



Mid-year budget 2025/26 analysis





Overview

The honourable Minister of Finance presented the Mid-year budget review policy statement in parliament on 21 October 2025.

I end with Her Excellency Netumbo Nandi-Ndaitwah's call for speedy, effective and efficient execution of projects to bring about much needed jobs for our people, particularly the youth.



Hon. Ericah B. Shafudah,
Minister of Finance

Budget Comparisons (N\$ Millions)

Revenue outlook

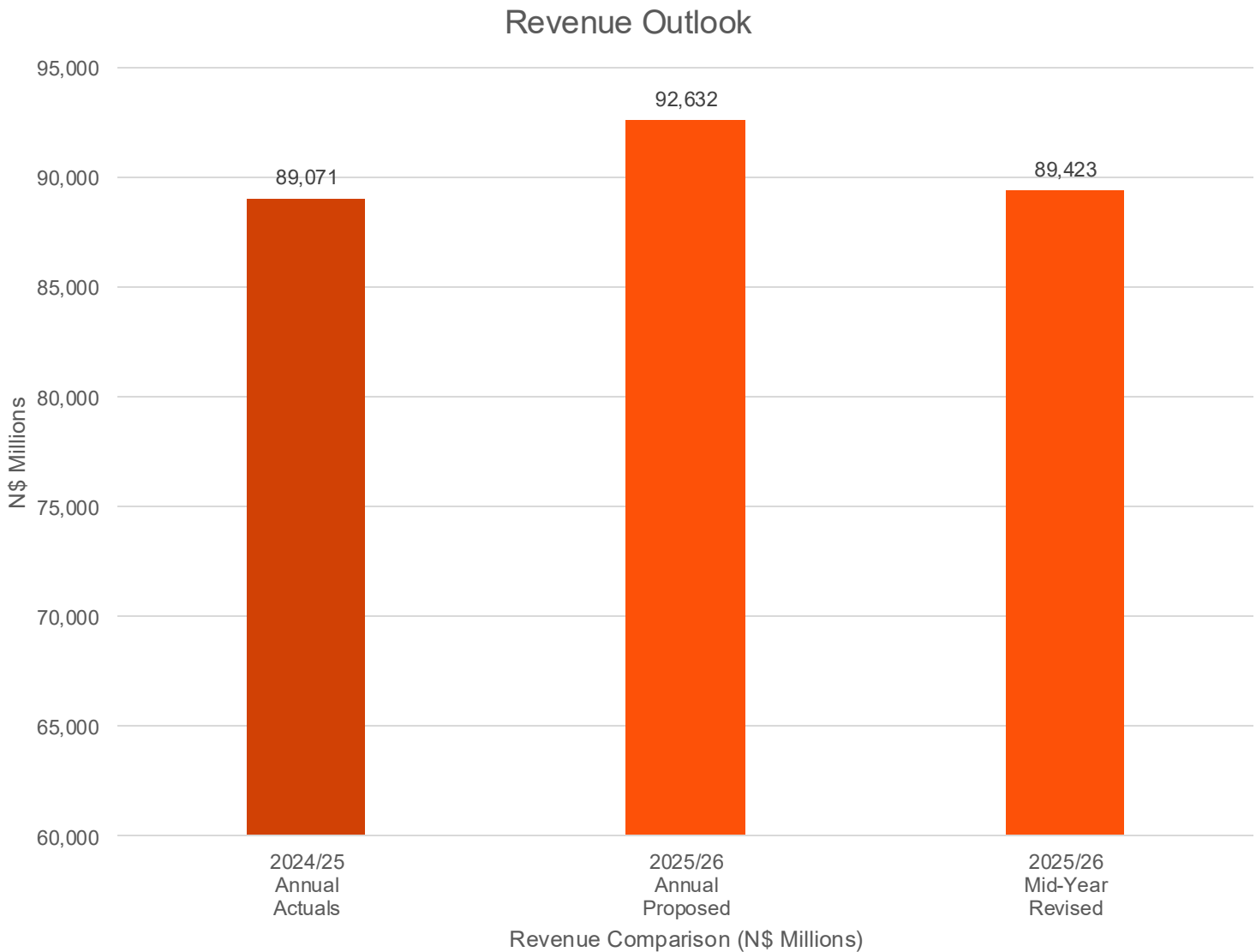


Chantell Husselmann
Country senior partner

“Revised Revenue **decreased** by

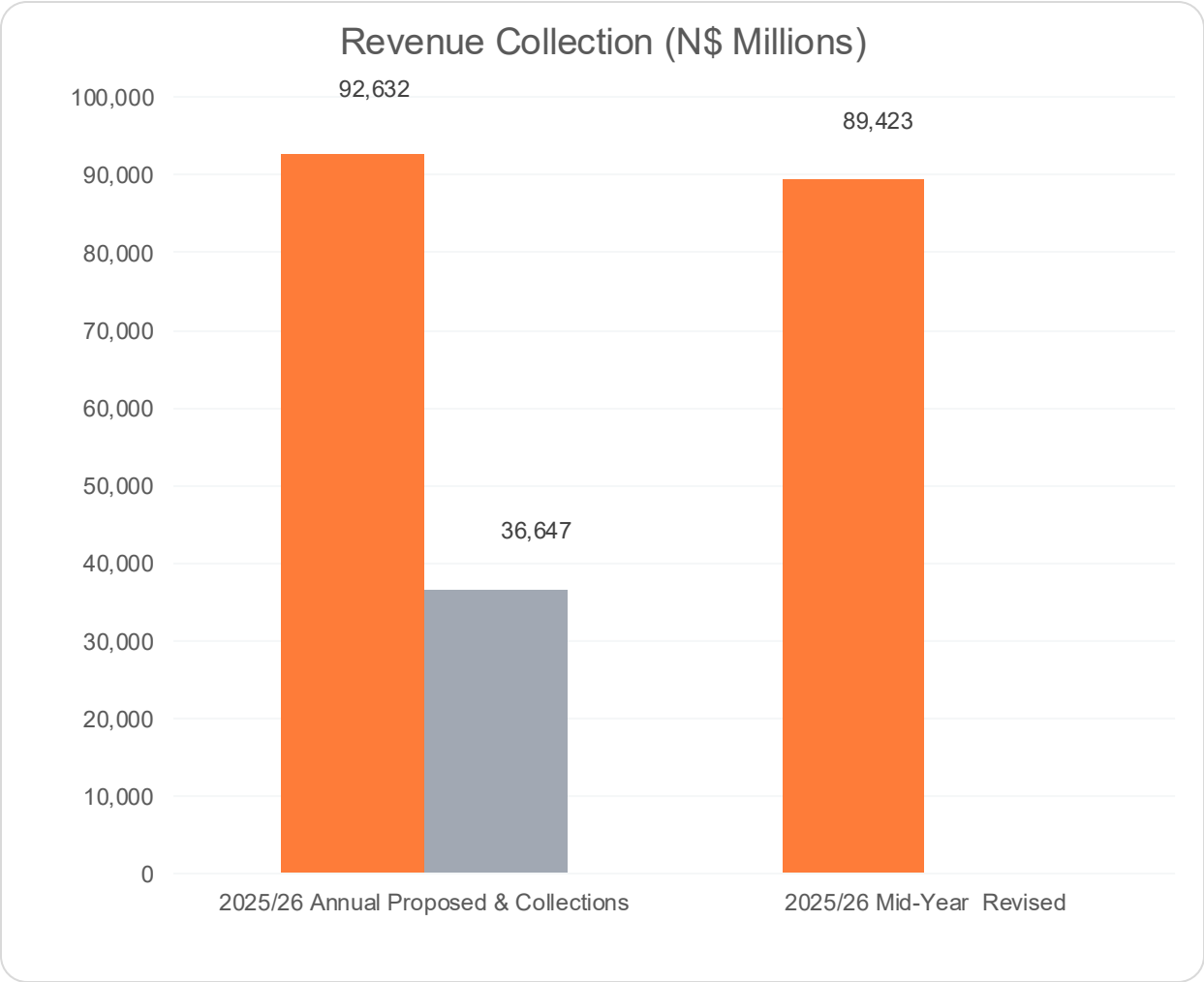
3.46%

from what was initially expected
with the annual budget speech
