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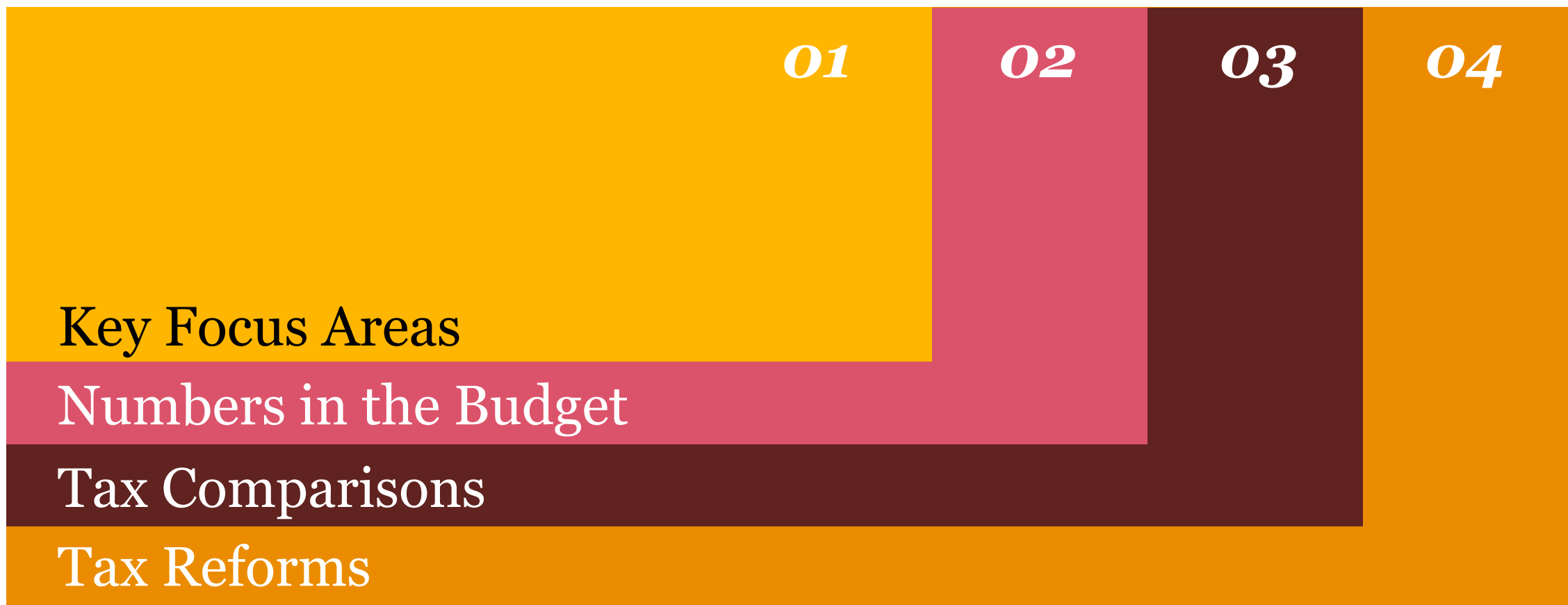
Safari Court  
Hotel &  
Conference  
Centre  
March 2017

# *Stronger Together* Namibia Budget Review 2017/2018



**pwc**

# ***Budget Review 2017/2018***



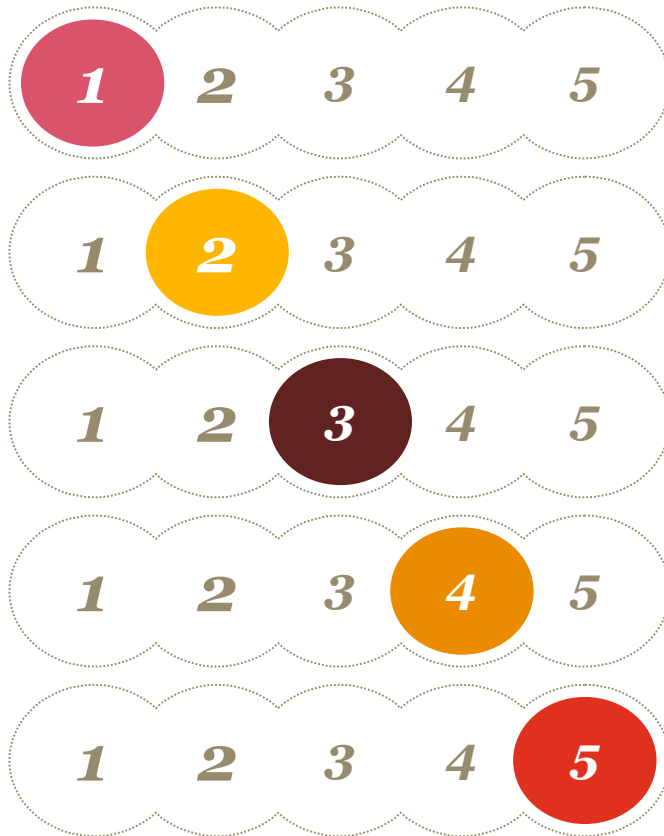
# ***Key Focus Areas***

**1**



# Key Focus Areas

“Maintaining Pro-growth Fiscal Consolidation: Making Impact where it Matters”



