



# 2021/22 Mid-Year Budget Review Highlights

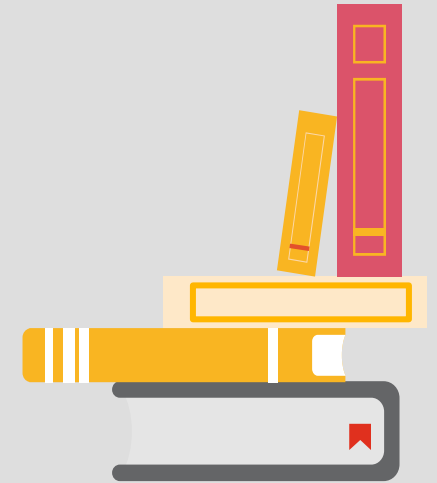
November 2021



# 2021/22 Mid-Year Budget Review

## Overview

The Honourable Minister of Finance presented the Mid-Year Budget Review Policy Statement in Parliament on the 3rd of November 2021. This overview summarises highlights from the speech.

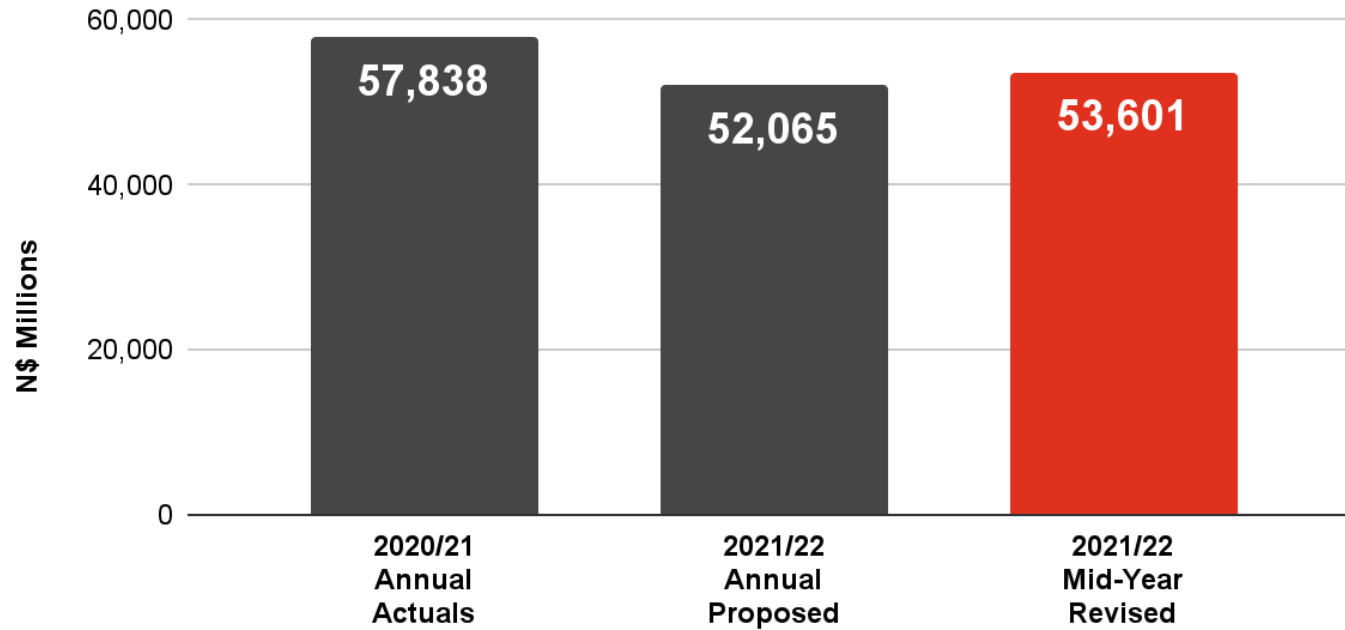


***“As Namibians, we are tough people, so we shall overcome!” - Hon. Iipumbu Shiimi, Minister of Finance***

# 2021/22 Mid-Year Budget Review

## Budget Comparisons (N\$ Millions)

### Revenue Outlook



Revenue Comparison (N\$ Millions)

Revised Revenue increased by **2.95%**, from what was initially expected with the annual budget speech earlier this year.

