



Namibian TAX Alert

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2010/2011 BUDGET EDITION

In this budget edition of our newsletter we will briefly touch on the tax changes that the Honourable Minister of Finance, Saara Kuugongelwa-Amadhila, announced during the reading of the 2010/2011 Budget Speech earlier today.

INCOME TAX AND VALUE-ADDED TAX

The Minister believed that given the revenue outlook and generous tax concessions granted in the 2009/2010 budget, no tax changes were proposed for this year.

EXCISE DUTIES

The Minister confirmed the following percentage increases to customs and excise duties, effectively from 17 February 2010:

| | |
|---|---|
| Malt beer – 8.2% | Fortified wine and Sparkling wine – 8.3% |
| Traditional beer – no changes for the fifth year in a row | Spirits – 8.9% |
| Unfortified wine – 8.1% | Alcoholic Fruit Beverages and Ciders – 8.2% |
| Cigarettes 16.1% | Cigarette tobacco – 6.3%, etc. |

ENVIRONMENTAL LEVY

The Minister noted that the legislation for the environmental levy announced in the 2009/2010 budget speech is in the process of being finalised. It is envisaged that this tax will take the form of a duty imposed on environmental damaging substances. No further details were provided. The aim of this levy is to raise revenue as well as to protect the Namibian environment.

FOREIGN EXCHANGE CONTROL

No amendments to exchange control regulations were announced.

Contacts

Gerda Brand
gbrand@deloitte.co.za

Nikia Bauernschmitt
nbauernschmitt@deloitte.co.za

Member of
Deloitte Touche Tohmatsu

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