Macroeconomic Fundamentals & Fiscal Buffers

Inclusive Growth & Economic Diversification

Poverty Eradication

Harambee Prosperity Plan

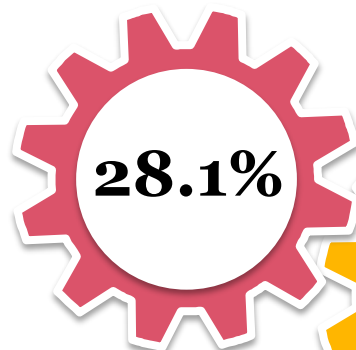
Improved Public Service Delivery

# ***Public Finance Reforms***

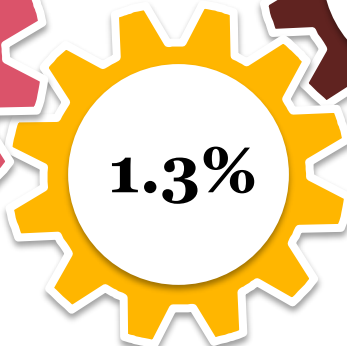


# Namibian Economic Statistics

Unemployment at  
March 2017



Inflation at  
January 2017



GDP Growth



USD: NAD  
Exchange Rate

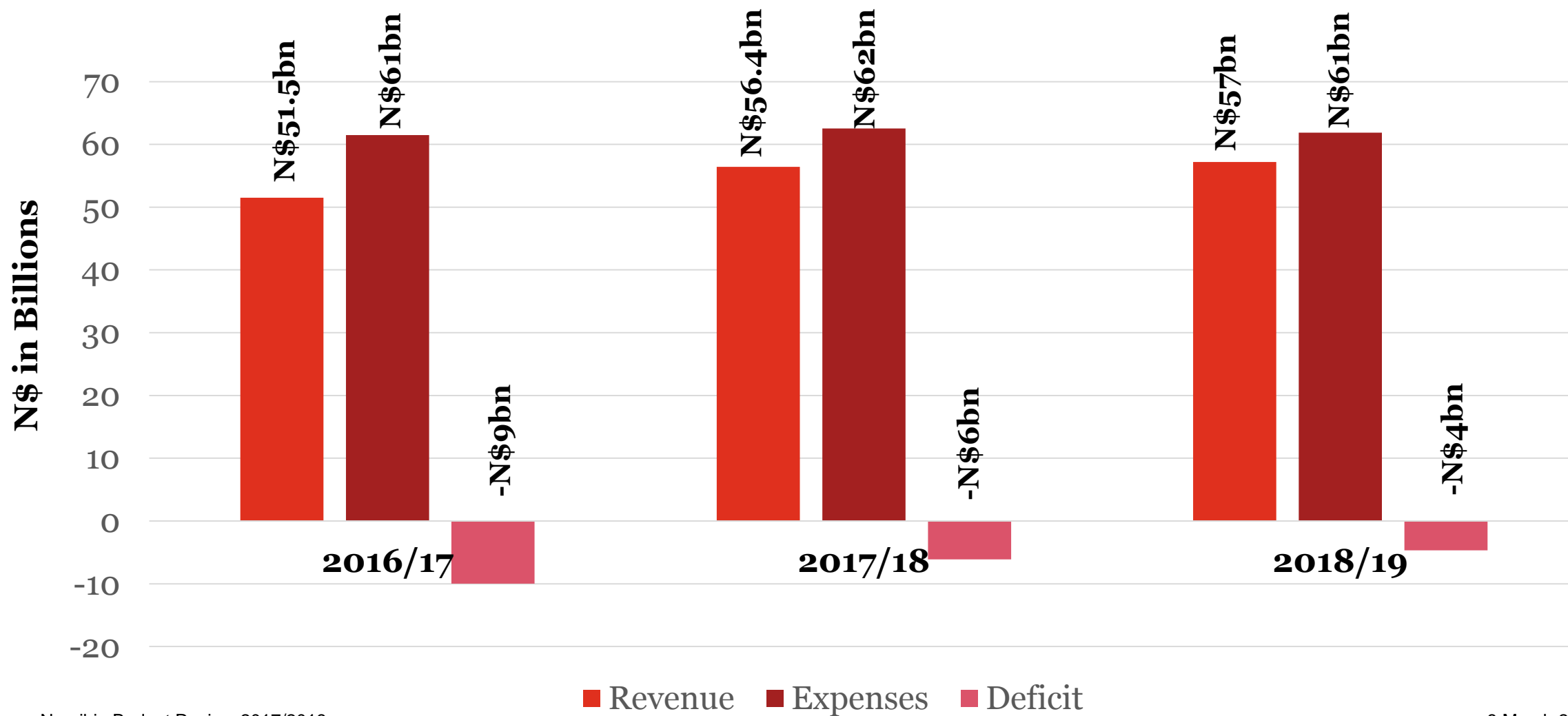


# *The Numbers*

# 2



# *Revenue vs. Expenditure*



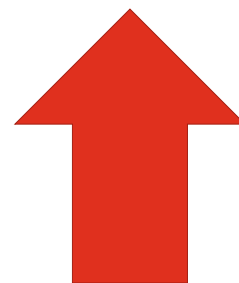


# ***Debt Stock as % of GDP***

**N\$71.67bn**

2017/2018

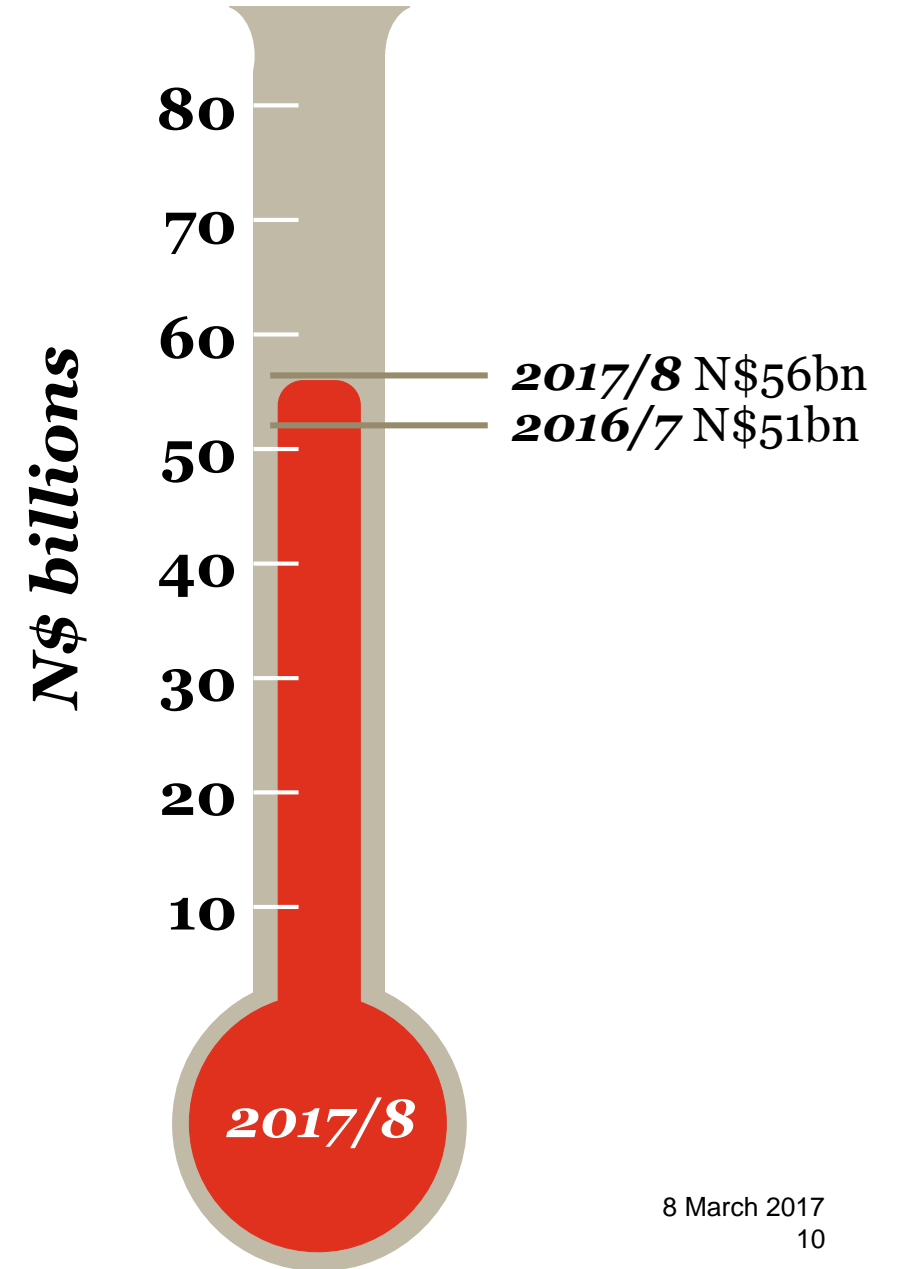
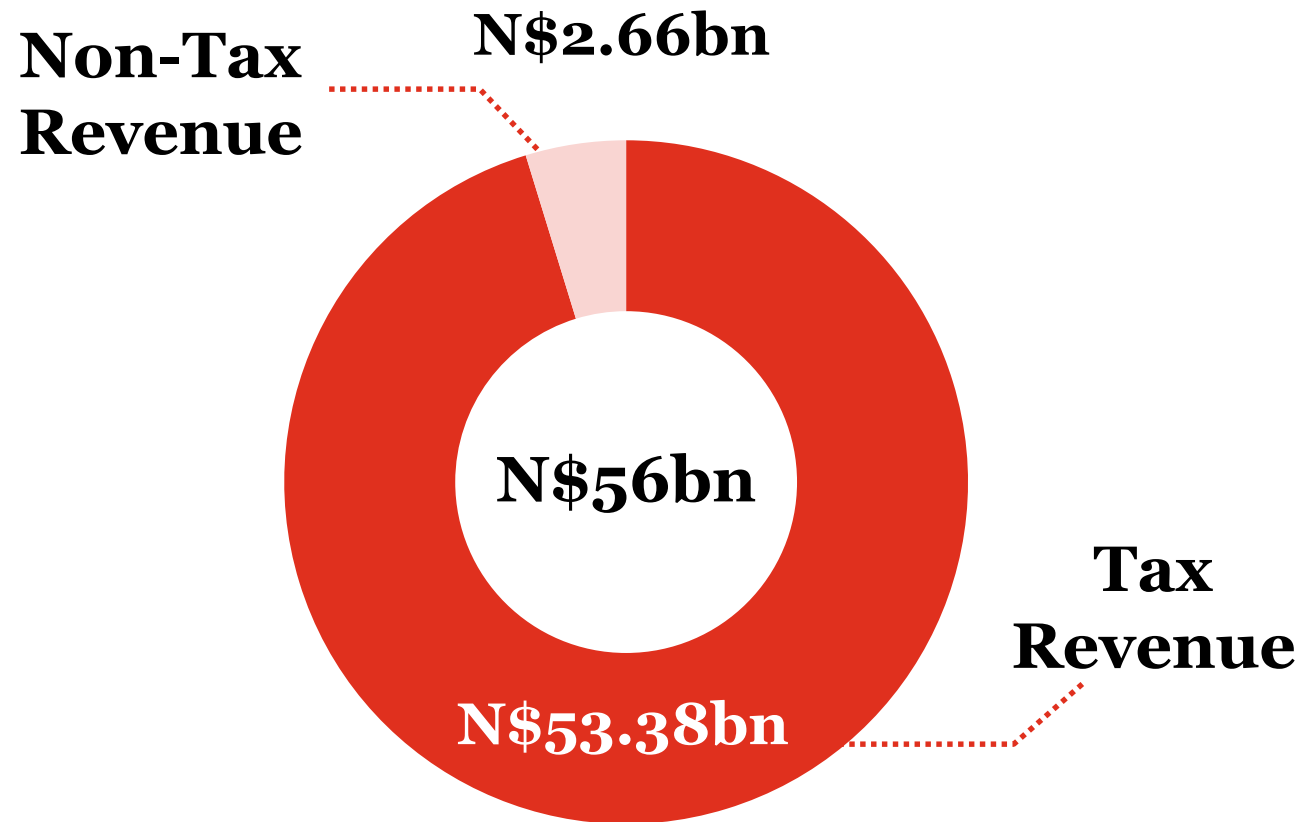
**42%**