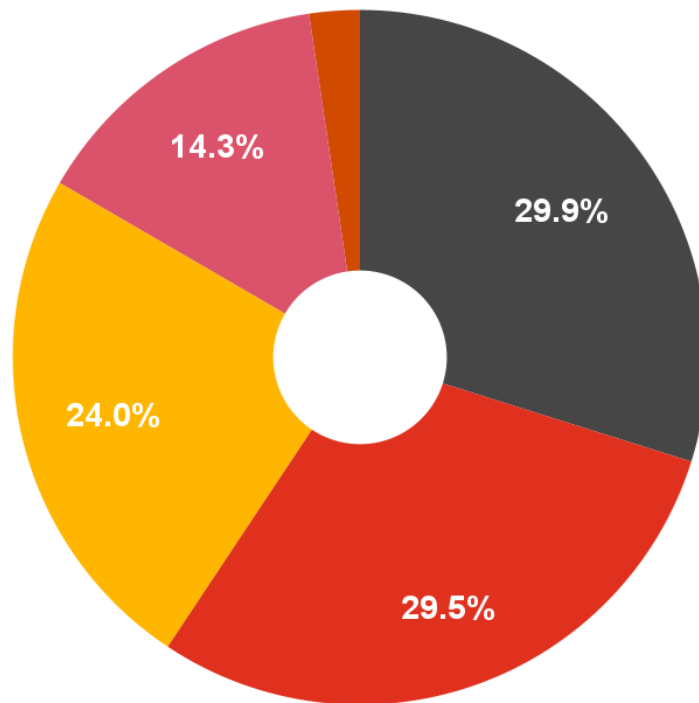


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# 2021/22 Mid-Year Budget Review

## Budget Comparisons (N\$ Millions)

### Revised Tax Revenue Composition



- Customs & Excise
- Income Taxes on Individuals
- Indirect Taxes
- Company Taxes
- Property & Other Taxes

Total Revised Revenue for 21/22  
**= N\$53,601 Million**

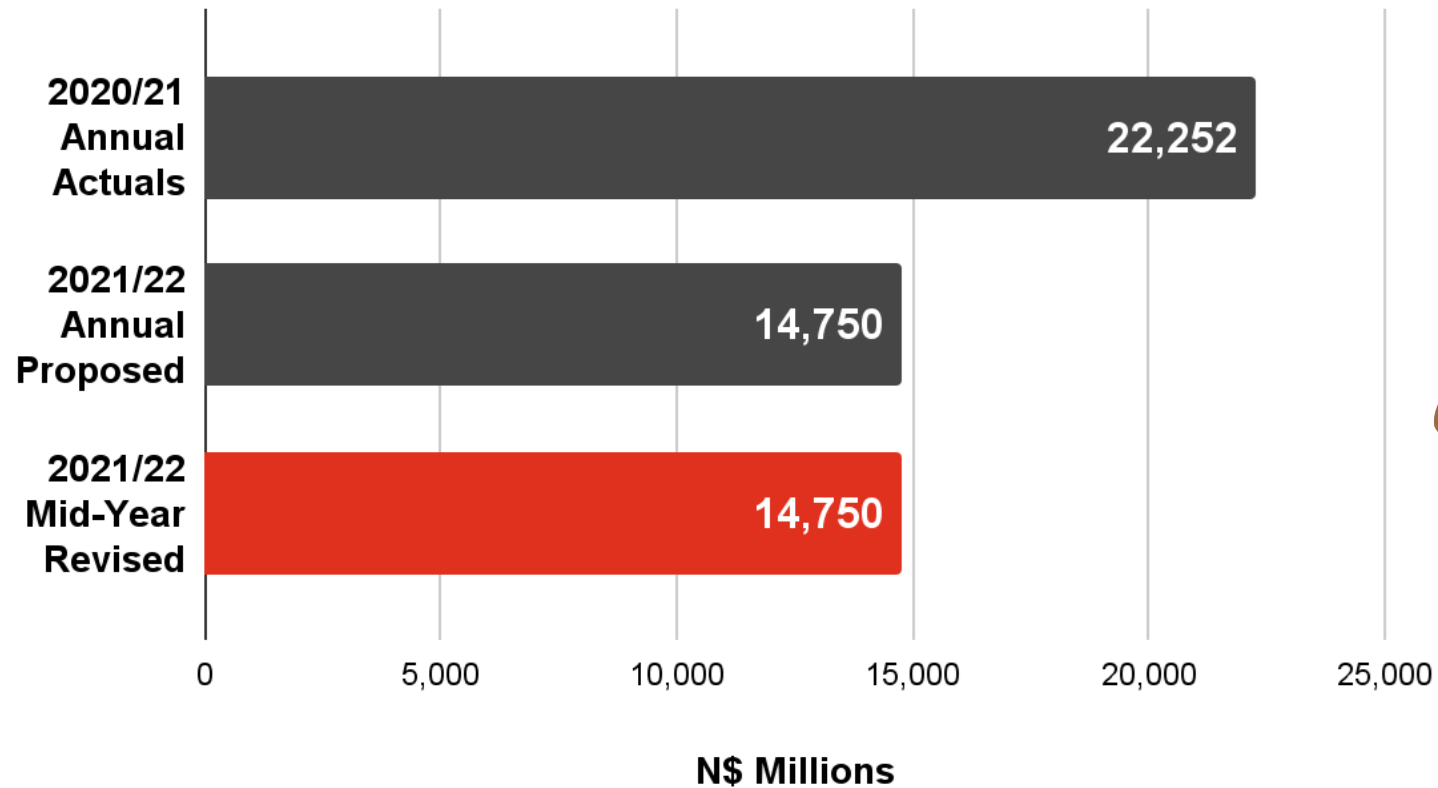
Non-Tax Revenue for 21/22  
**= N\$4,115 Million**  
(7.68% of total revenue)



