

F. Limited public awareness and accessibility of ADR

The sixth weakness relates to limited public awareness and accessibility. ADR can only be effective where taxpayers understand its existence, benefits, limitations and procedures. Many taxpayers, particularly small businesses and individuals, may be more familiar with objections and appeals than with mediation or negotiated settlement. The technical nature of tax legislation may also discourage taxpayers from participating in ADR. Where the process is not explained in accessible language, taxpayers may believe that settlement is available only to large companies or taxpayers represented by advocates and tax consultants.

The findings suggest that accessibility requires more than statutory recognition. It requires clear public information, simple procedures, accessible forms, reasonable costs and protection against coercion. Public education should also explain that ADR is an alternative method of resolving eligible disputes and does not eliminate the taxpayer's statutory rights to object or appeal where those rights remain applicable.

G. Risk of coercion and unequal bargaining power

The seventh weakness concerns unequal bargaining power between the TRA and taxpayers. Tax authorities possess statutory powers to assess tax, demand payment and administer enforcement

[42] *Motor Vessel Sepideh & Another v Yusuf Mohamed Yussuf & Others*, Civil Application No 237 of 2013, [2015] TZCA 346.

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measures, including the imposition and collection of tax, interest and penalties.[43] Taxpayers may therefore participate in settlement discussions under pressure, particularly where tax collection is ongoing or where the taxpayer's business operations are threatened. ADR is based on voluntary participation and genuine consent, the first of the guiding principles in the Code of Conduct and Practice.[44] A settlement reached through coercion, undue pressure or materially misleading information may not reflect genuine agreement.[45] The legal framework should therefore require voluntary participation, informed consent and the opportunity to withdraw from mediation, subject to applicable statutory requirements.

The findings suggest that tax ADR requires safeguards capable of preserving genuine consent while recognizing the TRA's legitimate authority to collect lawful revenue. Such safeguards may include written confirmation of voluntary participation, disclosure of settlement terms, reasonable opportunity to obtain independent advice and separation between enforcement decisions and settlement facilitation.

H. Limited institutional coordination

The eighth weakness concerns coordination among the TRA, TRAB, TRAT, the ordinary courts and other institutions involved in tax dispute resolution. Tax disputes may pass through several stages, including assessment, objection, appeal to TRAB, appeal to TRAT and judicial review or appeal to the courts.[46] Where ADR is introduced without coordination, parties may face uncertainty concerning the appropriate institution to administer the process. It may also be unclear whether a settlement reached at one stage affects proceedings at another stage.

The findings indicate that institutional coordination is necessary to prevent duplication, procedural uncertainty and unnecessary delay. A coordinated system should identify the respective functions of the TRA, TRAB and TRAT and should ensure that the commencement or failure of ADR has a clear procedural consequence.

VII. Lessons from Kenya

A. Need for express statutory recognition of tax ADR

The first lesson is that ADR should be expressly recognized within tax legislation. In Kenya, section 28 of the Tax Appeals Tribunal Act allows the parties, at any stage of the proceedings, to apply to settle a matter out of the Tribunal and requires them to report the outcome, while

[43] Tax Administration Act, Cap 438 R.E. 2023, particularly ss 57–61, 65, 70–80 and 86–94.
[44] Code of Conduct (n 36), First Schedule, para 2(a).
[45] Code of Conduct (n 36), First Schedule, paras 2(a), 2(d), 2(g), 2(h) and 3(1)–(2).
[46] Tax Administration Act, Cap 438 R.E. 2023, ss 62 and 64(1); Tax Revenue Appeals Act, Cap 408 R.E. 2023, ss 4, 9, 17 and 18.