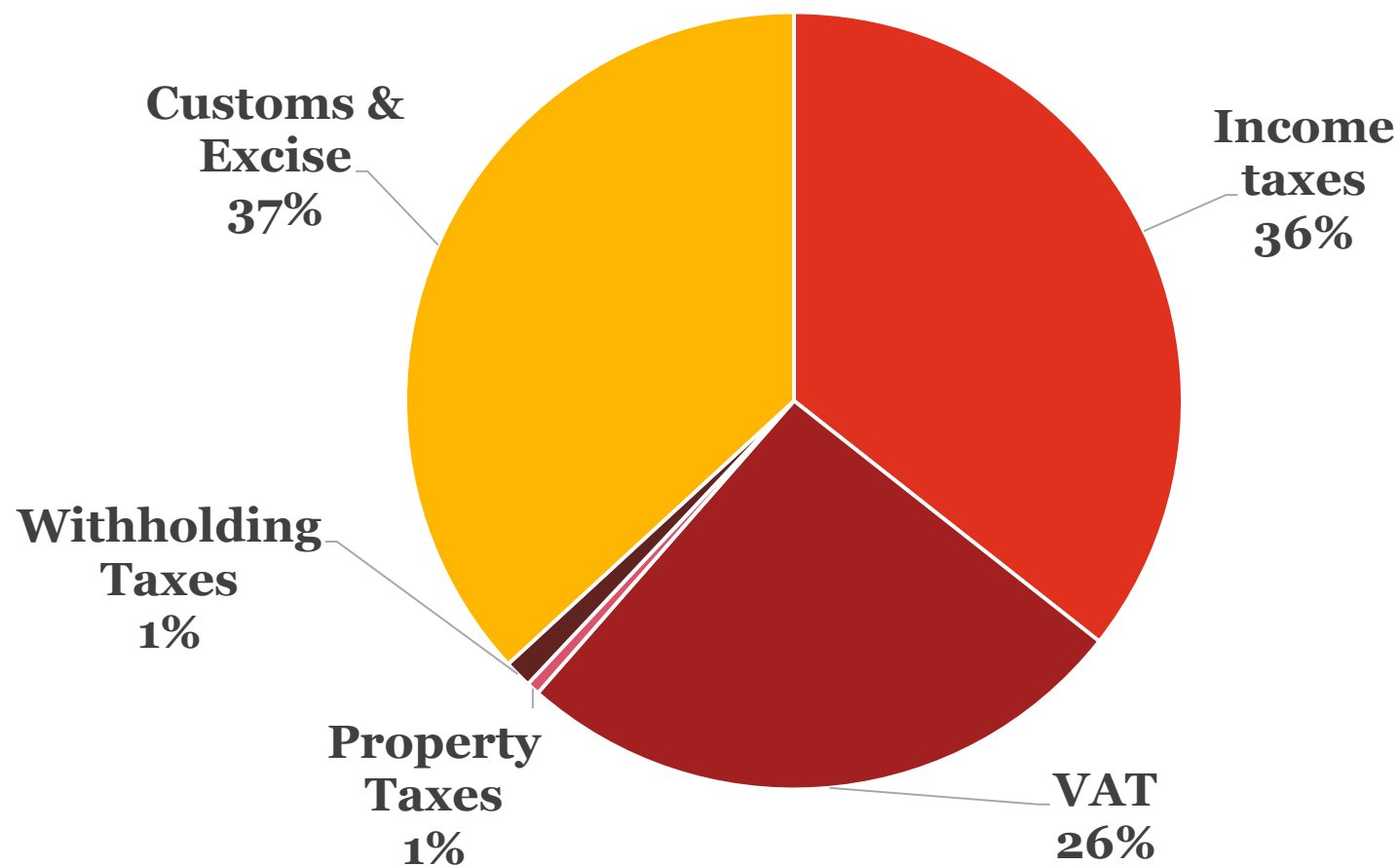
**N\$75.22bn**

2019/2020

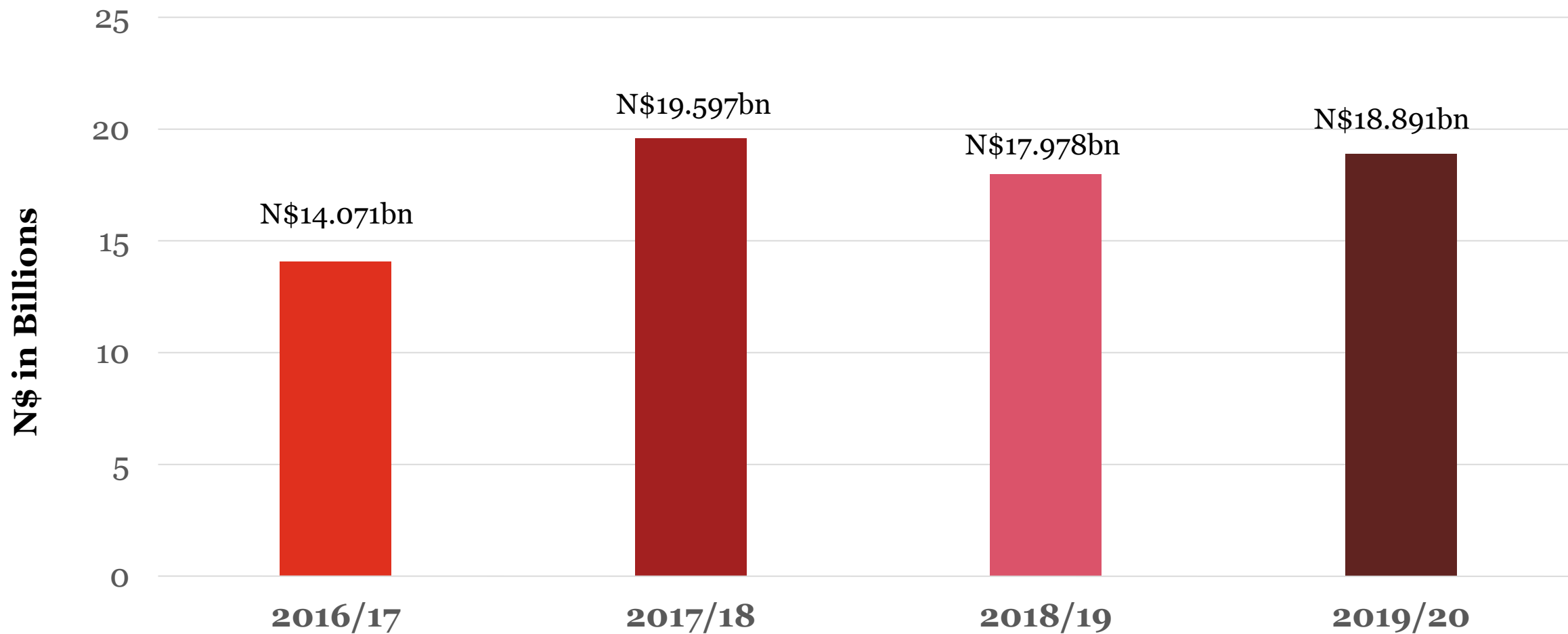
# ***Tax Revenue vs. Non-Tax Revenue***



# ***Total Tax Revenue (N\$ 53.38 billion)***



# ***SACU Receipts***



# Spending Comparison



**2017/8** N\$62.5bn

**N\$ billions**

80