# 2021/22 Mid-Year Budget Review

## Budget Comparisons (N\$ Millions)

### SACU Receipts



# 2021/22 Mid-Year Budget Review

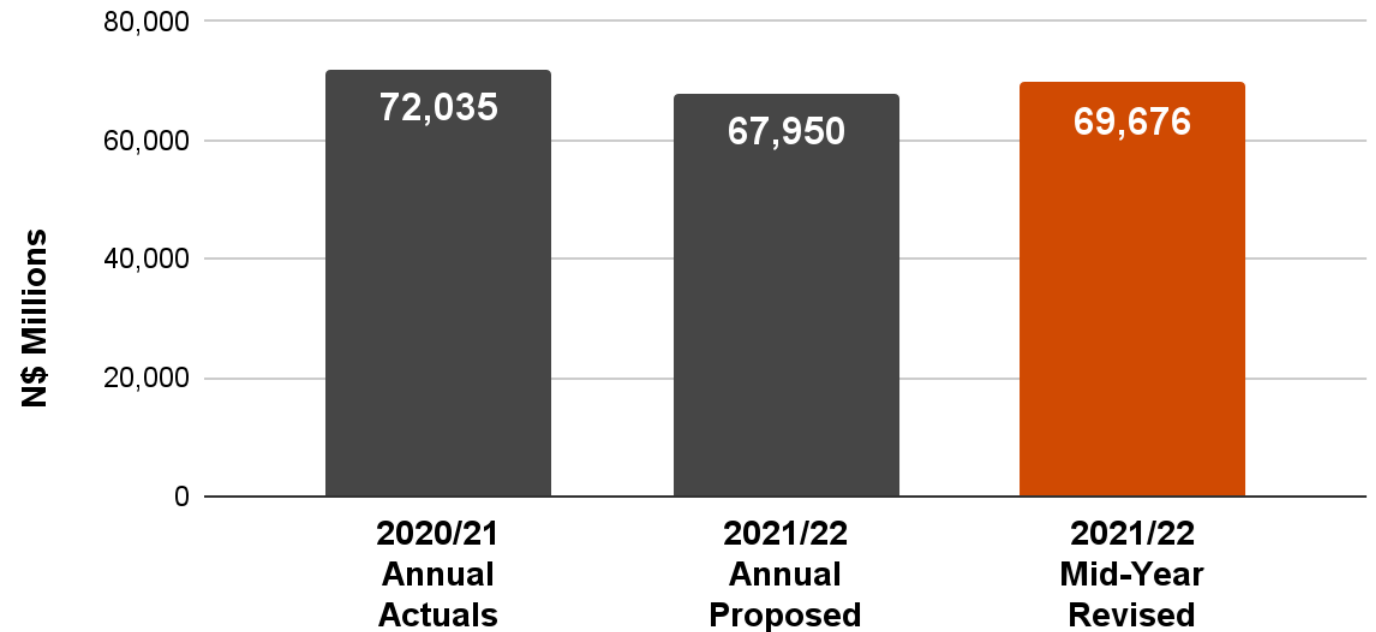
## Budget Comparisons (N\$ Millions)



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Revised Expenditure increased by **2.54%**, from what was initially forecasted with the annual budget speech earlier this year.