earlier this year.”



Mid-year Budget 2025-26 review

Budget comparisons (N\$ Millions)



**Total revised revenue
year 25/26**

= N\$89.4 billion

Collection year-to-date

= 39.56%

Budget Comparisons (N\$ Millions)

Expenditure outlook



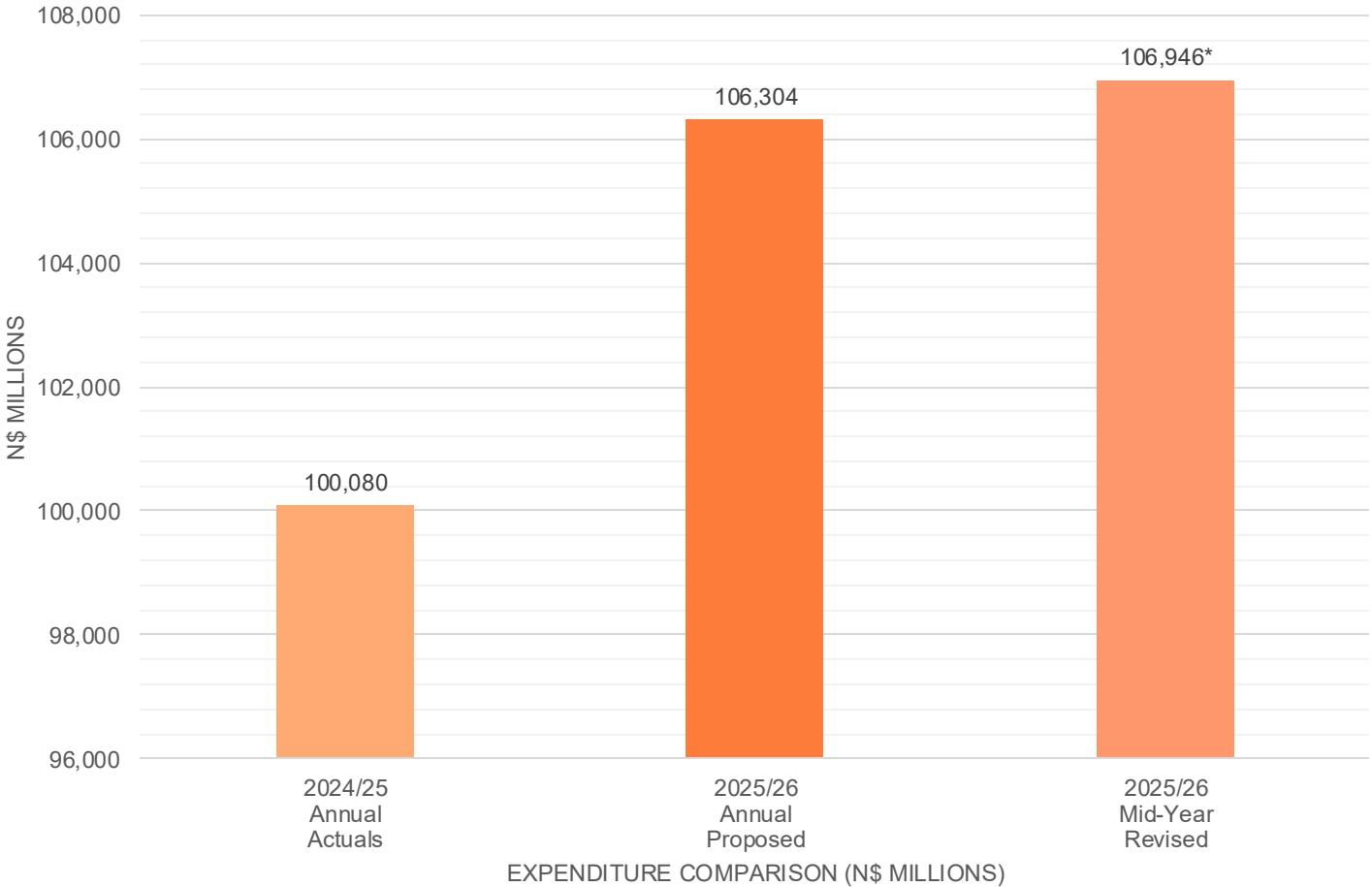
Cherise Pfeiffer
Senior Manager Corporate Tax

