



Notice issued to importers, manufacturers and distributors

Tax First Alert September 2020

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Duty on denatured ethyl alcohol

The duty rates of this product have been published by South Africa in terms of the SACU Agreement and Government Gazette No. 7239 of Namibia dated 12 June 2020 merely confirms the current rate of N\$213.13 per absolute liter alcohol. Importers have been requested to use the correct Harmonized System tariff heading, i.e. 104.21.01/03 and not use another tariff heading in an attempt to avoid payment of the duties for imports occurring from outside the SACU region.

The duty is payable by an importer or manufacturer and the notice by the Commissioner urges importers, exporters and manufacturers to register with Customs and Excise Namibia during the period October to December 2020 which has been set aside for the registration process. Good news is that an importer of large quantities of undenatured (i.e. with no other solvents or additives) ethyl alcohol, may qualify for a rebate (exemption of the duty) if the product is used in the manufacturing of non-liquor products. Importers of large quantities for use in non-liquor products such as hand sanitisers are thus encouraged to make use of the available rebate.

Withdrawal of fuel levy on kerosene (illuminating paraffin)

The Minister of Finance, Hon. I. Shiimi in his Budget Speech earlier this year announced that the fuel levy of 120 c/liter on kerosene has been abolished, which means that the price of kerosene (illuminating paraffin) should be lowered to assist many households in Namibia. The abolishment has been confirmed by Government Gazette No. 7239 dated 12 June 2020 and the product should henceforth be more affordable to Namibian households.