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section 55 of the Tax Procedures Act extends settlement to disputes before a court or the Tribunal. The law should define mediation, conciliation, negotiation and other relevant mechanisms and identify the disputes that may be referred to ADR. The Tanzanian framework may benefit from a provision authorizing the TRA, TRAB and TRAT to facilitate settlement in appropriate cases. Such authority should be subject to written law, public revenue requirements and procedural fairness.[47]

B. Need for clear ADR procedures and practice directions

The second lesson is the need for detailed procedural rules. In Kenya, the Regulations and the KRA ADR Framework prescribe how ADR begins and ends: ADR may be sought before an objection decision or while a dispute is pending, a matter before the Tribunal or a court must be concluded within the period set by section 55 of the Tax Procedures Act, ninety days in those instruments and one hundred and twenty days since the Finance Act 2023, and after termination the parties may return to the Tribunal or court as if no ADR discussions had taken place. The Framework also states that ADR does not displace the right of appeal, which must still be exercised within the statutory period. The rules should cover initiation, eligibility, appointment of neutrals, timelines, confidentiality, participation, representation, settlement approval, enforcement and termination. The rules should also clarify the relationship between ADR and objection or appeal deadlines. A taxpayer should not lose a statutory right merely because the taxpayer attempted to resolve the dispute amicably.[48]

C. Need for institutional independence

The third lesson concerns institutional independence. The KRA ADR Framework requires that facilitators were not involved in the audit, investigation or disputed decision, that they disclose any fact likely to bring about a conflict of interest, and that they act independently and impartially; under the Regulations a taxpayer may also propose a mediator from a list of accredited mediators. Tanzania may consider establishing a specialized tax ADR unit or appointing independent mediators from a panel of accredited practitioners. The persons

[47] Constitution of Kenya 2010, art 159(2)(c); Tax Procedures Act No 29 of 2015 (Kenya), s 55; Tax Appeals Tribunal Act No 40 of 2013 (Kenya), s 28; Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations 2020, Legal Notice No 123 of 2020, regs 2–3, as revised by Legal Notice No 221 of 2023.

[48] Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations 2020, Legal Notice No 123 of 2020, regs 3 and 7, as revised by Legal Notice No 221 of 2023; KENYA REVENUE AUTHORITY, *The Alternative Dispute Resolution (ADR) Framework* (launched 17 June 2015, revised 27 June 2019), paras 3.1–3.4, 4.1–4.3, 6.1–6.2, 17.2 and 20; Tax Procedures Act No 29 of 2015 (Kenya), s 55(1)–(2), as amended by the Finance Act 2023 (Kenya); KENYA REVENUE AUTHORITY, *Disputes Appropriate for ADR* https://www.kra.go.ke/individual/alt-dispute-resolution-adr/learn-about-adr/disputes-appropriate-for-adr; K Muigua, *The Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations, 2020* (The Lawyer Africa, 28 January 2022) https://thelawyer.africa/2022/01/28/settlement-of-tax-disputes-out-of-court-or-tribunal-regulations-2020/.

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conducting mediation should not ordinarily be the same officers who issued or defended the disputed assessment. An independent system would improve public confidence and encourage taxpayers to participate openly.[49]

D. Need for clear settlement criteria

The fourth lesson is the need for objective settlement criteria. The KRA ADR Framework subjects every application to a suitability test and treats as unsuitable, among others, a dispute whose settlement would be contrary to the Constitution or the revenue laws, one bordering on technical interpretation of law, and one in which judicial clarification is in the public interest. Settlement should be permitted where there is a genuine dispute concerning facts, computation, evidence, interpretation or the application of law. The law should identify matters that cannot be compromised, including obligations that officials have no authority to waive. Written criteria would reduce arbitrary decisions and promote equal treatment.[50]

E. Need for enforceable and final settlements

The fifth lesson is that settlements must have clear legal effect. In Kenya, an ADR agreement must be in writing, signed by the taxpayer and the Commissioner, attested by the facilitator and binding on both parties; it represents a full and final settlement and forms the basis of a consent filed before the Tribunal or court, and the High Court has held such a settlement enforceable. A settlement should be recorded in writing, approved by an authorized person or institution and made enforceable in accordance with the law. The law should also provide limited grounds for review or setting aside, such as fraud, illegality, coercion or lack of authority.[51]