## Expenditure Outlook



Expenditure Comparison (N\$ Millions)

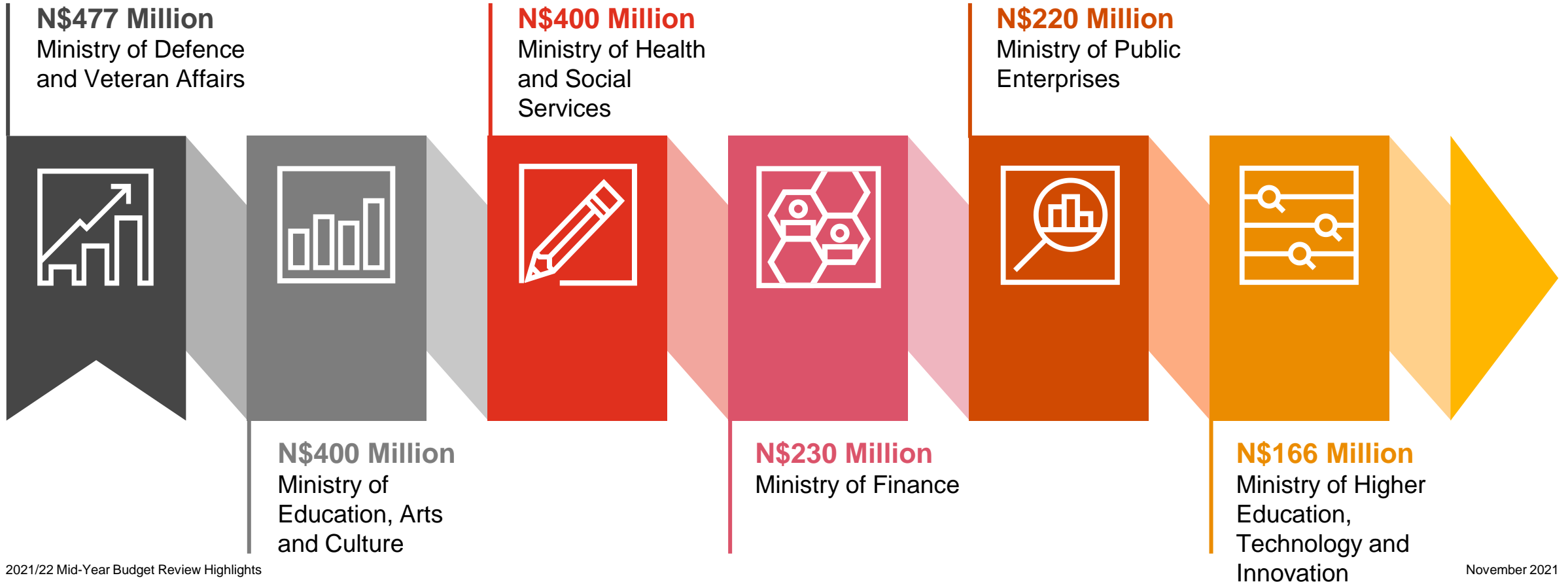
# 2021/22 Mid-Year Budget Review

## Budget Comparisons (N\$ Millions) Major Spending Reallocations



Total Funds Re-allocated  
**= N\$2.2 billion**

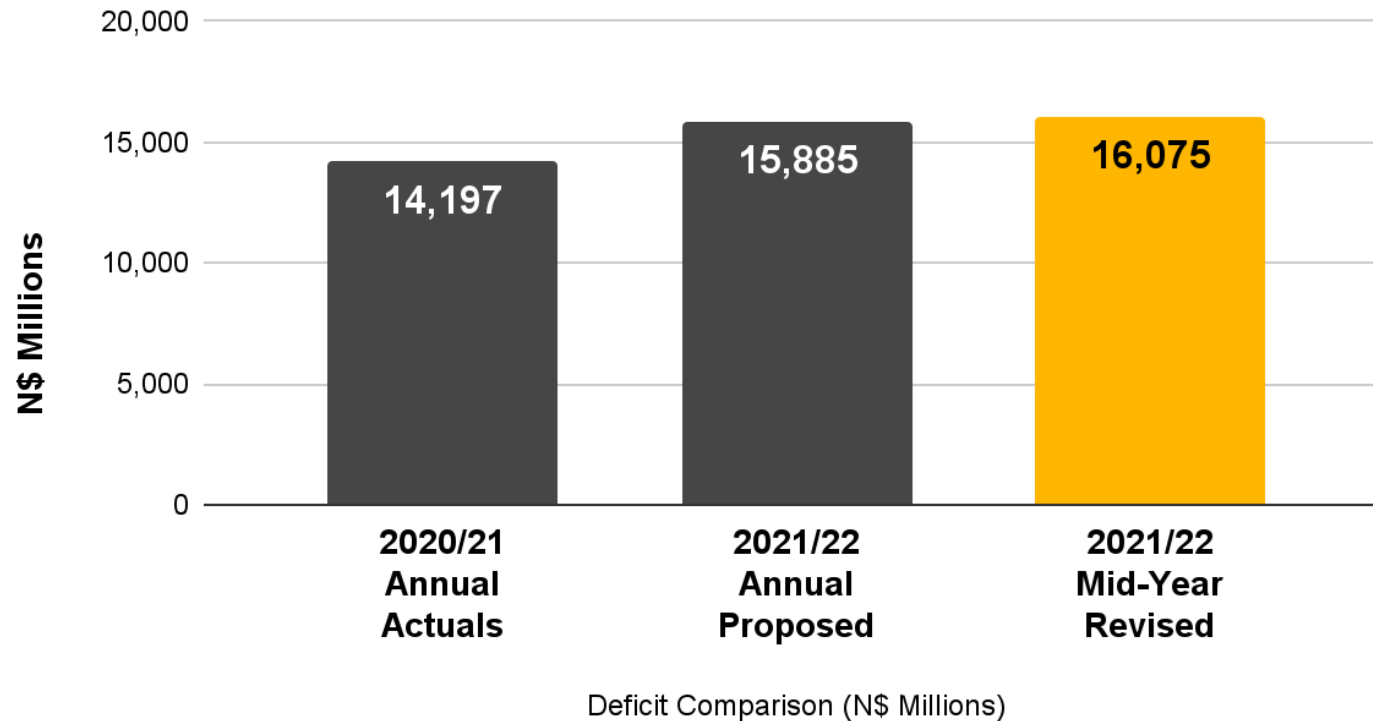
\*Mainly consisting of Operational Budget



