



# Tax First

## Namibia Newsletter

### February 2018

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

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#### Venue hire

For more information, contact our Business School Managers.

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

## Deregistration of VAT and Import VAT

### Voluntary deregistration:

A person ceases to be liable for registration if his turnover for a 12 month period is below the limit of N\$500 000. The Commissioner will disallow de-registration if it appears likely that turnover in the following year will once again exceed the limit.

The taxpayer is required to notify the Namibian Revenue Authorities in writing within 21 days of such date of cessation.

### Compulsory deregistration:

Compulsory de-registration arises in the following circumstances:

- When the registered person mainly makes supplies that are exempt as a result of a change in the legislation.
- When there is a change in the legal status of the taxpayer. For example, where a sole proprietor admits one or more partners into the business, or a partnership ceases to exist and one of the partners becomes a sole trader, or a business is taken over by a company.
- Where registration is as a result of a misrepresentation of material facts.
- Where a person who registered on the grounds of intended taxable supplies does not render taxable supplies by the date specified in his application.
- Where it appears that a request for voluntary registration is no longer valid.
- Where a taxpayer was registered on the grounds that he intended to make taxable supplies from a specified date and he fails to do so.
- Where the person's taxable supplies are less than N\$200,000 for any given 12 month period.

### Consequences of deregistration

From the date of deregistration, the issuing of tax invoices should stop. If a self-billing system is in operation, customers must be notified. Input tax on any purchases made after the date of cancellation may not be claimed.

Any person whose registration is cancelled shall be deemed:

1. As having made a taxable supply of any goods (including capital goods) on hand in respect of which that person has been allowed a deduction for input tax.
2. As having made the taxable supply at the time the registration was cancelled.
3. As having made the taxable supply for a value equal to the open-market value of that supply.

It is advisable to continue submitting nil/zero VAT and/or import VAT returns until deregistration has been confirmed by Inland Revenue in writing.

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### TIM's TIP:

**28 February 2018:** Deadline for first provisional returns of individual provisional taxpayers.

Use TaxTim to complete your provisional return—quick & easy!

For queries please mail us at [taxtim@na.pwc.com](mailto:taxtim@na.pwc.com) or register for TaxTim today at [www.taxtim.pwc.com.na](http://www.taxtim.pwc.com.na)



## PwC's Employee Benefit Survey 2018

*PwC Namibia has recently launched the 2018 Employee Benefit Survey and we would like to invite you to participate. The Employee Benefits survey specifically looks at the benefits pay practices and how to effectively apply a comprehensive benefit structure.*

This survey will provide a best practice guide in making informed decisions regarding your employee reward systems or at a minimum provide a "checklist" of typical benefits offered in the Namibian market. This guide will provide the ability to benchmark the competitiveness of benefits such as leave, housing & travel allowances, retirement funding, medical coverage, etc. and communicate the market practices effectively to employees.

Click [here](#) for more information or contact Mari-Nelia Hough at [mari-nelia.hough@pwc.com](mailto:mari-nelia.hough@pwc.com) or +264 61 284 1070.

### Subscribe now to PwC's Employee Benefit Survey!

#### Why participate?

*This comprehensive piece of research provides organisations with the ability to benchmark the competitiveness of benefits such as leave, housing, travel allowances and retirement funding and communicate the market practices effectively to employees.*

#### When will the survey run?

Confirm participation by **January 2018**

Complete online questionnaire by **April 2018**

Report publication **June 2018**

#### What are the costs involved?

Active REMchannel  
Online Salary Survey  
participant  
**N\$ 14,500 (excl VAT)**

Non- REMchannel  
Online Salary Survey  
participant  
**N\$ 20,500 (excl VAT)**

#### Ready to participate?

Access the participation form below the advert or call 061 284 1070.

We have a dedicated team ready to assist you.

***For attraction, engagement & retention of key skills, companies should upgrade employee reward systems, understand what the market is doing and implement best practices.***

## PwC Business School Training Calendar



### Upcoming training dates:

#### Windhoek

19-26 Feb	Microsoft Office Training (Word, Excel & Power Point)
27-28 Feb	Learning & Development Conference
2 Mar	Duties & Responsibilities of Company Directors Training

#### Walvis Bay

16 Feb	Tax Seminar - Tourism Industry
27 Feb	Basic VAT Training
28 Feb	Corporate Governance Training

For more information, contact one of our Business School Managers.

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*"Education is the most powerful weapon you can use to change the world"*

**- Nelson Mandela**

Or follow the below link to our website:  
<http://www.pwc.com/na/en/events.html>

## New Legislation Tracker

This diagram tracks the progress of proposed tax legislation.

The following is the status of proposed legislative changes up to 31 December 2017. No effective date has been set for any of the proposed legislation.

**Transfer Duty amendments** - In drafting, expected date not yet set.

Expansion of **Capital Gains Tax** provisions to provide for wealth-based taxation on new categories of capital assets.

Simplified **Presumptive Tax** on small businesses to be developed.

Proposals to remove base-eroding Income Tax and VAT exemptions in future.

Establishment of **Revenue Authority** - In drafting, expected date not yet set. Planned implementation for 2018/2019.

Tax proposals on wealth tax will be developed to embody principles of **Solidarity Tax**.

Develop the **Double Taxation Agreement Policy** and increase collaboration with international tax authorities to counter transfer pricing.

## Tax Calendar - February 2018

Mon	Tue	Wed	Thu	Fri
19	20	21	22	23
	<ul style="list-style-type: none"> <li>VET Levy return;</li> <li>PAYE return;</li> <li>Import VAT return;</li> <li>Withholding Tax returns: Services, Royalties, Interest;</li> <li>NRST.</li> </ul>			
26	27	28		
<ul style="list-style-type: none"> <li>VAT return</li> </ul>		<ul style="list-style-type: none"> <li>Social Security payment;</li> <li>1st provisional for taxpayers with August 2018 year-end;</li> <li>2nd provisional for taxpayers with February 2018 year-end;</li> <li>Tax return for companies with 30 July 2017 year-end.</li> </ul>		

Win a copy of our **Income Tax Handbook** by answering the below question. Mail your answer to [lasarus.amukeshe@pwc.com](mailto:lasarus.amukeshe@pwc.com).

“Which account should be de-registered first: VAT or Import VAT? Or is the de-registration of either account independent of the other?”

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

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