70

60

50

40

30

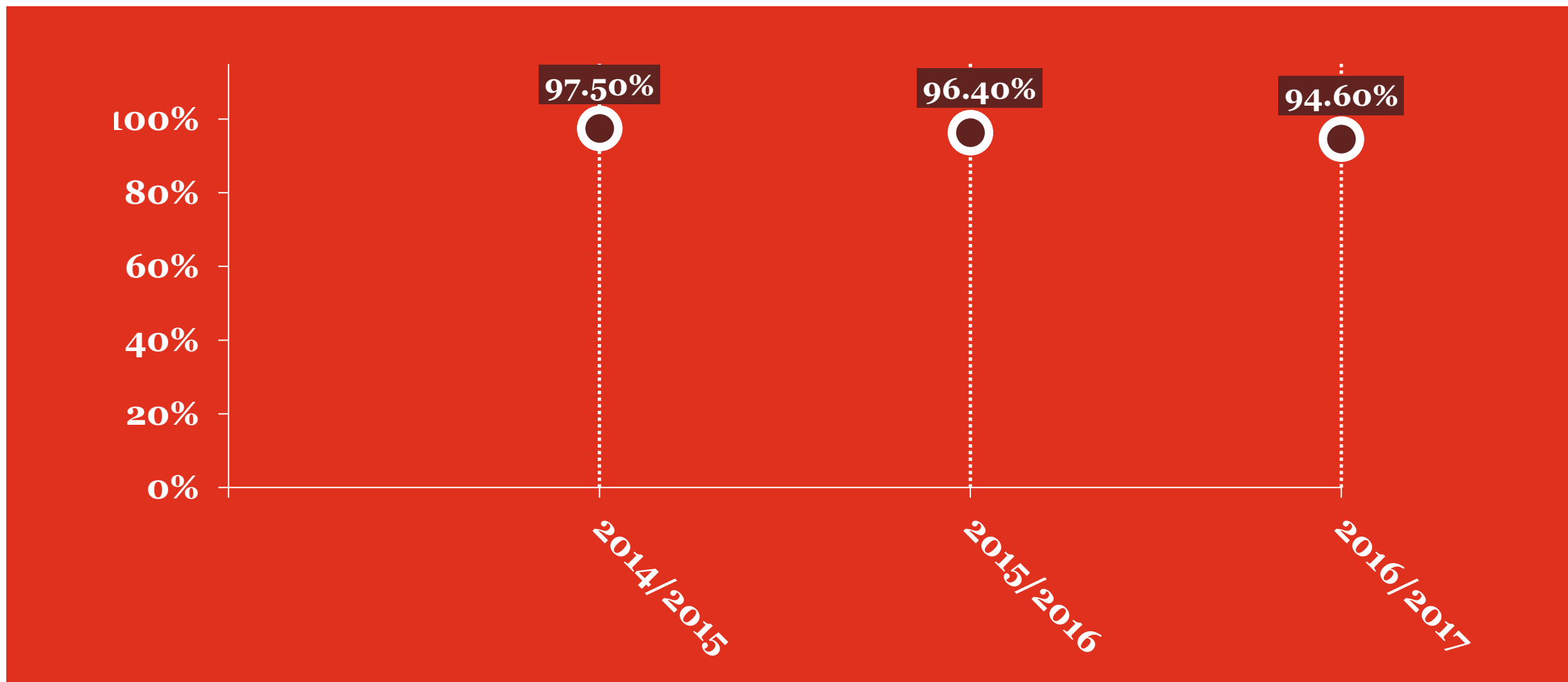
20

10

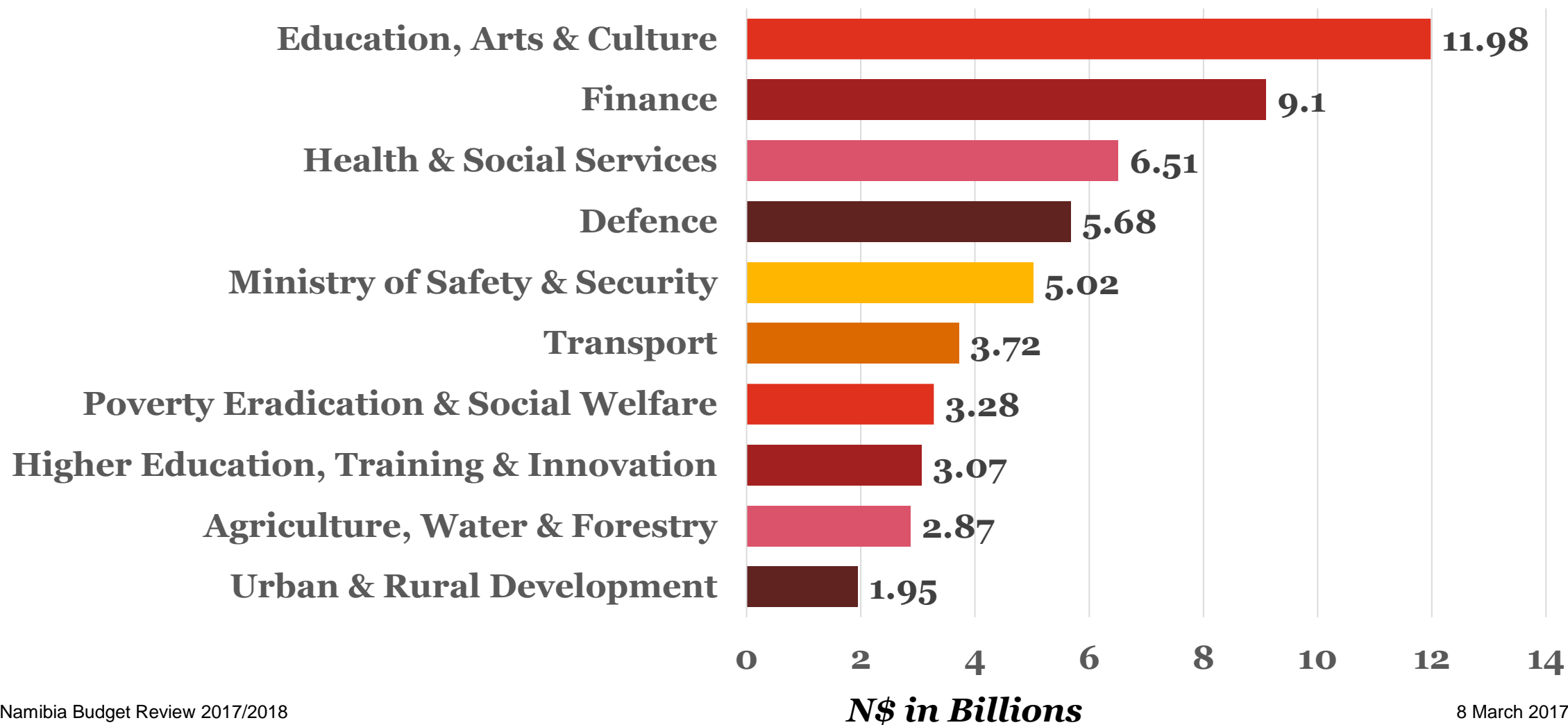
**2016/7** N\$61.5bn

**2017/8**

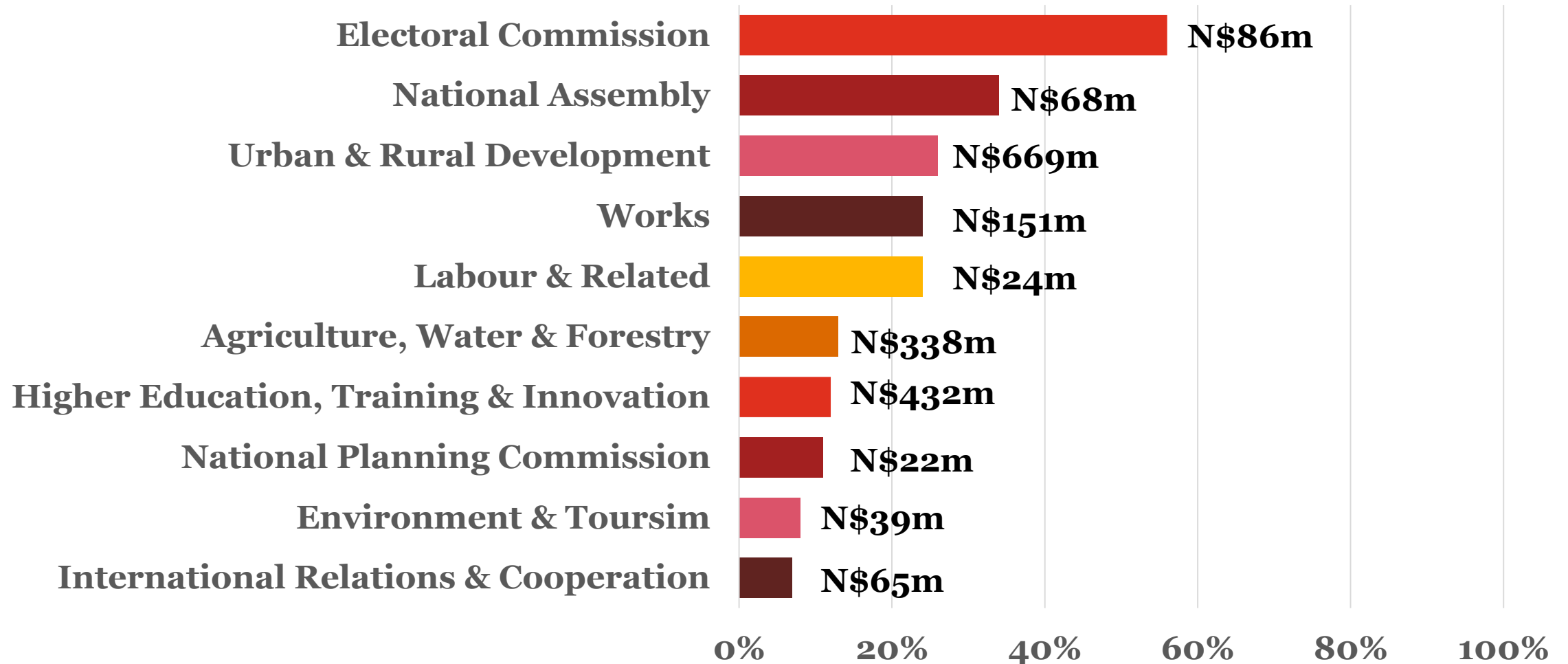
# *Expenditure Execution Rates*