# 2021/22 Mid-Year Budget Review

## Budget Comparisons (N\$ Millions)

### Deficit Outlook



The revised Budget Deficit for the period increased by

**1.20%**, from what was initially anticipated with the annual budget speech earlier this year.



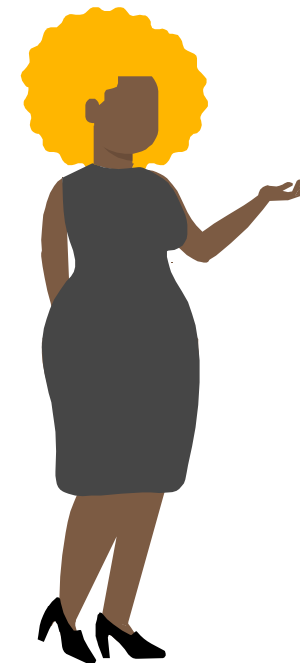
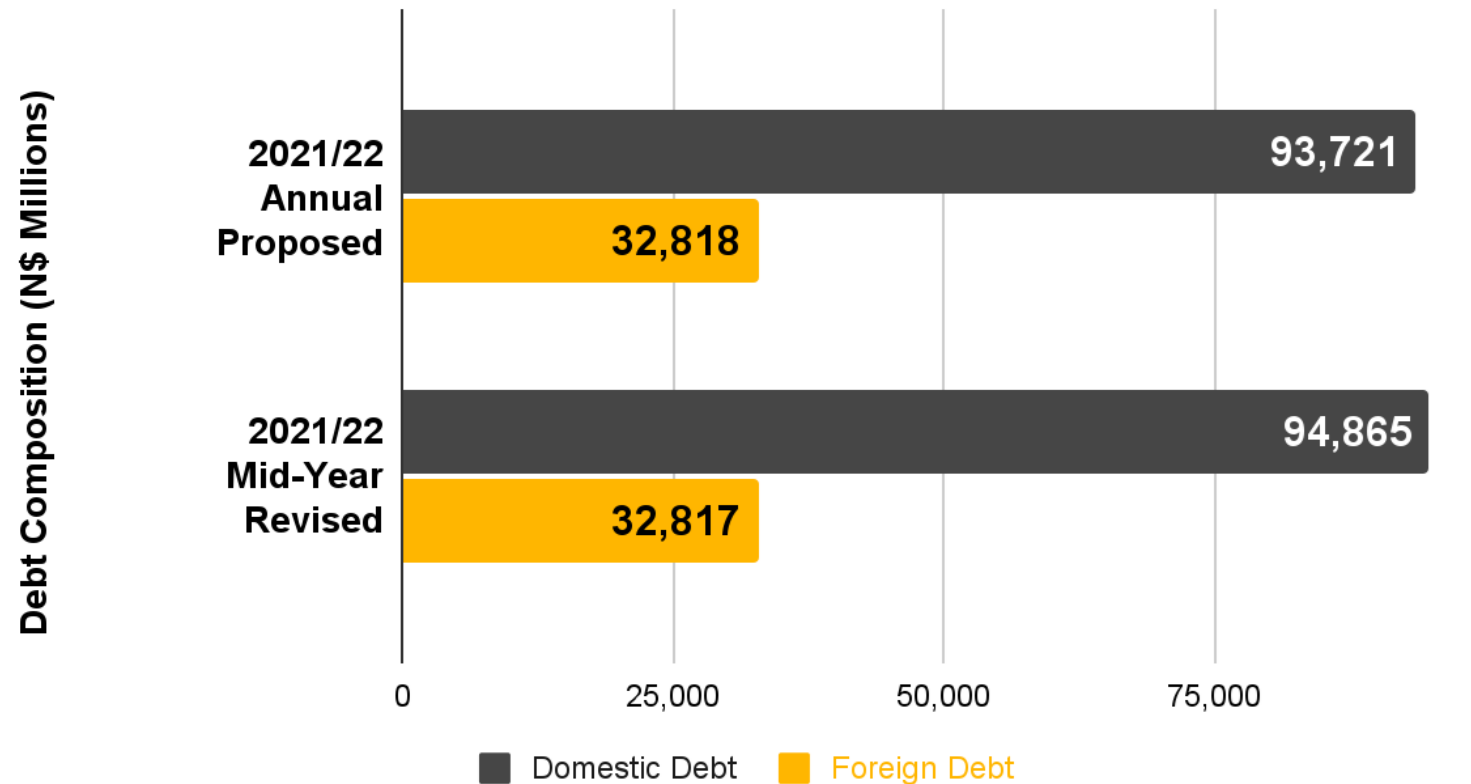
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# 2021/22 Mid-Year Budget Review

## Budget Comparisons (N\$ Millions)

### Domestic Debt vs Foreign Debt



**Revised:  
Debt as a  
% of GDP  
68.7%**



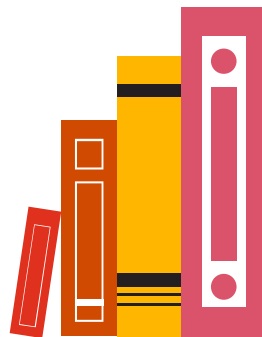
# 2021/22 Mid-Year Budget Review

## MTEF Policy Priorities



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Amongst others, the following **MTEF Policy** priorities were noted during the Honourable Minister of Finance's Mid-Year Budget Speech.



The Office of the Prime Minister appointed a team of consultants to map out and finalise the **wage bill reforms**.

The **Special Economic Zone (SEZ)** policy framework is currently making rounds through stakeholder consultations.

Reviewing the mechanism on **SME financing facilities** administered by the Bank of Namibia and the Development Bank of Namibia

Concerted efforts to attract private sector investment in a potential new sector of **green hydrogen**.

# 2021/22 Mid-Year Budget Review

## Tax Proposals

### Dividend Withholding Tax on Residents

Introduction of 10% tax on dividends paid to Namibian shareholders

### Deductibility of Pension Fund and Educational Policy Contributions

Deduction to increase from a maximum of N\$ 40 000 to a maximum of N\$ 150 000

### Withholding Tax on Services

Improved administration by requiring taxpayers to provide proof of actual tax withheld from payments

### Zero Rated Supply of Sanitary Pads

Amend Schedule III of the VAT Act to include the supply of sanitary pads as a zero rated supply

### Asset Management Fees

Extending the VAT charge on the fees of all asset managers to ensure fairness of the tax system

During the Honourable Minister of Finance's Mid-Year Budget Speech, the following **Tax Proposals** were noted.



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# 2021/22 Mid-Year Budget Review

**Questions?** Contact one of our Tax Experts below:



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