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[49] KENYA REVENUE AUTHORITY, *The Alternative Dispute Resolution (ADR) Framework* (launched 17 June 2015, revised 27 June 2019), paras 10.1–10.2 and 12.1(c); K Muigua, *The Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations, 2020* (The Lawyer Africa, 28 January 2022) https://thelawyer.africa/2022/01/28/settlement-of-tax-disputes-out-of-court-or-tribunal-regulations-2020/; KENYA REVENUE AUTHORITY, *Annual Report and Financial Statements for the Year Ended 30 June 2025* (KRA 2025) https://www.kra.go.ke/images/publications/KRA-AUDITED-FIN-STMTS-FY2024-25.pdf accessed 16 September 2026; KENYA REVENUE AUTHORITY, *KRA Grows Revenue by 6.8% Despite Tough Economic Environment* (10 July 2025) https://www.kra.go.ke/news-center/press-release/2233-kra-grows-revenue-by-6-8-despite-tough-economic-environment-2 accessed 16 September 2026; KENYA REVENUE AUTHORITY, *Alternative Dispute Resolution: Everything You Should Know* (2022), identifying ADR as voluntary, confidential and without prejudice https://www.kra.go.ke/images/publications/Alternative-Dispute-Resolution---Everything-you-Should-Know-2022.pdf.

[50] KENYA REVENUE AUTHORITY, *The Alternative Dispute Resolution (ADR) Framework* (launched 17 June 2015, revised 27 June 2019), paras 4.2 and 14.1; see also KENYA REVENUE AUTHORITY, *Alternative Dispute Resolution: Everything You Should Know* (2022) https://www.kra.go.ke/images/publications/Alternative-Dispute-Resolution---Everything-you-Should-Know-2022.pdf.

[51] Tax Appeals Tribunal Act No 40 of 2013 (Kenya), s 28; Tax Procedures Act No 29 of 2015 (Kenya), s 55; Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations 2020, Legal Notice No 123 of 2020, regs 8–10; KENYA REVENUE AUTHORITY, *The Alternative Dispute Resolution (ADR) Framework* (launched 17 June 2015, revised 27 June 2019), paras 18–19; KENYA REVENUE AUTHORITY, *Alternative Dispute Resolution: Everything You Should Know* (2022) https://www.kra.go.ke/images/publications/Alternative-Dispute-Resolution---Everything-you-Should-Know-2022.pdf; *Estama* (n 28).

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F. Need for public education and taxpayer protection

The sixth lesson is the importance of taxpayer education. The KRA publishes a plain guide to ADR that explains its stages, timelines, exclusions and legal consequences and describes the process as voluntary, confidential, without prejudice and free of charge; its Framework allows a party to act alone or through a tax agent or legal advisor and to terminate the discussions. The TRA should publish accessible information concerning ADR, including eligibility, procedures, costs, rights and limitations. Taxpayers should be allowed to obtain independent professional advice and should not be compelled to settle.[52]

VIII. Conclusion

This article concludes that ADR has legal and practical potential to improve the resolution of tax disputes in Tanzania. It may promote timely settlement, reduce litigation costs, improve communication between taxpayers and the tax administration, preserve commercial relationships and contribute to the efficient management of tax disputes. Nevertheless, the effectiveness of ADR depends on the existence of a clear legal and institutional framework.

Tanzania has not completely excluded ADR from tax dispute resolution. The recognition of amicable settlement indicates an intention to permit consensual resolution of appropriate tax disputes. The formal objection and appeal framework also provides an institutional environment within which ADR may operate. However, the current framework appears fragmented and insufficiently detailed to support the consistent application of ADR.

The main difficulty concerns the limited procedural institutionalization of ADR. Important matters such as the initiation of proceedings, eligibility of disputes, appointment of facilitators, independence, confidentiality, representation, statutory timelines, termination, settlement agreements and enforcement require clearer regulation. The absence of such clarity may discourage taxpayers from using ADR and may lead to inconsistent practices among tax officials and dispute resolution institutions.

Neutrality raises a related concern, since the concentration of assessment, enforcement and settlement functions within the tax administration may affect public confidence. Although the TRA possesses the technical expertise necessary to participate in ADR, the process should

[52] Kenya Revenue Authority, *Alternative Dispute Resolution: Everything You Should Know* (2022) https://www.kra.go.ke/images/publications/Alternative-Dispute-Resolution---Everything-you-Should-Know-2022.pdf; Kenya Revenue Authority, *The Alternative Dispute Resolution (ADR) Framework* (launched 17 June 2015, revised 27 June 2019), paras 5, 16.1, 17.1 and 20, and Annex 1; K Muigua, *The Tax Procedures (Settlement of Tax Disputes Out of Court or Tribunal) Regulations, 2020* (The Lawyer Africa, 28 January 2022) https://thelawyer.africa/2022/01/28/settlement-of-tax-disputes-out-of-court-or-tribunal-regulations-2020/.