# ***Top 10 Budget Allocations***

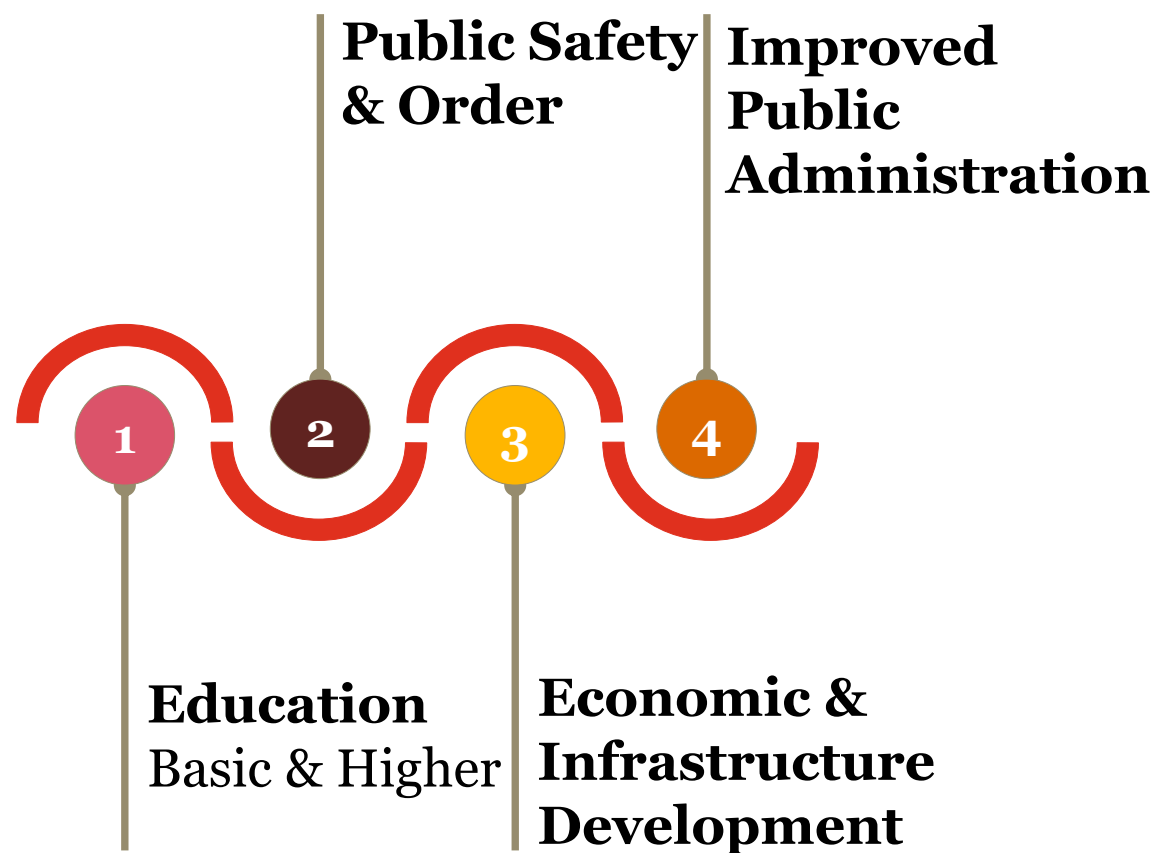


# ***Top 10 Budget Cuts***

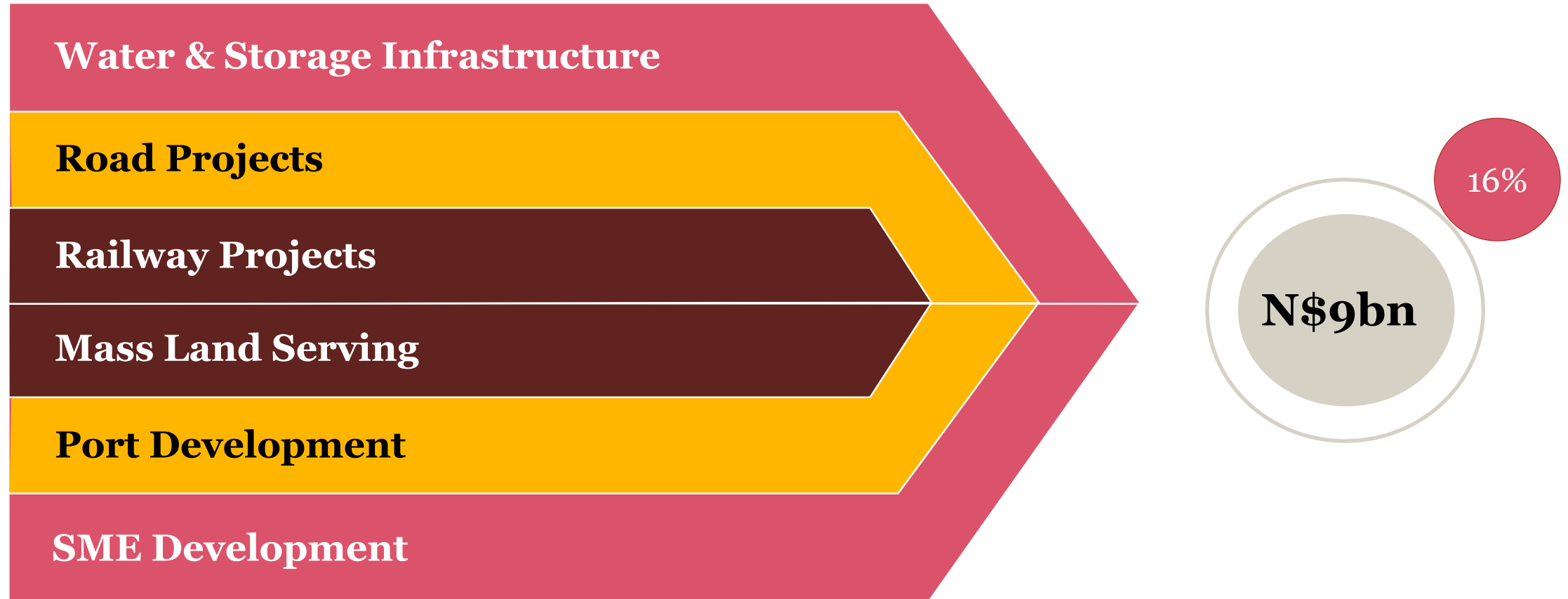




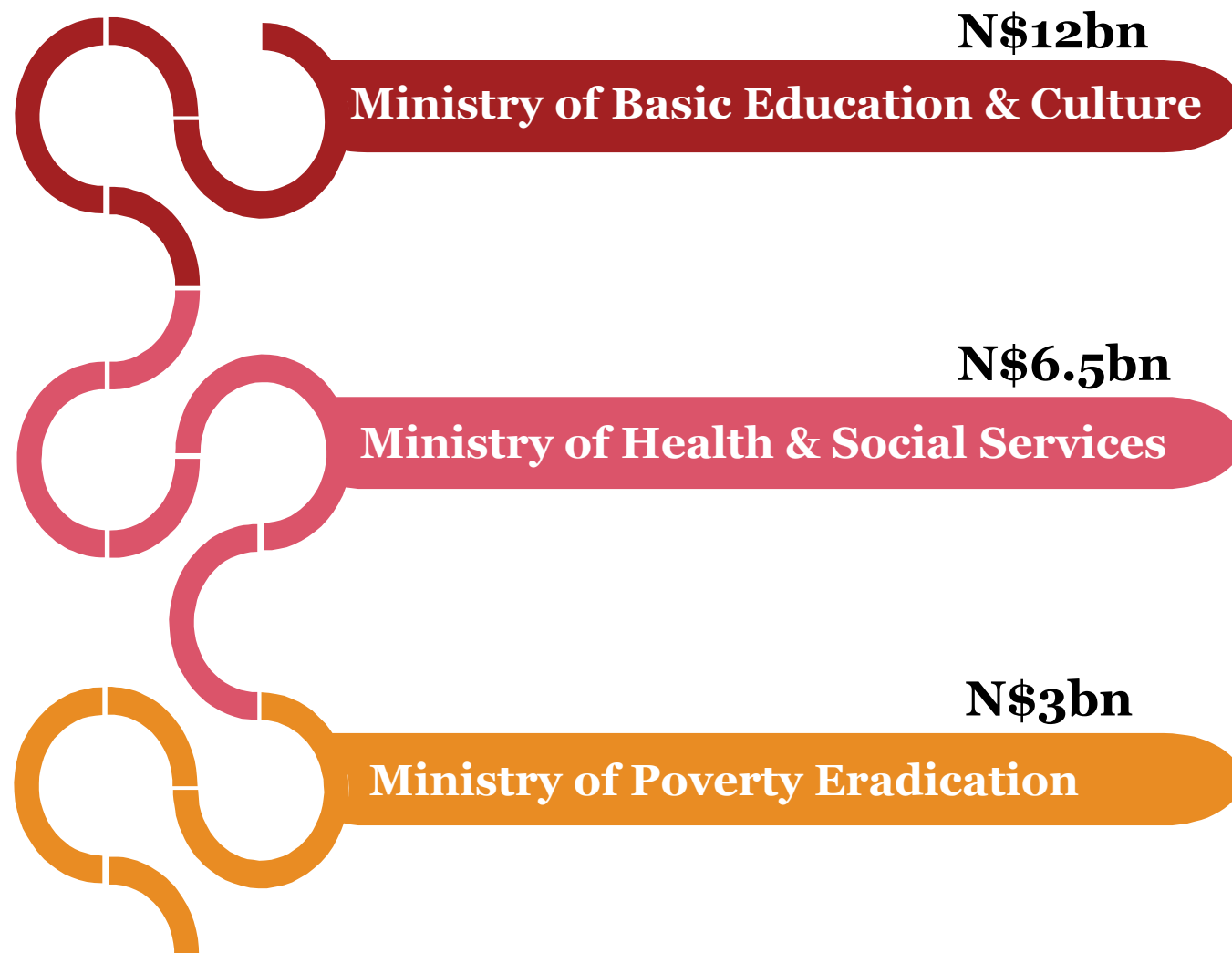
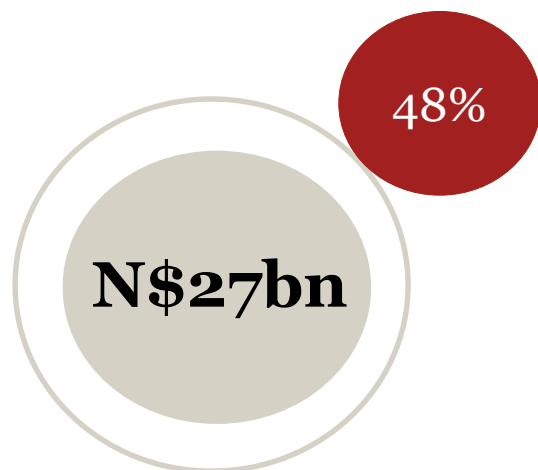
# ***Spending Priorities***



