

Tax First

Namibia Newsletter

April 2019



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

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Venue hire

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Or visit our website at: <https://www.pwc.com/na/en/about-us/business-school.html>



New EFT tax reference number format

Along with the migration to ITAS, Inland Revenue Department (IRD) has implemented a new EFT tax reference number (TRN) format for tax payments as follows:

The TRN will comprise of the following information:

Payment Type (1) + IRD Registration Office Code (2) + TIN (8) + Tax Type (2) + Tax Period (6)

For example: **1020123456715201802**, whereby:

- **1020123456715201802** refers to Payment Type which is EFT
- **1020123456715201802** refers to IRD Registration Office Code
- **1020123456715201802** refers to Taxpayer Identification Number (TIN)
- **1020123456715201802** refers to Tax Type in this case VAT
- **1020123456715201802** refers to Tax Period

The new TRN format is being adopted by all commercial banks, whereby all required fields other than the TIN can be selected from a drop down menu. The TIN will be a manual entry field required to be completed by the taxpayer.

Should you require any assistance, please contact your usual PwC reference or call the Inland Revenue Department Call Centre at +264 61 289 4000.

Banking details are as follows:

All tax types other than VAT:

Account name: Receiver of Revenue
Account type: Current Account
Branch Code: 980-172
Account No: 165 001

VAT tax type payments:

Account Name: Ministry of Finance Dedicated VAT Account
Account Type: Current Account
Branch code: 980-172
Account No: 165 060

Launch of NamRA postponed

The pending launch of the new Namibia Revenue Agency (NamRA) has been postponed to **1 October 2019**. The main reason being that adequate staff must still be sourced and appointed.

TIM's TIP:

Imagine if completing your tax return could be as easy as having a conversation. Use TaxTim to complete your annual and provisional returns - quick & easy!

For queries please mail us at namibia@taxtim.com or register for TaxTim today at pwc.taxtim.com/na



ITAS changes to VAT and Import VAT accounts

The recent implementation of the Integrated Tax Administration System (ITAS) by Inland Revenue was accompanied by changes and/or considerations that could affect taxpayers in relation to being compliant for VAT and Import VAT.

It is strongly recommended to register yourself as a taxpayer on the ITAS portal in order to ensure that all information currently on the system is accurate.

For VAT Periods:

A press release was issued on 22 March 2019 to clarify the issue of changes in VAT periods brought about by the implementation of the new tax system.

For some taxpayers, the VAT periods were changed on ITAS to be aligned with the taxpayer's financial year end. However, the Ministry of Finance decided to revert back to the old VAT periods (as it was previously on Taxlive). This implies that ITAS will generate filing obligations and deadlines in line with the issued notice of registration, thus without changes to any taxpayer's VAT periods.

Taxpayers were informed to continue to file VAT returns and make payments in accordance with the old VAT periods and deadlines.

For Import VAT periods:

The Import VAT periods will NOT be aligned with a taxpayer's financial year-end.

ITAS VAT Refund – Audit Procedures

Going forward, when a credit return is uploaded onto the portal, the system will automatically select/flag it for an audit. Once the selection has been made by the system, an allocation process takes place whereby a team leader takes charge of this audit.

Once done, the team leader will assign the audit to an auditor within his / her team, whose next step would be to contact the taxpayer in order to set up a specific time and date to initiate the audit process.

Once the audit has been completed the refund will be uploaded on the system for approval from the team leader, supervisor and subsequently the controller.

NOTE: This information is subject to change as Inland Revenue is still in a testing phase of the project. All taxpayers are encouraged to educate themselves about these changes to avoid non-compliance.

Where PwC handles your tax affairs, please return the Power of Attorney form to us as soon as possible. You can email the completed form to: pwccompliance@na.pwc.com

Manual submission of returns

Where a taxpayer is not yet registered on ITAS, the manual submission of tax type returns can still be done at any Regional or Satellite Inland Revenue Department office.

The options for manual submission of returns is as follows:

1. Hard copy return:

This is similar to the old method used to submit returns, whereby a taxpayer obtains a hard copy of the required return from Inland Revenue Department, completes the return and submits it at any Inland Revenue Office.

The returns completed on a hard copy form will be processed manually by an Inland Revenue Official in order to reflect on the taxpayer's account on Inland Revenue's system.

2. ITAS website application:

An online application ("APP") can be downloaded from the ITAS website from which the taxpayer can download a return, complete it electronically and print the return for submission at any Inland Revenue Office. You are not required to be registered on ITAS to use this APP.

The returns completed by using the APP is downloaded with a special barcode that is scanned upon submission of the return at an Inland Revenue Office. This bar code automatically captures the data processed on the APP as well as the submission date of the return. No manual processing of the return by an Inland Revenue Official is required.

The APP can be downloaded on the ITAS website at <https://www.itas.mof.na/>

NOTE: The new ETX Employee Import Template for PAYE purposes is not available on the APP and can only be submitted manually or directly on ITAS via e-filing (if the taxpayer is registered for e-filing).

Budget event 2019/20

The annual budget review hosted by PwC, Standard Bank Namibia, Liberty Life and Namibia Media Holdings with the Namibia Minister of Finance, Hon. Calle Schlettwein was held on 27 March 2019.

Follow the below link for more information:

<https://www.pwc.com/na/en/publications/budget.html>

Upcoming Training

ITAS Information session

Walvis Bay | 9 April 2019

Windhoek | 11 April 2019

Autumn Tax Refresher & Proposed Tax Amendments (Windhoek)

Tax refresher: 9 April 2019

Tax Amendments: 10 April 2019

For more information, visit our website:

<https://www.pwc.com/na/en/events.html>

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Tax Calendar - April 2019

Mon	Tue	Wed	Thu	Fri
15	16	17	18	19
			• VET Levy return	Public holiday
22	23	24	25	26
Public holiday	• Import VAT return; • PAYE return; • Withholding Tax returns: Services, Royalties, Interest; NRST.		• VAT return	
29	30			
	• Social Security payment; • 1st provisional for taxpayers with a October 2019 year-end; • 2nd provisional for taxpayers with a April 2019 year-end; • Tax return for companies with an September 2018 year-end.			

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

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