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include safeguards to ensure that settlement is voluntary, fair and not imposed through administrative pressure.

The comparative analysis demonstrates that Kenya has developed a more elaborate tax ADR framework. Its statutory provisions and subsidiary regulations provide guidance on the settlement process, the role of facilitators, confidentiality, timelines, settlement agreements and enforcement. Kenya's experience suggests that the effectiveness of tax ADR is strengthened where ADR is expressly recognized, procedurally regulated and supported by a dedicated institutional structure.

Tanzania may therefore improve the effectiveness of tax ADR by adopting a more coherent and detailed framework while taking into account its own constitutional, legal, institutional and revenue-administration context. ADR should not replace the formal tax objection and appeal system. Rather, it should complement that system by providing an appropriate mechanism for resolving disputes that are capable of consensual settlement without undermining the lawful administration and collection of public revenue.

IX. RECOMMENDATIONS

A. Parliament

Parliament should strengthen the statutory framework governing ADR in tax disputes by providing clear and comprehensive provisions on the initiation, conduct and termination of ADR proceedings, the categories of disputes suitable for settlement, the relationship between ADR and statutory objection and appeal procedures, confidentiality, appointment and independence of facilitators, and the legal effect and enforcement of settlement agreements. Parliament should also ensure that legislative amendments relating to amicable settlement provide sufficient procedural certainty to taxpayers and tax authorities.

B. Government and Ministry responsible for Finance

The Government, through the Ministry responsible for Finance, should support the development of a coherent national policy and institutional framework for tax ADR. The Ministry should ensure that the relevant institutions have adequate resources and capacity to implement ADR effectively and should provide appropriate oversight to ensure that ADR promotes efficiency and fairness without compromising lawful tax administration and public revenue.

C. Tanzania Revenue Authority

The TRA should establish clear internal procedures and guidelines for the use of ADR in tax disputes and strengthen institutional capacity through training of officers in negotiation,

mediation, conciliation and ethical standards. Greater separation should be maintained between officers responsible for assessment, investigation and enforcement and those involved in facilitating settlement in order to strengthen neutrality and taxpayer confidence. The TRA should also improve taxpayer awareness of available ADR mechanisms and maintain proper records of ADR proceedings and outcomes.

D. Tax Revenue Appeals Board and Tax Revenue Appeals Tribunal

TRAB and TRAT should strengthen the practical integration of ADR within tax dispute resolution by developing clear procedures for identifying disputes suitable for settlement and ensuring that unsuccessful ADR proceedings can return efficiently to formal adjudication. They should also ensure that settlement agreements are properly documented and legally enforceable while safeguarding the parties' procedural rights and the impartiality of the process.

E. Judiciary

The Judiciary should continue providing authoritative guidance on the relationship between ADR and formal tax adjudication, particularly concerning the validity, interpretation and enforcement of tax settlements. Judicial practice should support ADR while preserving the requirement that tax liabilities and settlements remain within the limits of the law.

F. Taxpayers

Taxpayers should make informed use of available ADR mechanisms where their disputes are suitable for settlement. They should participate in ADR in good faith, provide relevant information, understand the legal consequences of settlement and seek appropriate professional advice where necessary. Increased taxpayer awareness of ADR may also contribute to greater utilization of mechanisms intended to provide faster and less costly resolution of appropriate disputes.

G. Tax practitioners, advocates and tax consultants

Tax practitioners, advocates and tax consultants should enhance their capacity in tax negotiation, mediation and other appropriate ADR processes. They should properly advise taxpayers on the suitability, advantages and legal implications of ADR and promote lawful and informed settlement rather than treating ADR merely as an alternative procedural step before litigation.

H. Areas for further research

Further research should examine the practical operation of tax ADR among different categories of taxpayers and institutions, including the accessibility and effectiveness of ADR for small and

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medium taxpayers. Comparative research may also examine other African jurisdictions to identify additional approaches to institutional independence, procedural safeguards, settlement enforcement and the integration of ADR with formal tax dispute resolution.

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