

REPUBLIC OF NAMIBIA

NATIONAL ASSEMBLY

INCOME TAX AMENDMENT BILL

(As read a First Time)

(Introduced by the Minister of Finance)

EXPLANATORY NOTE:

- _____ Words underlined with a solid line indicate insertions in existing provisions.
- [] Words in bold type in square brackets indicate omissions from existing provisions.

BILL

To **amend the Income Tax Act 1981 so as to repeal certain existing preferential treatment granted in respect of certain manufacturers and goods, for the purposes of phasing out tax exemptions pertaining to certain traders only; and to provide for incidental matters.**

BE IT ENACTED as passed by the Parliament, and assented to by the President, of the Republic of Namibia as follows:

Repeal of section 5A of Act No. 24 of 1981, as inserted by Act No. 10 of 1993 and substituted by Act No. 12 of 1996 and Act No. 7 of 2002

1. (1) Section 5A of the Income Tax Act, 1981 (Act No. 24 of 1981) (hereinafter referred to as the principal Act) is repealed.

(2) Notwithstanding the repeal of section 5A, the special income tax incentives granted to registered manufacturers in terms of this Act shall continue to apply until the end of the first tax year after the commencement of this provision.

Insertion of section 101A in Act No. 24 of 1981

2. The principal Act is amended by the insertion of the following section after section 101:

“Repeal of certain provisions of Export Processing Zone Act, 1995

101A. Sections 5, 6 and 7(2) of the Export Processing Zone Act, 1995 (Act No. 9 of 1995) shall, notwithstanding anything contained in any other law cease to have force of law on the date of commencement of this provision”.

Short title and commencement

3. (1) This Act is called the Income Tax Amendment Act, 2020 and will come into operation on a date to be determined by the Minister by notice in the *Gazette*.

(2) Different dates may be determined under subsection (1) in respect of different provisions of this Act.