“Revised expenditure **increased** by

0.6%

from what was initially forecasted with the annual budget speech earlier this year.”

Expenditure Outlook



*Manually adjusted to agree to the Minister’s speech

Budget Comparisons (N\$ Millions)

Deficit outlook



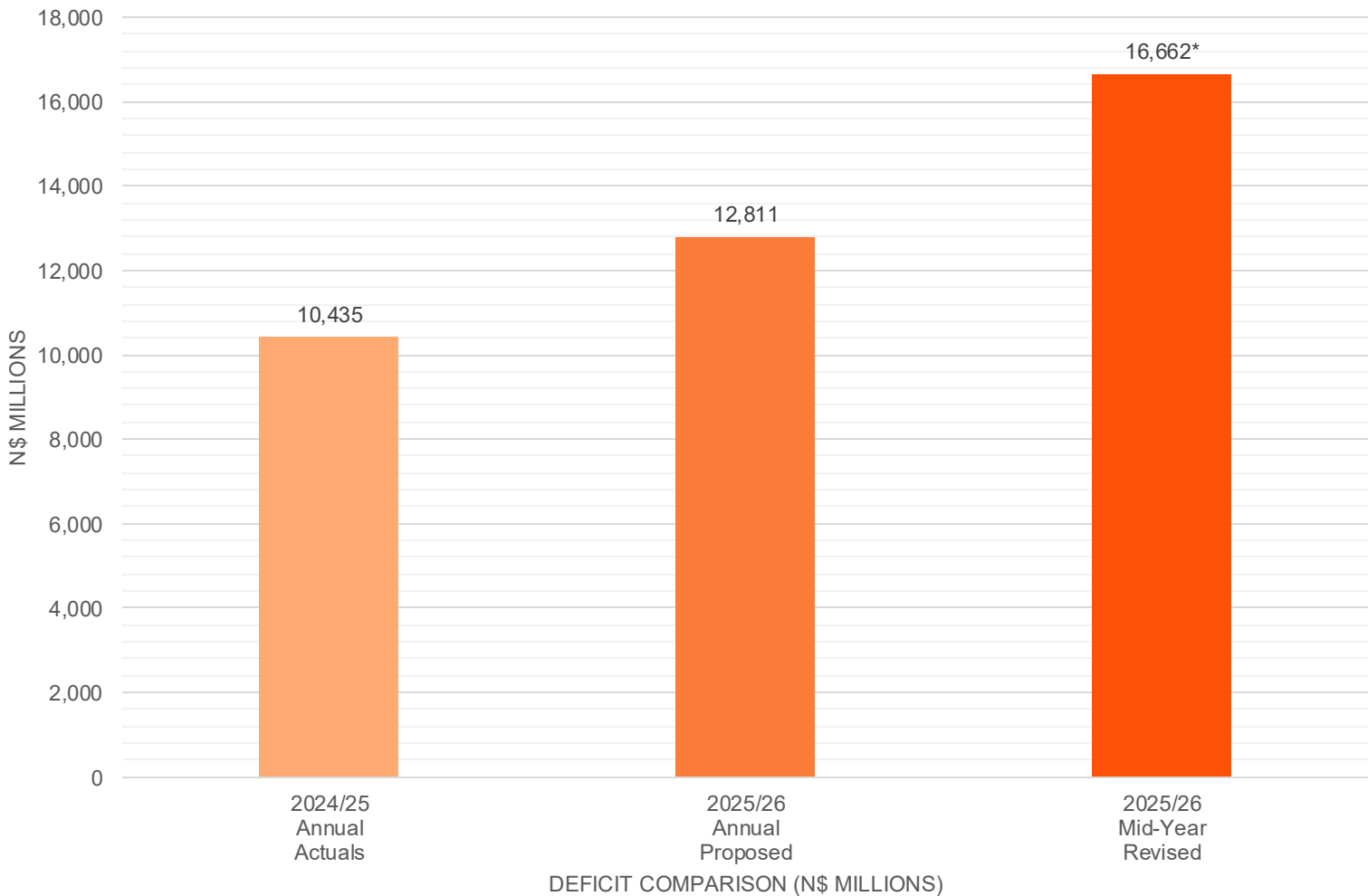
Agarthu Beukes
Senior Manager VAT Tax

“The revised budget deficit for the period **increased** by

30.06%

from what was initially anticipated with the annual budget speech earlier this year.”

