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Company formation in Zambia

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Flag



Coat of arms

Common form	Private company limited by shares [1]
Registry	Patents and Companies Registration Agency (PACRA) [1]
Minimum capital	Low statutory minimum [1]
Directors	2 directors [1]
Local director	At least half of the directors must live in Zambia [1]
Corporate tax	30% [2]
VAT / sales tax	16% [2]
Typical timeline	Often within a few days online [1]
Tax treaties	Domestic rates and treaty list [7]
Currency	Zambian kwacha (ZMW)

In short: To set up a company in Zambia, most founders form a private company limited by shares, registered with the Patents and Companies Registration Agency (PACRA). [1] Minimum capital: low statutory minimum. Corporate tax: 30%. Registration: often within a few days online (as of November 2026).

Short guide. Tax figures come from PwC Worldwide Tax Summaries (reviewed 24 July 2026); company-law details summarise official guidance and can change. Confirm requirements with the Patents and Companies Registration Agency (PACRA) before filing.

Companies in **Zambia** are registered online with **PACRA**. Under the 2017 Companies Act, at least half of a private company's directors must live in Zambia.

Business structures

Most founders in Zambia form a private company limited by shares, registered with the Patents and Companies Registration Agency (PACRA). [1] Other forms are listed below.

- **Private company limited by shares** – the usual company form for private businesses

Requirements

Minimum share capital in Zambia (2026): low statutory minimum. Directors required: 2 directors. Local resident director: at least half of the directors must live in Zambia. [1]

- A company name that is available, checked with the registry.
- Share capital: low statutory minimum.
- Directors: 2 directors.
- Local residency: at least half of the directors must live in Zambia.
- A registered office address in Zambia.
- Articles of association; standard templates are often available.

Registration process

Typical time to register a company in Zambia (2026): often within a few days online. [1] The usual steps are:

1. Choose the company form and check that the name is available.
2. Prepare and sign the articles of association.
3. File the registration with the Patents and Companies Registration Agency (PACRA).

4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax and VAT or sales tax with the Zambia Revenue Authority (ZRA).

Taxation

The corporate tax rate in Zambia in 2026 is 30%. [2] Standard VAT or sales tax: 16%. [2]

Tax	Rate and notes
Corporate income tax	30%
VAT / indirect tax	16%
Withholding tax on dividends to non-resident companies	20%

Ongoing compliance

Annual compliance in Zambia: Companies file annual financial statements and tax returns with the Zambia Revenue Authority (ZRA), and keep their details up to date with the Patents and Companies Registration Agency. [1]

Double tax treaties

Zambia has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
20%	20%	20%

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for Zambia lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty

benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in Zambia?

Typical registration time in Zambia: often within a few days online (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in Zambia?

Minimum share capital in Zambia: low statutory minimum (as of November 2026).

What is the corporate tax rate in Zambia in 2026?

The corporate tax rate in Zambia in 2026 is 30%. See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in Zambia?

Yes, for most activities, though some sectors restrict foreign ownership or require approval. Local director rule in Zambia: at least half of the directors must live in Zambia.

What withholding tax applies to dividends paid from Zambia?

Zambia withholds 20% on dividends paid to non-resident companies under domestic law, often reduced by a tax treaty. See the Double tax treaties section.

Official registries and resources

- Patents and Companies Registration Agency (PACRA)
- Zambia Revenue Authority (ZRA)

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country
- Company formation in South Africa
- Company formation in Mauritius
- Company formation in Angola
- Company formation in Botswana
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

1. Official Patents and Companies Registration Agency (PACRA) . Government of Zambia. Accessed November 2026.
2. Official Zambia Revenue Authority (ZRA) . Government of Zambia. Accessed November 2026.
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