



## Budget Highlights 2017/2018

The Namibian Budget Speech was presented by Honourable Minister of Finance, Calle Schlettwein on 08 March 2017.

No tax rate increases or introduction of new taxes were proposed to continue encouraging economic agents to produce and invest within Namibia.

New tax policy and tax administration reforms announced include:

- Tax proposals for curbing base-eroding tax exemptions and deductions on Income Tax and VAT will be proposed through a stakeholder consultation process aimed at examining the provisions of the tax code and the reduction in the effective tax rate of companies when exemptions and deductions are considered;
- A tax proposal for Simplified Presumptive Tax on small units will be developed and tabled;
- Increases in the rates of the Fuel Levy have been proposed and will be determined during the year;
- Capital Gains will be expanded to provide for wealth-based taxation on certain categories of capital assets embodying the principles of Solidarity Wealth Tax;
- The Tax Arrear Recovery Incentive Programme will continue as envisaged;
- The new Integrated Tax System will commence rollout in phases during the year with full deployment by 2018;
- The semi-autonomous revenue collection agency is expected to commence on 1 April 2018; and
- Cheques as a form of payment of taxes will be phased out by 30 June 2017.

The increase in sin taxes on malted beer, fortified, unfortified and sparkling wines, ciders and alcoholic fruit beverages, spirits, tobacco, cigars and cigarettes will be effective as from 22 February 2017.

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