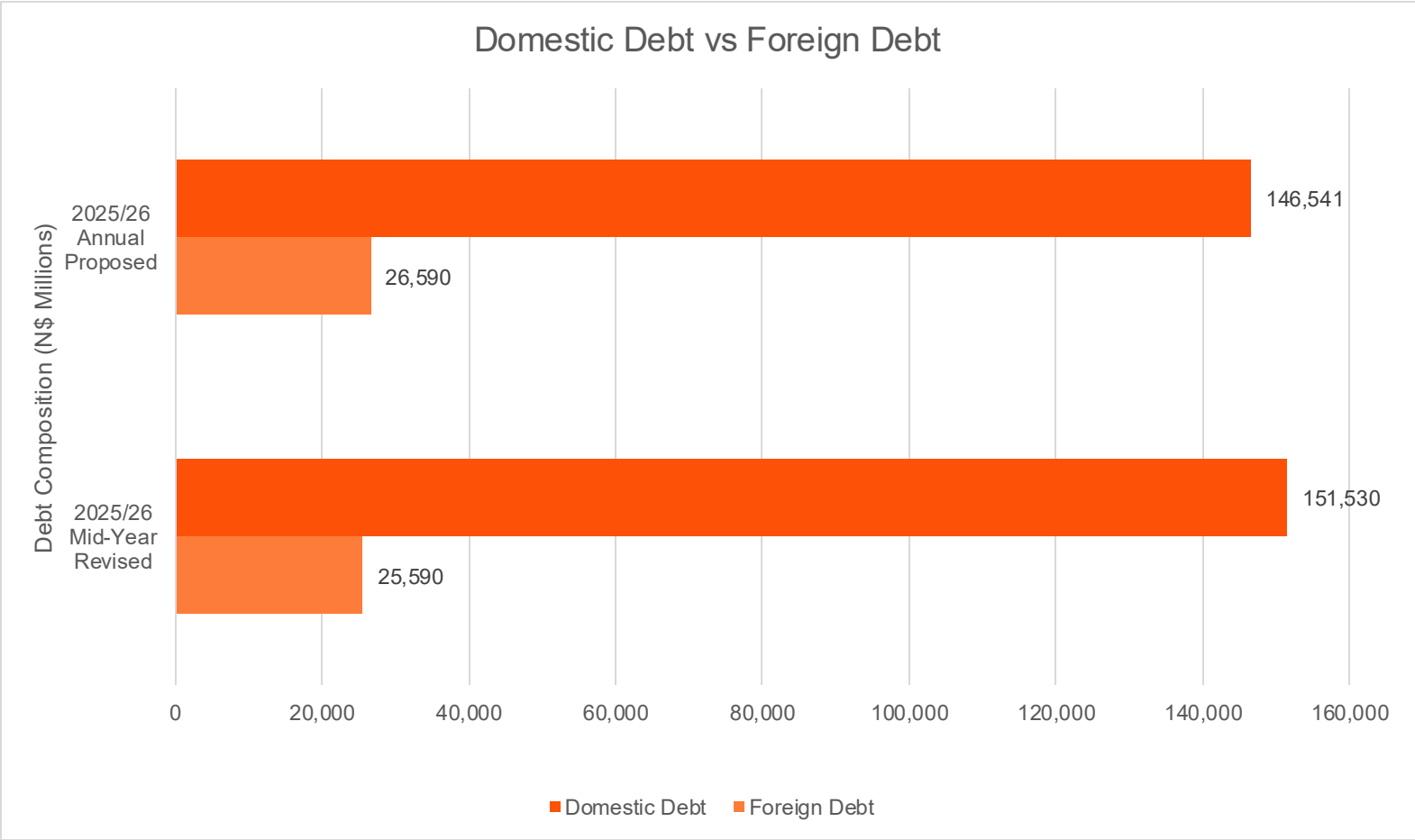
Deficit Outlook



*Manually adjusted to agree to the Minister’s speech

Budget Comparisons (N\$ Millions)

Domestic debt vs Foreign debt



Christo Retief
Senior Manager Corporate Tax

“Revised debt as a % of GDP
increased to

67.5% from 62.3%”

Status of tax proposals/ previously proposed amendments



During the honourable minister of finance's mid-year budget speech, the following tax proposals were noted

■ **Anneri Lück**
Associate Director Tax

01

Preference share dividends amendment

☒ Confirmed

02

Retirement Fund single commutation threshold increase

☒ Confirmed

03

Cap on Housing benefits

☒ Confirmed

Status of tax proposals/ previously proposed amendments

04

10% Local dividend tax
effective 01 January
2026

✓ Confirmed

05

SEZ tax rate at 20%

✓ Confirmed

06

Alignment of taxation
of long-term insurers

✓ Confirmed

07

Rate reduction to 28%
for non-mining
companies

✓ Confirmed

Status of tax proposals/ previously proposed amendments

