

# Tax First Namibia Newsletter

August 2014



A monthly newsletter published by PwC Namibia providing informed commentary on current developments in the local tax arena.

## Inland Revenue opens the Large Taxpayer's Office

As part of its reform process, Inland Revenue will now classify taxpayers into large and medium/small taxpayers.

The administration of these two group of taxpayers will be managed as follows from July 2014:

- large taxpayers, to be managed by the Large Taxpayers Office (LTO).  
**Taxpayers with the following criteria\* will resort under the LTO:**
  1. **Companies and insurers with turnover in excess of N\$75million per year;**
  2. **Mining companies;**
  3. **Banks (excluding micro-lending institutions)**

(\* this criteria was not officially published, and Inland Revenue may amend these without notice)
- small and medium taxpayers, to be managed by the Small and Medium Taxpayers Directorate.

These groups of taxpayers will receive dedicated services based on their specific needs.

Inland Revenue indicated that the LTO plans to establish specialised units for mining taxation, Transfer Pricing and Thin Capitalisation.

Regional Tax Offices will continue to serve small and medium taxpayers.

The LTO is located at c/o of Robert Mugabe Avenue and Dr. AB May Street, **Millennium Building**, on the 2nd floor.

## Tax Objections now centralised

In terms of a Press Release issued by Inland Revenue on 10 April 2014, tax objections (excluding those dealing with submission of returns and supporting records) will be handled by Inland Revenue Head Office in Windhoek from 1 April 2014. All objections were previously handled by regional offices.

Taxpayers may submit objections at any Regional office which will forward the objection to the Head Office. Taxpayers may also email objections, appeals and related enquiries to [tax.objections@gov.mof.na](mailto:tax.objections@gov.mof.na).

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This newsletter and previous issues are available on  
[www.pwc.com/na/en/publications/tax-first](http://www.pwc.com/na/en/publications/tax-first)



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## **Protect your Directors**

### **- Maintain proper company records**

With increasing corporate governance and regulations in Namibia and the introduction of the Namcode (similar to the King Code), organisations are increasingly reminded of their obligations to meet legal compliance requirements in their everyday operations.

In practice, the need to properly maintain an organisation's records becomes a reality when you consider the possible legal consequences an organisation faces in the event of non-compliance. The Courts are overloaded by claims against directors who failed to observe their statutory duties. In recent news, the Court faces the question whether an organisation's failure to maintain proper records of its decisions, facilitated the embezzlement of millions of Namibian dollars. Failing to keep records of their activities as directors and failing to keep proper accounting records for the company constitutes a failure to observe statutory duties as a director of a company. The risk directors face when failing to follow legal and fiduciary duties might result being charged with fraudulent or reckless conducting of business under the Companies Act.

Organisations fail to realise the potential risks of ineffective governance and compliance systems until they find themselves in a crisis and having to do necessary damage control.



The duties of a director includes, amongst other things, to keep and maintain the following registers:

- Register of members;
- Register of directors;
- Minute books of the proceeding of general and board meetings;

Some statutory duties are usually performed by a company secretary:

- Preparation and lodgement of Special Resolutions;
- Amendment to Memorandum and Articles of Association;
- Appointment/resignation/disqualification of directors, company secretary and auditors;
- Allotment/transfer of shares;
- Appointment/resignation of Public Officer;
- Change of the Registered Address and Financial Year Ends;
- Updating of statutory records;
- Changing of business entities;
- Filing annual returns;
- Registration and deregistration of companies, close corporations, shelf companies and shelf close corporations.

Organisations often appoint external specialised professionals to ensure statutory compliance. This is important when an organisation wants to enter into new markets or business ventures. Statutory compliance ensures organisations are familiar with changes in the regulatory environment, thereby enabling it to mitigate the risks associated with non-compliance.

An organisation can protect itself, its directors and its reputation if it strictly follows regulatory requirements in its business operations. This will guarantee effective business continuity and protect individual directors from unwanted legal consequences.

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## **PwC Business School**

### **Ethics in the workplace**

The PwC Business School is hosting a session on Ethics in the workplace.

The course is aimed to providing delegates with the skills required to behave in an ethical manner in the business environment.

