



Why do I get a Consolidated Income Tax Statement?

Sections 34A to 34E in the Namibian Income Tax Act deals with Withholding tax (WHT) on Interest.

These sections stipulates that 10% WHT must be withheld from the Interest paid by a Namibian Unit Trust to a Namibia Natural person. It is therefore required that the Unit Trust issue a proof of any tax withheld to every investor.

You will note on the Consolidated Income Tax Statement there is a line **“Local interest: Exempt for Individuals”**. This line refers to Section 34A which allows for interest earned which is non-taxable, e.g. Interest earned from a Treasury Bill issued by the Government of Namibia.

Note that no WHT is deducted on interest received by a Namibian Company (as defined in the Act). The Company must include this interest received in the taxable income of the Company.

What do I do with the Consolidated Income Tax Statement?

A copy of the Consolidated Income Tax Statement should be attached to your Income Tax Return.

It is important to know that for Individual Tax payers, (all investors except Namibian Companies) the WHT which is already deducted is a **Final Tax** and that no further tax needs to be paid on the interest earned. Therefore it is important to ensure that your Income Tax Return is completed correctly.

How should this income reflect on my Income Tax Return?

The current Income Tax Return **for individuals** does not have schedules and lines to complete for all possible events.

With regards to the interest and dividends received on Namibian Unit Trusts, the Income Tax Return could be completed as follows:

- Local Dividends: Add this to **Schedule 21: Dividends (Not Subject to Taxation)** in the line “Dividends received from Namibian sources”.
- Local interest & Local interest: Exempt for Individuals: Add the combined value in **Schedule 20: Namibian Income Not subject to Taxation** in the line “Other Income (excluding dividends)”.

Foreign Interest & Foreign Dividends

Capricorn Asset Management (CAM) advises that you consult with your Tax Advisor on the correct treatment of foreign income received from 3rd party manager funds available on our investment platform.

CAM does not deduct any WHT on the foreign interest or foreign dividends. As the foreign income is from a South African source, the Double Taxation Agreement (DTA) between South Africa and Namibia should be taken into consideration.

NRST on Dividends

The Namibia Non-Resident Shareholder Tax (NRST) is a withholding tax that is deducted from the dividends earned by Unit Holders whom are not Namibia Tax Residents.

The % WHT that is deducted depends on Tax Residency of the Unit Holder and the specific DTA Namibia has with that country.

How to submit your tax returns

With the new Integrated Tax Administration System (ITAS), the Institute of Chartered Accountants (ICAN) has provided some tips on how to submit your tax returns.

The preferred method is to register for ITAS on the Inland Revenue Department's (IRD) website <https://www.itas.mof.na/> and submit your tax return on this platform.

You can download the "Portal User Manual" in the middle of the homepage to assist you to register for ITAS.

However, for those that are not yet registered on ITAS there are two alternative options.

Option 1

Submit using the manual method as in the past, however this is not recommended.

Option 2

There is an app available that can be downloaded from the ITAS website that allows you to download a return, fill in the details on the app, print it out and then hand it in at the IRD's office.

You do not need to register on ITAS in order to use this app.

The advantage of this method is that the return you print comes with a barcode that can be scanned at the IRD office. The details of the return and received date is then automatically captured onto ITAS.

This means that a taxpayer does not have to wait for the IRD staff to capture the information onto the system. (If you submit manually, the ITAS staff will file the return and then upload the data onto the system manually in batches. This takes time).

This App can continue to be used until such time as you are ready to register on ITAS.

You can find the link for the App on the IRD's website at <https://www.itas.mof.na/> on the bottom right corner of the homepage.

Inland Revenue Department
Ministry of Finance | Republic of Namibia
"Striving towards effective tax administration"

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Welcome to the INTEGRATED TAX ADMINISTRATION SYSTEM (ITAS) Portal

The mission for Inland Revenue Department is to administer the tax laws in an efficient and effective manner to maximize State Revenue from internal taxation sources. As a result, the Ministry of Finance has embarked on the modernization initiative to automate Inland Revenue Tax System in order to improve the efficiency and effectiveness in the Tax Administration. The implementation of ITAS brings benefits to taxpayers such as 24/7 accessibility and online service. ITAS is secured, free and convenient. To experience its maximum benefits, taxpayers are encouraged to register as e-filers, through e-service link on the website.

Mr. Justus Mwafongwe
Commissioner Inland Revenue

WHAT'S NEW?
Watch this space . . .

WHO IS ELIGIBLE TO BECOME AN E-FILER?
All registered taxpayers and representatives.
Download e-filing guides

- Registration Pamphlet
- Portal User Manual

REQUIRED DOCUMENTS FOR REGISTRATION
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For tax rates, download the tax card [here](#)

WHAT DOES E-SERVICE OFFER?

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Click [here](#) to download the offline electronic return forms software and install on your computer to enable you to complete your return offline.

WE ARE HERE FOR YOU!
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Disclaimer

Please note that the information provided above should not be regarded as tax advice. Should you be uncertain as to the interpretation of any information provided, please consult directly with a tax advisor.