08	09	10	11
Corporate tax rate of 20% for SME's turnover threshold	Renegotiation of Namibia's double taxation agreements	Building improvement deduction	VAT e-invoicing system
<div>✓</div> Confirmed	<div>X</div> Not mentioned	<div>X</div> Not mentioned	<div>X</div> Not mentioned

Status of tax proposals/ previously proposed amendments

12	13	14
VAT on imported Digital Services	Zero-rating of commercial property	Special Tax Court
<div>X</div> Not mentioned	<div>X</div> Not mentioned	<div>X</div> Not mentioned



Contact us



Chantell Husselmann

Country Senior Partner &
Tax Leader

chantell.husselmann@pwc.com



Anneri Lück

Associate Director Tax

anneri.luck@pwc.com



Christo Retief

Senior Manager
Corporate Tax

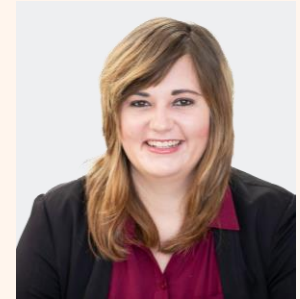
christo.retief@pwc.com



Agartha Beukes

Senior Manager
Indirect Tax

agartha.b.beukes@pwc.com



Cherise Pfeiffer

Senior Manager
Direct and Indirect Tax –
Walvis

cherise.pfeiffer@pwc.com