

In this issue:

2013 Tax Proposals

Sin Taxes

Contact us

Related links:

Recent Tax Alerts

Archived Tax Alerts

2013/2014 Unlocking the Budget Keeping you in the know



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 2013/2014 Budget Speech earlier today. Except for the changes discussed below no further changes were announced in the 23rd Budget of an Independent Namibia.

2013 Tax Proposals

Revenue for the 2013/2014 period is projected to be N\$ 40.1 billion, a 8.2% growth from the 2012/2013 estimated revenue. This includes savings to taxpayers amounting to N\$ 1.2 billion. The proposed tax savings are discussed below.

Individual Income Tax

The Minister announced a reduction in individual income tax rates. These rates still need to be gazetted as law and it is unknown what the effective date will be:

TAXABLE AMOUNTS (N\$)		Tax On Lower Amount (N\$)	Percentage Tax On Excess Over Lower Amount
0	50 000	0	
50 001	100 000	0	18%
100 001	300 000	9 000	25%
300 001	500 000	59 000	28%
500 001	799 999	115 000	30%
800 000	1 500 000	205 000	32%
1 500 001		429 000	37%

Corporate Income Tax

The non-mining company tax rate will reduce from 34% to 33% in 2013/2014 and further to 32% in 2014/2015. The reduced rate is aimed at encouraging investments in Namibia.

The rate still needs to be gazetted as law and the effective date will only be known at that time.

Transfer Duty and Stamp Duties for natural persons

A reduction in stamp duties and transfer duties was announced by the Minister and is aimed to encourage individuals to acquire property in an expensive property environment. No changes were announced in respect of companies and non-natural persons.

The following transfer duty brackets and rates are proposed for natural persons:

Value (N\$)		Rates	
0	600 000	0	Nil
600 001	1 000 000	0	1%
1 000 001	2 000 000	4 000	5%
2 000 001		54 000	8%

The following stamp duty brackets and rates are proposed:

- N\$ 0 – N\$ 600 000 – **EXEMPT**
- Where the value or consideration exceeds N\$ 600 000, for every N\$ 1 000 or part thereof of the value or consideration that exceeds N\$ 600 000 – **N\$ 10**

The effective date of these rates has not been provided and the rates will have to be published in the government gazette before they will become effective.

Tax administration

As part of the Ministry's on-going tax reforms, the Minister commented that further measures to improve tax administration and strengthen revenue performance will be implemented. However, no details as to the intended measures were provided.

Export Levy

The export levy that was first announced in July 2011 will be promulgated as law during the course of 2013, although certain stakeholder consultations are still on-going.

Environmental Levy

The Minister will also table the environmental levy bill in respect of carbon taxes, levies on light bulbs and certain tyres during the course of 2013.

Consultation with stakeholders, in respect of the levy on plastic bags and cans, still need to be finalised.

Value-Added Tax (VAT)

No changes were announced in respect of VAT.

Exchange control

No changes were announced in respect of exchange control regulations.

Sin taxes

The 2013/2014 excise duty rates will be announced by the South African Minister of Finance on the 27th February 2013 and will come into effect in Namibia on the same day.

Contact u

For more information on the topic covered in this newsletter please do not hesitate to contact our Deloitte Namibia Tax team:

Gerda Brand: gbrand@deloitte.co.za

Nikia Bauernschmitt: nbauernschmitt@deloitte.co.za

Katja Büttner: kbüttner@deloitte.co.za

Aron Haifene: ahaifene@deloitte.co.za

Mercy Kuzeeko: mkuzeeko@deloitte.co.za

Rebekka Ninda: rninda@deloitte.co.za

Rikotoka Swartz: riswartz@deloitte.co.za

[Home](#) | [Security](#) | [Legal](#) | [Privacy](#)

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

“Deloitte” is the brand under which tens of thousands of dedicated professionals in independent firms throughout the world collaborate to provide audit, consulting, financial advisory, risk management, and tax services to selected clients. These firms are members of Deloitte Touche Tohmatsu Limited (DTTL), a UK private company limited by guarantee. Each member firm provides services in a particular geographic area and is subject to the laws and professional regulations of the particular country or countries in which it operates. DTTL does not itself provide services to clients. DTTL and each DTTL member firm are separate and distinct legal entities, which cannot obligate each other. DTTL and each DTTL member firm are liable only for their own acts or omissions and not those of each other. Each DTTL member firm is structured differently in accordance with national laws, regulations, customary practice, and other factors, and may secure the provision of professional services in its territory through subsidiaries, affiliates, and/or other entities. This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, any of its member firms or any of the foregoing’s affiliates (collectively the “Deloitte Network”) are, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

© 2013 Deloitte & Touche. All rights reserved. Member of Deloitte Touche Tohmatsu Limited

www.deloitte.com/na