# ***Infrastructure Development***



# ***Social Sector Investment***

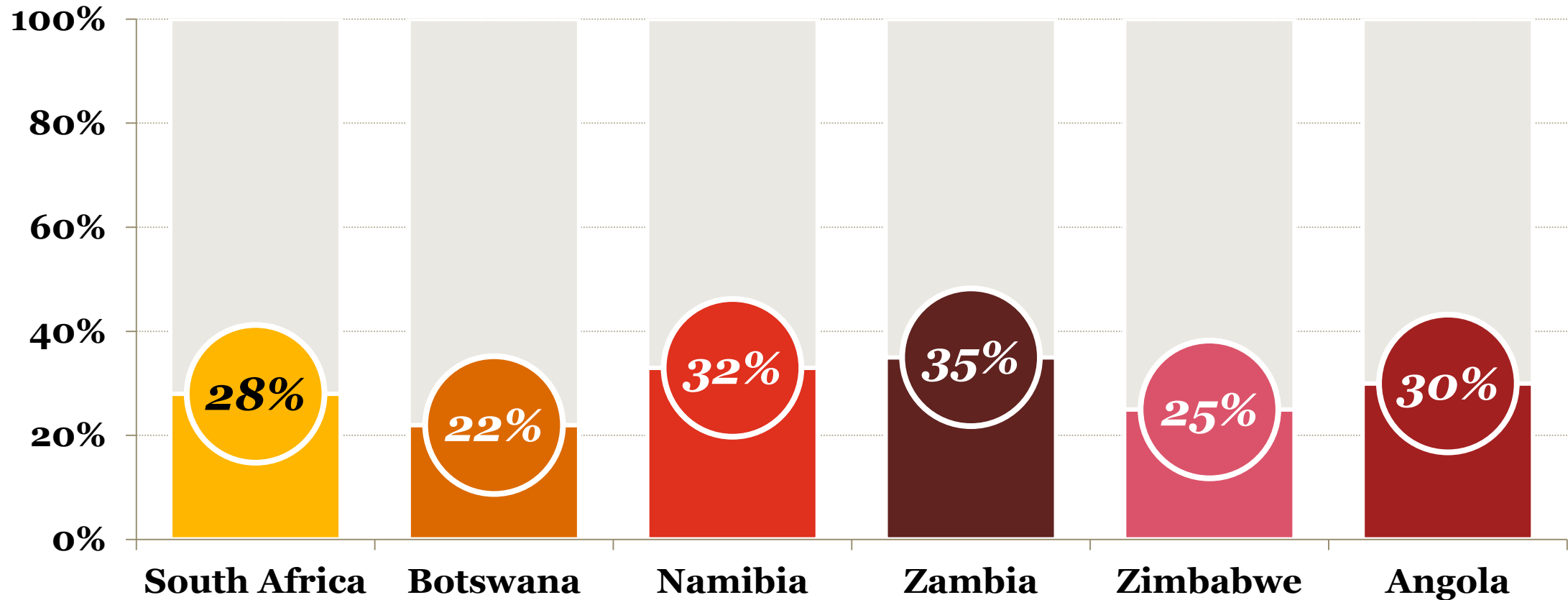


# *Tax Comparisons*

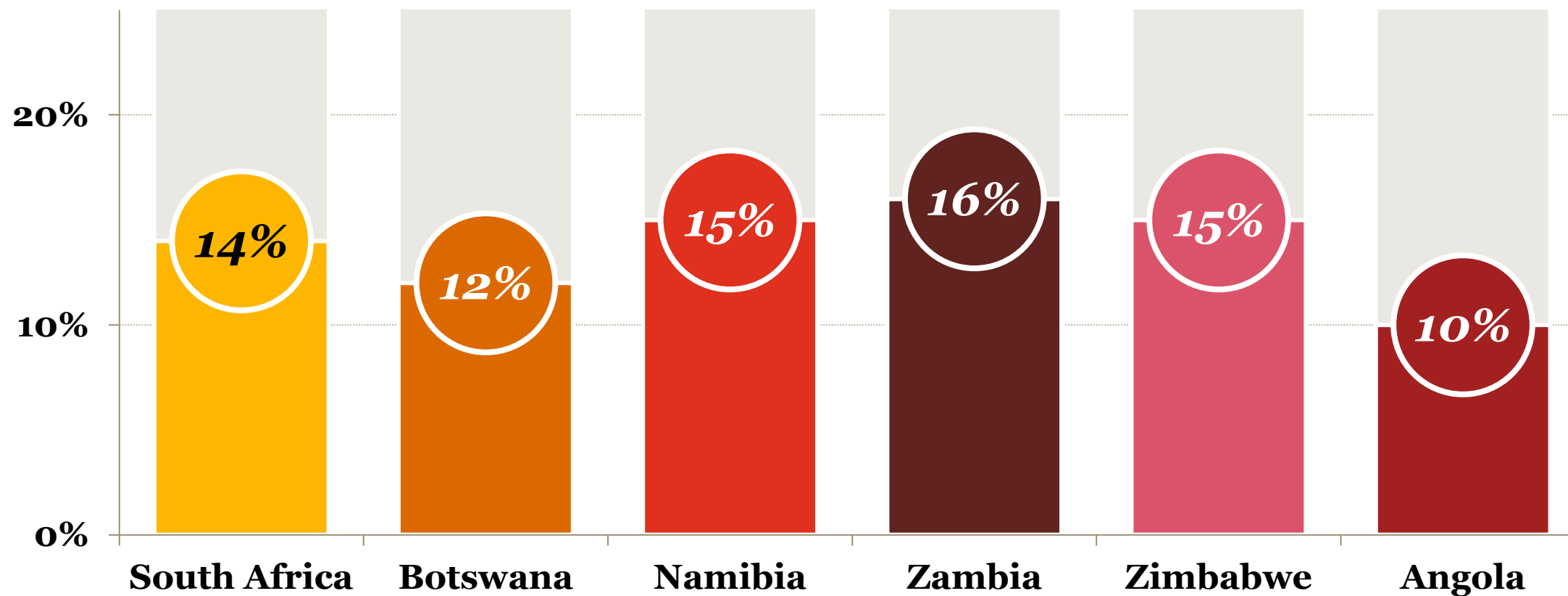
# 3



# *Comparisons: Corporate Tax Rates*

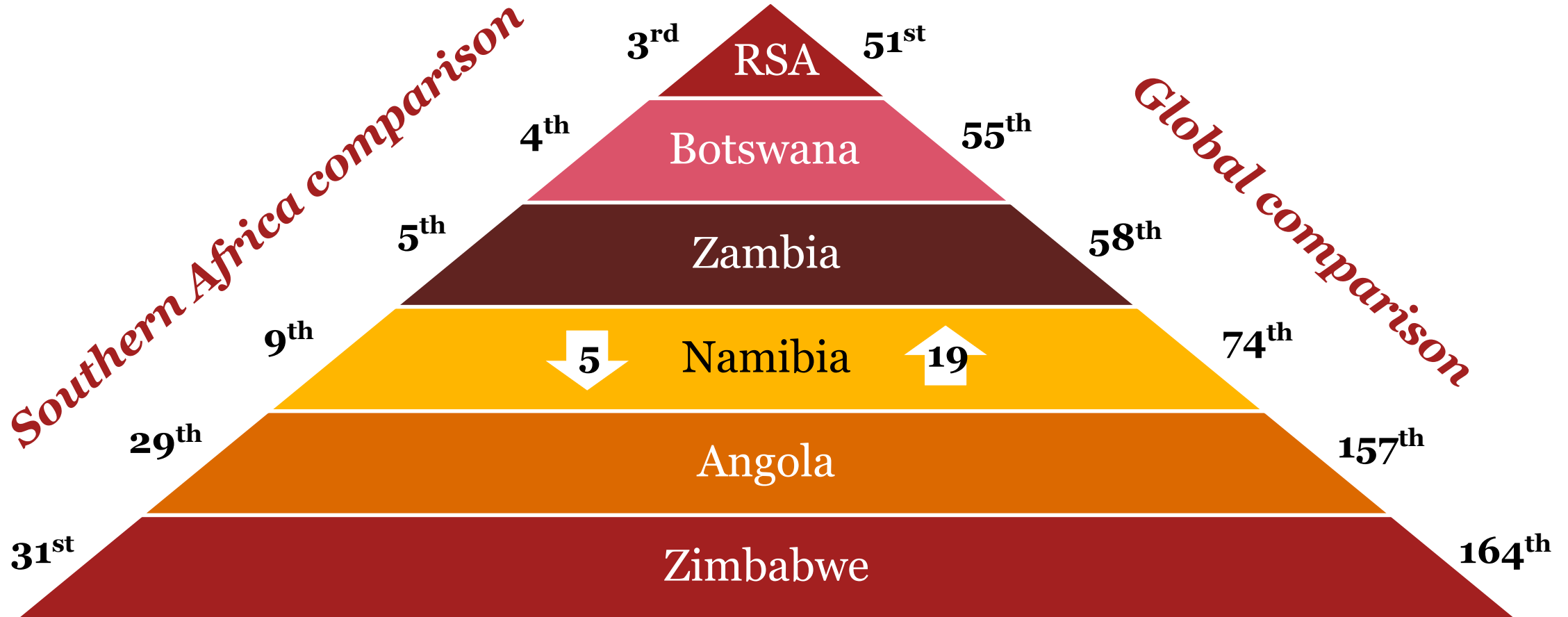


# *Comparisons: VAT Rates*



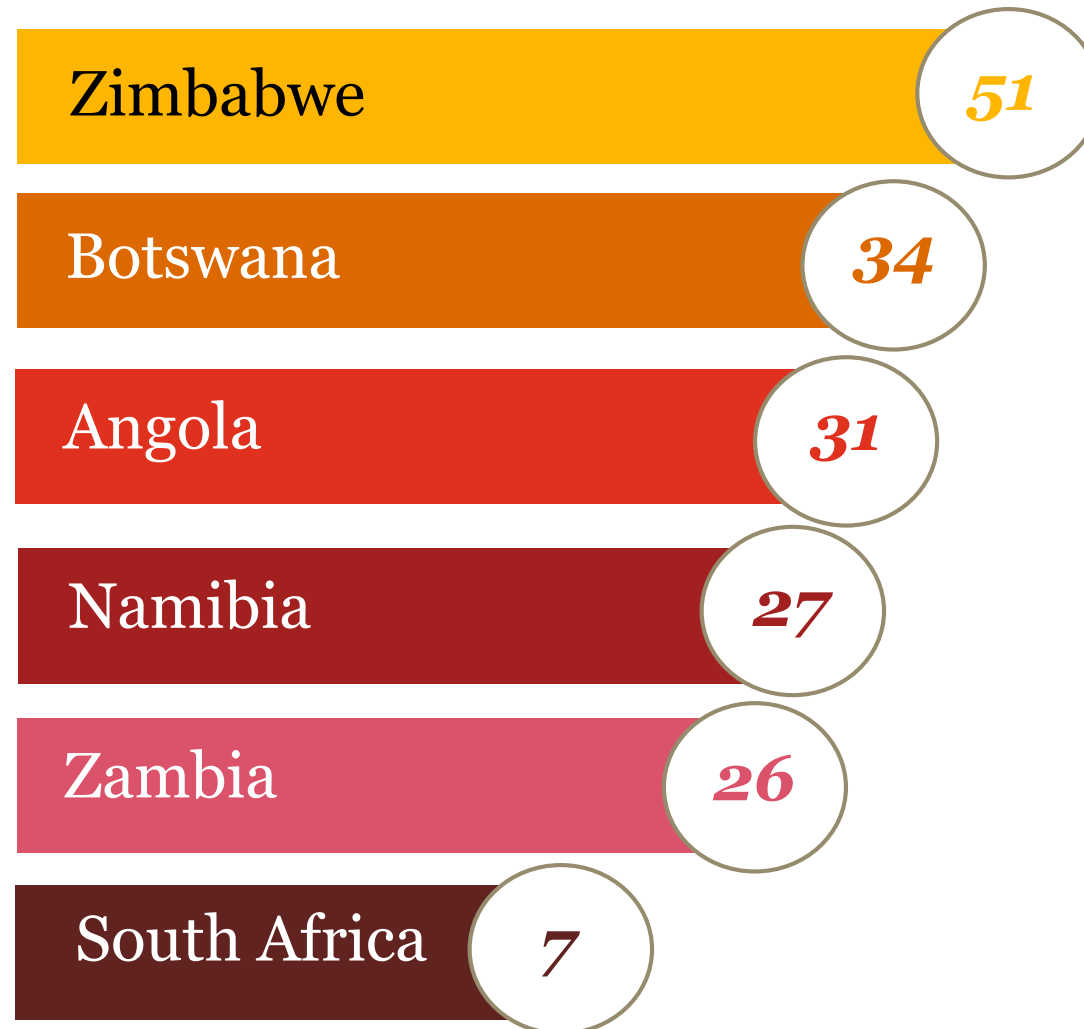
# World Bank Report 2017

## Ease of paying taxes



# World Bank Report 2017

***Number of Tax  
Payments  
required to be  
compliant***