*See more details in the attached advert.*

# Tax Calendar - August 2014

Mon	Tue	Wed	Thu	Fri
11 <i>2014 Annual Tax Symposium in Walvis Bay: Day 1: Employee Pay and taxes</i>	12 <i>2014 Annual Tax Symposium in Walvis Bay: Day 2: VAT for beginners</i>	13 <i>2014 Annual Tax Symposium in Walvis Bay: Day 3: Income tax and VAT updates on topical matters</i>	14	15
18	19	20 <ul style="list-style-type: none"> <li>• PAYE Returns;</li> <li>• Import VAT return;</li> <li>• Withholding Tax on Services return;</li> <li>• VET Levy</li> </ul> <p><i>*PwC Business School: Ethics in the Workplace</i></p>	21	22
25 <ul style="list-style-type: none"> <li>• VAT return (Category A)</li> </ul>	26	27	28	29 <ul style="list-style-type: none"> <li>• Social Security payment</li> <li>• Tax return - companies with 31 January 2014 Year-End;</li> <li>• 2nd provisional returns - companies with August year-ends</li> </ul>

## Upcoming PwC Tax Events:

**11 - 13 August 2014**

*2014 Annual Tax Symposium, Walvis Bay*

[Click here to register](#)

**6 - 8 October 2014**

*2014 African Tax and Business Symposium, King Fahd Palace Hotel, Dakar, Senegal*

[Click here for more details](#)



For assistance or advice please contact one of our tax specialists.

### **Windhoek**

344 Independence Ave  
Telephone Number: +264 (61) 284 1000

### **Walvis Bay**

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# PwC Business School

## Ethics in the workplace



### **Target Audience**

All managerial and non-managerial staff.

### **Content**

The course is aimed at providing delegates with the skills required to behave in an ethical manner in a business environment. The course covers various learning areas pertaining to business ethics. Group work and active participation are integral to the learning experience.

### **Details of Session:**

#### **Date:**

20 August 2014

#### **Venue:**

PwC Business School  
344 Independence Avenue,  
Windhoek, Namibia

#### **RSVP:**

By the 15<sup>th</sup> of August 2014 with  
Liretha Jordaan at Tel: 061 284 1041  
E-mail: liretha.jordaan@na.pwc.com

Please note that confirmation of payment must be provided to secure your booking. Space is limited so please book your seat now.

### **Agenda**

08:00 – 08:30 Registration and Welcome  
10:15 – 10:30 Coffee/Tea Break  
12:30 Training finishes

#### **Cost**

N\$ 1,300.00 (incl. VAT).  
Proof of payment to be mailed to  
liretha.jordaan@na.pwc.com



**Gerrit Jordaan**

*Associate Director*

Advisory Services

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# PwC Business School

## Annual Namibian Tax Symposium 2014

### Walvis Bay



The PwC tax team will again host our popular Symposium including sessions on Namibian VAT, PAYE and Income Tax.

**WHERE:** Walvis Bay

**DATE:** 11, 12 and / or 13 August 2014

**VENUE:** Pelican Bay Hotel

For more detail visit QR code OR

[www.pwc.com/na/tax-symposium](http://www.pwc.com/na/tax-symposium)



	<b>DAY 1: 11 August 2014</b>	<b>TARGET AUDIENCE</b>	<b>TIME: (Lunch included)</b>	<b>COST: (per delegate per day)</b>
<b>DAY 1</b>	<b>Employee pay and taxes</b>			
	Total-Cost-To-Company Structuring	Senior payroll administrators, Junior HR managers	DAY 1: 07h30 to 17h00	DAY 1: N\$ 2,900 (incl VAT)
	Employees Tax & Payroll Pitfalls			
	Remuneration Benchmarking			
<b>DAY 2</b>	<b>DAY 2: 12 August 2014</b>	<b>TARGET AUDIENCE</b>	<b>TIME: (Lunch included)</b>	<b>COST: (per delegate per day)</b>
	<b>VAT for beginners</b>			
	Imposition of VAT	Debtors and creditors clerks, Financial accountants, tax administrators/consultants	DAY 2: 07h30 to 17h00	DAY 2: N\$ 2,900 (incl VAT)
	Rules on supplies			
	Rules on input tax, import VAT			
	VAT and accounting system			
<b>DAY 3</b>	<b>DAY 3: 13 August 2014</b>	<b>TARGET AUDIENCE</b>	<b>TIME: (Lunch excluded)</b>	<b>COST: (per delegate per day)</b>
	<b>Income Tax and VAT updates on topical matters</b>			
	Income Tax Update	Financial managers, CFO's, Senior Accountants	DAY 3: 07h30 to 13h00	DAY 3: N\$ 1,500 (incl VAT)
	VAT Update			
	NTA Session			

Register online at [www.pwc.com/na/tax-symposium](http://www.pwc.com/na/tax-symposium)

Enquiries and proof of payment to **Chantelle Hardine** on **(064) 217 704** or

[chantelle.hardine@na.pwc.com](mailto:chantelle.hardine@na.pwc.com)

**Registrations close 05/08/2014.**

**Proof of payment required to confirm booking.**

**No refund for cancellations after 06/08/2014.**

#### Presenters

Stéfan Hugo  
Tax Leader  
Tax Services

Nelson Lucas  
Associate Director  
Indirect Tax

Riana Esterhuyse  
Senior Manager  
Tax Compliance

Nellie duToit  
Manager  
Indirect Tax

Elria van der Merwe  
Senior Manager  
Human Resource Services