

Zambia is an African country with a population of over 17 million. The landlocked country has diverse and rugged terrain as well as many wildlife species, parks, and safari areas. The country's name comes from the Zambezi River, the fourth largest river in the world that flows between Zambia and Zimbabwe.

Many companies, especially those in tourism or wildlife sectors, may want to expand to Zambia to reach a new audience. However, a global expansion includes many challenges that can be time-consuming and expensive. One of those challenges is setting up a Zambia payroll, which is why Zambia payroll outsourcing through Globalization Partners can make an expansion easier and faster.

Zambia Taxation Rules for Payroll

All employees hired under an indefinite contract pay taxes using a Pay As You Earn (PAYE) system. Employers are responsible for deducting taxes directly from an employee's paycheck according to the country's employment compliance laws. Since Zambia has a progressive income tax rate, an employee's tax rate depends on how much money they earn.

Corporate tax rates in Zambia vary depending on the industry. For example, manufacturing sectors must pay income tax at 35%, while farming and agro-processing pay 10%.

Zambia Payroll Options

You have different Zambia payroll options depending on your operating goals. The four main choices include:

- **Remote:** Does your parent company already have a payroll for employees in different countries? You can add Zambia employees to that remote payroll as long as you continue to follow the correct laws and regulations.
- **Internal:** Another option for larger subsidiaries is establishing an internal payroll. However, if you choose this option, you'll need a big budget and a full HR staff that will help you stay compliant.
- **Zambia payroll processing company:** You can choose to work with a Zambia payroll processing company if you want to outsource and help the local economy, but you'll need to ensure that the company is making the right decisions, as compliance will still fall on you.
- **Zambia payroll outsourcing:** Finally, you can opt for Zambia payroll outsourcing with a global PEO such as Globalization Partners. Our team will add your employees to our

payroll to give you complete peace of mind about compliance.

Requirements to Set up a Zambia Payroll

If you're setting up your Zambia payroll, you need to be aware of all the requirements ahead of time. The most important one is establishing a subsidiary in the country. Your legal entity will allow you to work in Zambia but also give you the authority to set up your Zambia payroll, hire employees, and form business relationships. If you work with Globalization Partners, however, you can start working without a subsidiary through Zambia payroll outsourcing and our Global Expansion Platform™.

Entitlement and Termination Terms for Your Payroll

Before you decide on the right Zambia payroll option, we recommend drafting entitlement and termination terms for all employees. Employers cannot terminate a contract for certain reasons, such as maternity or paternity leave or union representation. Workers are typically entitled to termination notice or payment instead of notice unless they've committed gross misconduct.

Work With Our Team Today

The Globalization Partners team will help you expand today through Zambia payroll outsourcing. [Contact us today](#) to learn more.