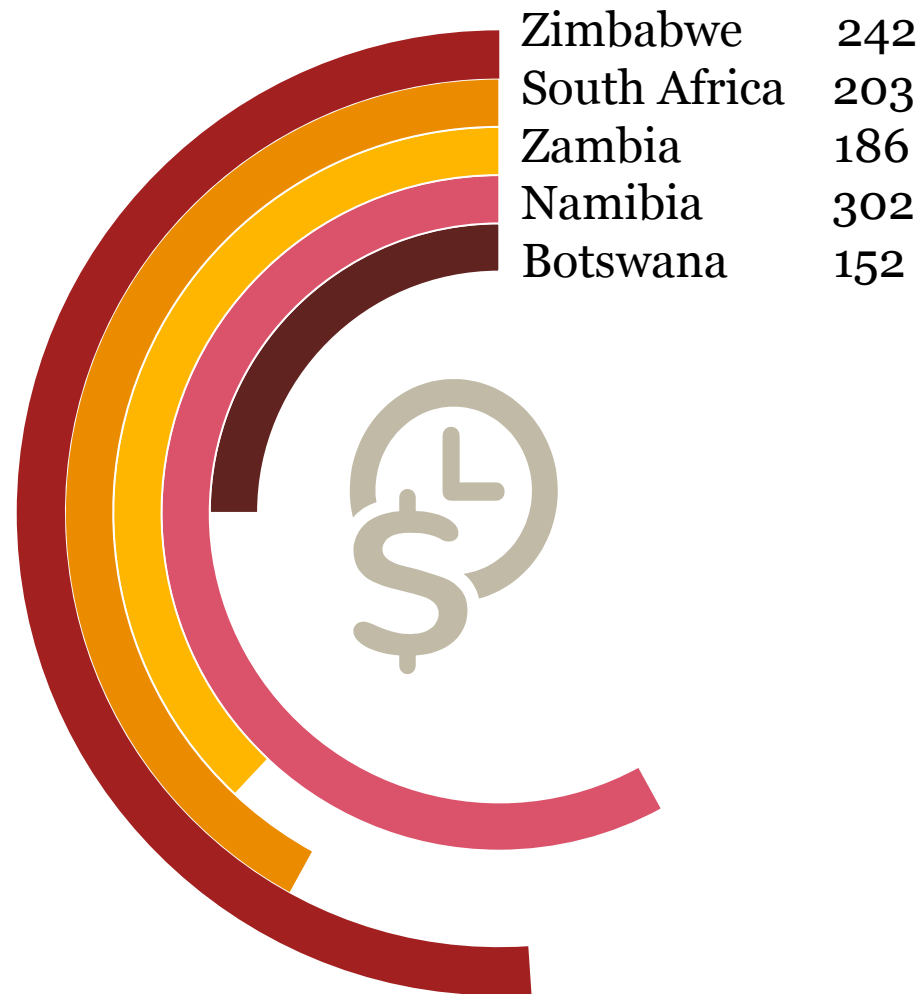


**27**



# World Bank Report 2017

*Amount of  
hours required  
to be compliant*



# *Tax Reforms*

# 4



# ***Tax Amendments***

**01**

Corporate Tax Rate  
33% to 32%

**02**

WTS Rate  
25% to 10%



**2015**



**03**

VAT Threshold  
N\$500,000

**04**

Voluntary VAT  
Threshold –N\$200k

# ***Tax Amendments***

**05**

Restraint of Trade  
payment taxation



**2015**

**06**

Recovery of tax  
debts (provisions)



**07**

PAYE on directors  
fees

**08**

Lifting of corporate  
veil

# ***Tax Amendments***

**01**

## **Environmental Duties:**



- Light bulbs
- Tyres
- CO<sub>2</sub> emissions

**2016**

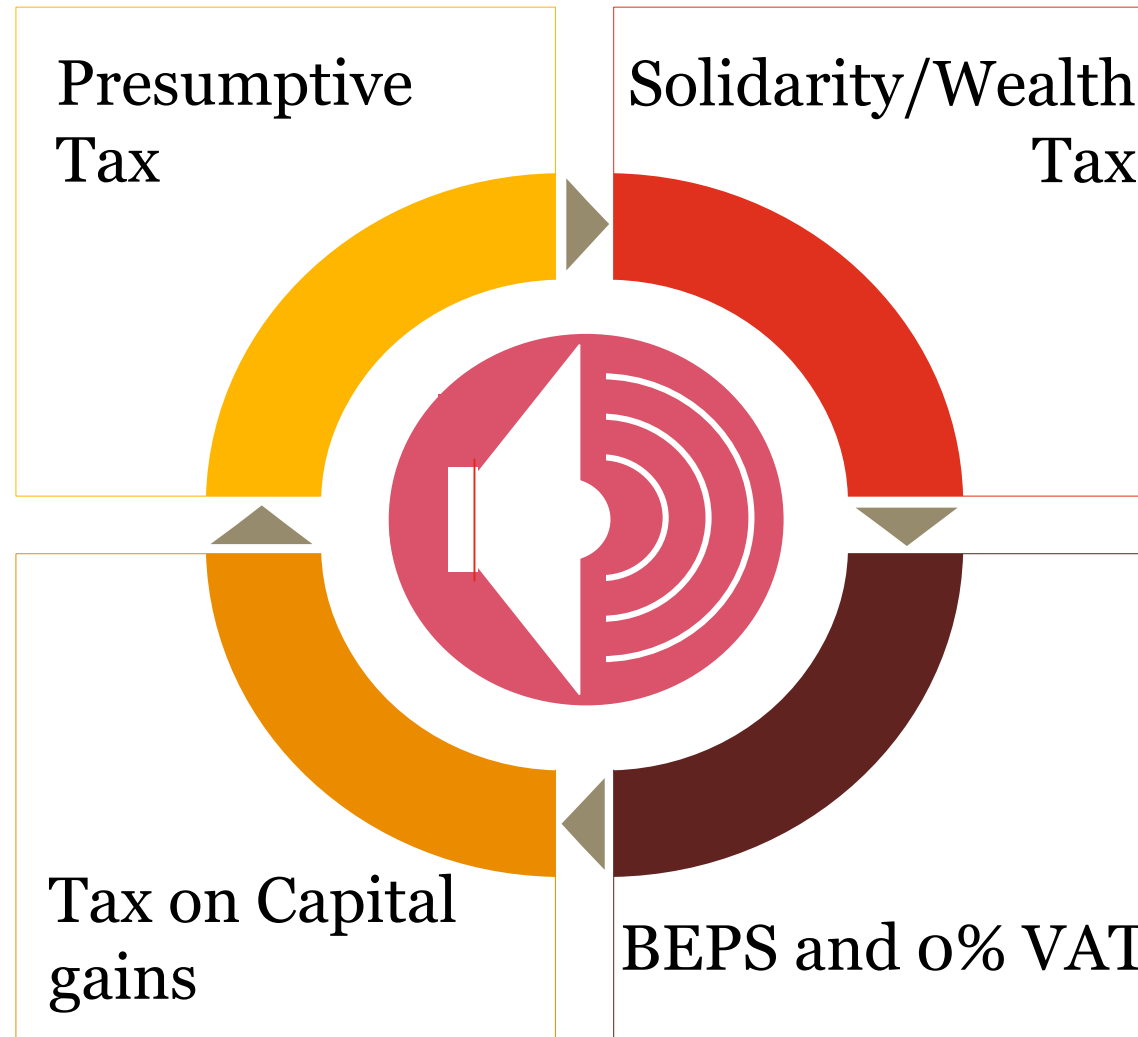
**02**

**WTS: 10% to 25%**

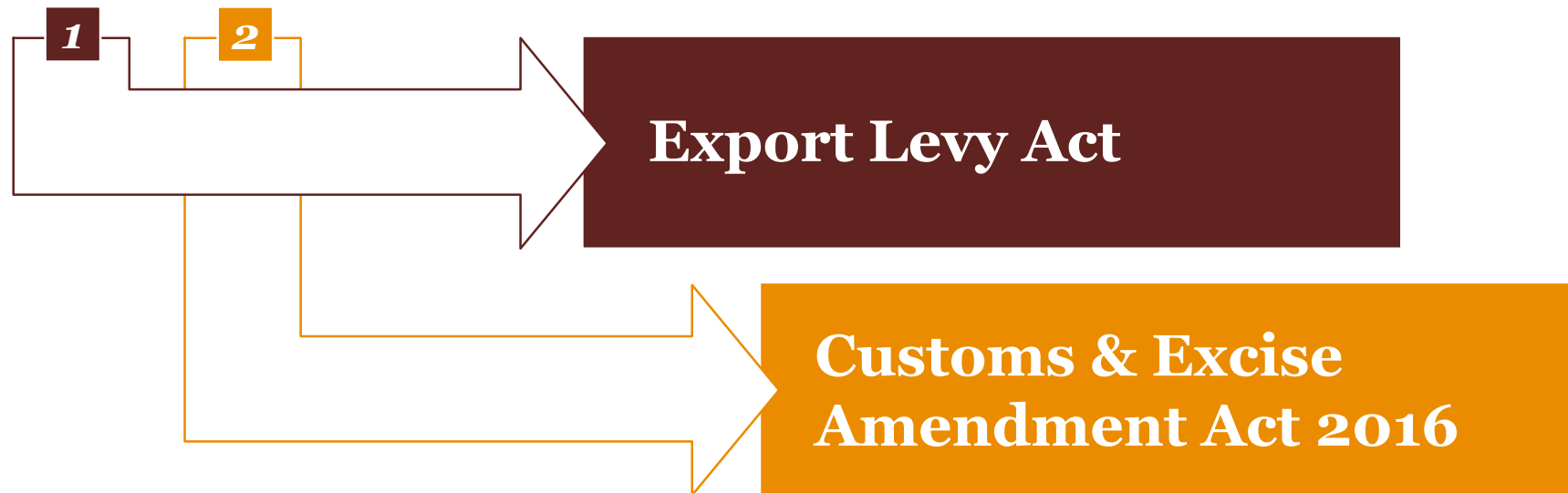


- Directors fees
- Foreign entertainers

# ***Tax Proposals – 2017/2018***



# ***Promulgated but not yet effective***



# ***SACU Excise Duty Increases***

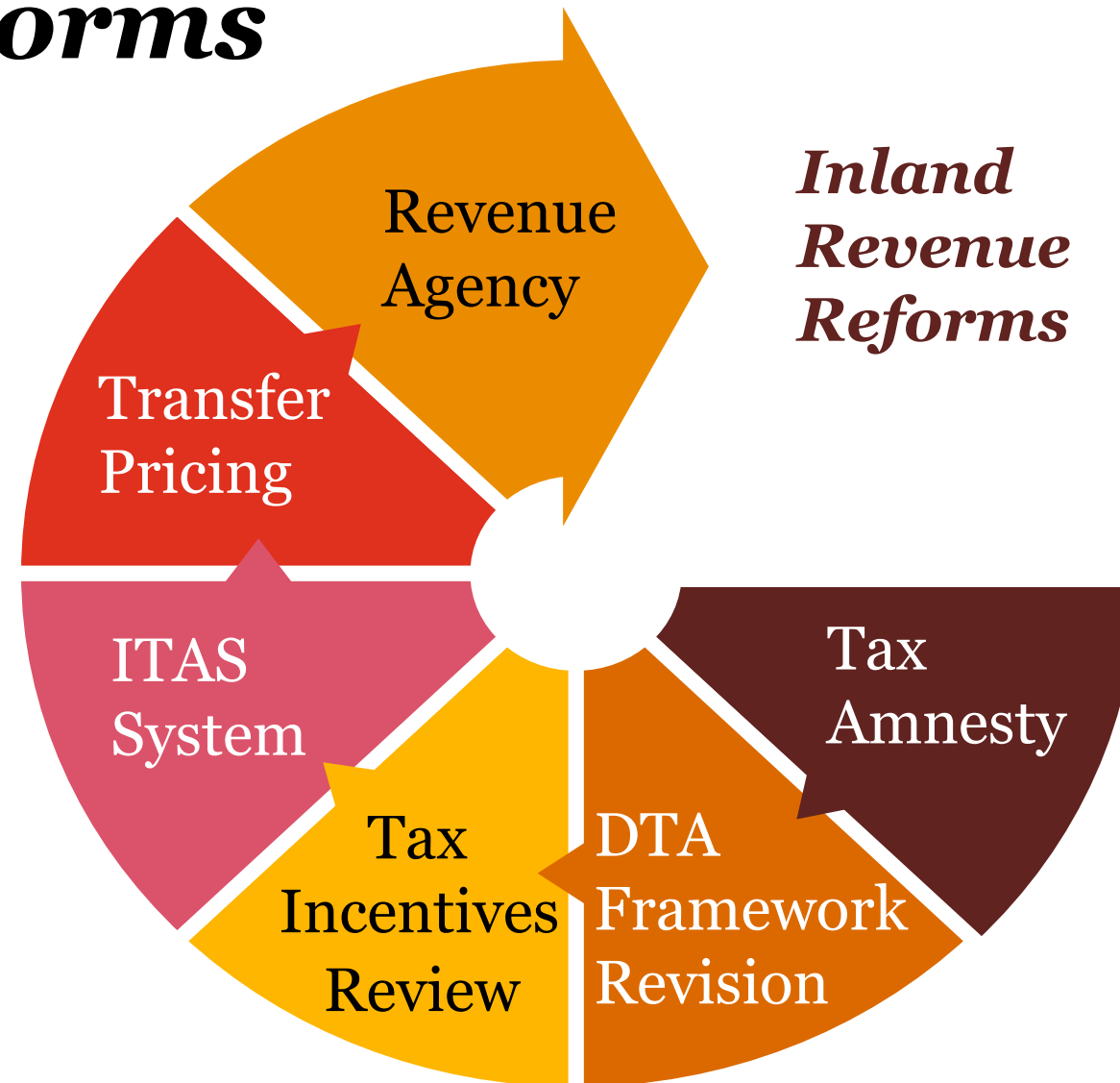
Sin Taxes effective 22 February 2017



<b>Rise in tobacco and alcohol excise duties:</b>	<b>Increase</b>	<b>New Duty</b>
340 ml malt beer	N\$0.12	N\$1.36
750 ml bottle of unfortified wine	N\$0.23	N\$2.71
750 ml bottle of sparkling wine	N\$0.70	N\$8.60
750 ml bottle of spirits (whiskey, brandy, vodka etc.)	N\$4.43	N\$52.56
Pack of 20 cigarettes	N\$1.06	N\$14.30
340 ml bottle ciders & alcoholic fruit beverages	N\$0.12	N\$2.22



# ***Other Reforms***



# *Stronger Together*



“True equality means holding everyone accountable in the same way, regardless of race, gender, faith, ethnicity – or political ideology”

Hon. Minister of Finance, Mr. Calle Schlettwein quoting Monica Crowley

*Thank you*

The Budget Speech and presentations  
are available on:

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