



GOVERNMENT GAZETTE

OF THE

REPUBLIC OF NAMIBIA

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Government Notice

OFFICE OF THE PRIME MINISTER

No. 210

1996

PROMULGATION OF ACT OF PARLIAMENT

The following Act which has been passed by the Parliament and signed by the President in terms of the Namibian Constitution is hereby published in terms of Article 56 of that Constitution.

No. 13 of 1996: Sales Tax Amendment Act, 1996.

ACT

To amend the Sales Tax Act, 1992, so as to assign the responsibility for carrying out the provisions of the Act to the Minister of Finance; to further regulate the determination of the taxable value of goods applied for purposes of demonstration where such goods consist of any motor vehicle, motor cycle, caravan, or trailer; to provide that the amount that may be accumulated and be recovered in respect of interest on any amount owing under the Act, shall not be limited to, and may exceed, the amount of the principal debt; to substitute Schedule 5 to the Act; and to make provision for incidental matters.

(Signed by the President on 26 July 1996)

BE IT ENACTED by the Parliament of the Republic of Namibia, as follows -

Amendment of section 1 of Act 5 of 1992, as amended by section 1 of Act 31 of 1992 and section 1 of Act 13 of 1994

1. Section 1 of the Sales Tax Act, 1992 (hereafter referred to as the principal Act) is amended by the deletion of the definition of "Permanent Secretary".

Amendment of section 2 of Act 5 of 1992

2. The following section is substituted for section 2 of the principal Act:

"Administration of the Act

2. The [Permanent Secretary] Minister shall be responsible for carrying out the provisions of this Act."

Amendment of section 7 of Act 5 of 1992 as amended by section 3 of Act 12 of 1992

3. Section 7 of the principal Act is amended by the substitution for paragraph (f) of subsection (5) of the following paragraph:

"(f) where any goods were applied by any person for purposes of demonstration as contemplated in subsection (1)(h)(ii) -

(i) in the case of goods other than any new or used motor vehicle, motor cycle, caravan or trailer, of whatever description, an amount equal to one-twelfth of the cost contemplated in paragraph (a), (b), (c), (d) or (e), as the case may be, for each month during which such goods are or were applied for purposes of demonstration as contemplated in the said subsection;

(ii) in the case of goods consisting of any new or used motor vehicle, motor cycle, caravan or trailer, of whatever description, an amount equal to the cost contemplated

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in paragraph (a), (b), (c), (d) or (e), as the case may be, notwithstanding the period during which such goods are or were applied for purposes of demonstration as contemplated in that subsection; or".

Amendment of section 24 of Act 5 of 1992, as amended by section 3 of Act 27 of 1995

4. (1) Section 24 of the principal Act is amended -

(a) by the substitution for subsection (5) of the following subsection:

"(5) Any amount which on 1 February 1996 is owing by any person in respect of any tax, penalties or interest levied or accrued in terms of this Act before such date, shall with effect from that date bear interest at the rate of 20 per cent per annum, calculated daily and compounded monthly."; and

(b) by the addition of the following subsection:

"(6) Notwithstanding anything to the contrary contained in any law or the common law, the amount that may be accumulated and be recovered in respect of interest levied in accordance with any provision of this section shall not be limited to, and may exceed, the amount of the principal debt due, whether such principal debt represents tax, penalties or interest, or a combination thereof."

(2) Notwithstanding anything to the contrary contained in the Sales Tax Amendment Act, 1995 (Act 27 of 1995) -

(a) the amendment referred to in paragraph (a) of section 3 of that Act, shall be deemed to have been declared by that Act to come into operation on 1 February 1996; and

(b) the amendment referred to in paragraph (b) of section 3 of that Act, shall be deemed not to have been part of that Act.

(3) The amendment effected by paragraph (a) of subsection (1) and the provisions of subsection (2) shall be deemed to have come into operation on 1 February 1996.

Substitution of Schedule 5 to Act 5 of 1992, as amended by section 3 of Act 31 of 1992, section 12 of Act 12 of 1993 and section 7 of Act 27 of 1995

5. The following schedule is substituted for Schedule 5 to the principal Act:

Act No. 13, 1996 **SALE TAX AMENDMENT ACT, 1996****"SCHEDULE 5***(section 6(1)(y))***EXEMPTION: CERTAIN GOODS IMPORTED INTO NAMIBIA**

The goods in respect of which the exemption under the provisions of section 6(1)(y) shall apply, shall be as hereinafter set forth.

PART A*Imported goods which are cleared or will be required to be cleared under the provisions of the Customs and Excise Act, 1964 (Act 91 of 1964)*

1. Goods imported into Namibia which fall under any heading and description mentioned below, to the extent indicated, and in respect of which either no customs duty is payable or a rebate of customs duty is granted in terms of the Customs and Excise Act, 1964 (Act 91 of 1964):

Heading and Description

Heading nos. 89.01-89.02; 89.04-89.08	Ships, boats and other vessels (excluding yachts and other vessels for pleasure or sport, rowing boats and canoes), in such quantities and at such times and subject to such conditions as the Minister or Trade and Industry may allow by specific permit.				
Item No. 406.00	Goods for Heads of State, Diplomatic and other Foreign Representatives.				
407.01	Personal effects and sporting and recreational equipment, new or used: <ol style="list-style-type: none"> (1) Imported either as accompanied or unaccompanied passengers' baggage by non-residents of Namibia for their own use during their stay in Namibia; (2) exported by residents of Namibia for their own use while abroad and subsequently reimported either as accompanied or unaccompanied passengers' baggage by such residents. 				
407.02	Goods imported as accompanied passengers' baggage either by non-residents or residents of Namibia and cleared at the place where such persons disembark or enter Namibia: <ol style="list-style-type: none"> (1) Per person, the following consumable products: <table border="0" style="margin-left: 20px;"> <tbody> <tr> <td style="padding-right: 20px;">Heading no.</td> <td></td> </tr> <tr> <td>22.00</td> <td>Wine, not exceeding 2 litres per person;</td> </tr> </tbody> </table> 	Heading no.		22.00	Wine, not exceeding 2 litres per person;
Heading no.					
22.00	Wine, not exceeding 2 litres per person;				

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	Spirituous and other alcoholic beverages, a total quantity not exceeding 1 litre per person;
24.02	Cigarettes not exceeding 400 and cigars not exceeding 50 per person;
24.03	250g cigarette or pipe tobacco per person;
33.03	Perfumery not exceeding 50ml and toilet water not exceeding 250ml per person.
(2)	Other new or used goods of a total value not exceeding N\$500 per person.
(3)	Additional goods, new or used, of a total value not exceeding N\$10 000 per person (excluding goods of a class or kind specified in rebate items 407.02/22.00, 407.02/24.02, 407.02/24.03 and 407.02/33.03).
407.06	Household furniture, other household effects and other removal articles, including equipment necessary for the exercise of the calling, trade or profession of the person, other than industrial, commercial or agricultural plant and excluding motor vehicles, alcoholic beverages and tobacco goods, the <i>bona fide</i> property of a natural person (including a returning resident of Namibia) and members of his or her family, imported for own use on change of his or her residence to Namibia.
409.00	Re-imported goods.
412.03	Used personal or household effects (excluding motor vehicles) bequeathed to persons residing in Namibia.
412.04	Used property of a person normally resident in Namibia who dies while temporarily outside Namibia.
412.10	<i>Bona fide</i> unsolicited gifts of not more than two parcels per person per calendar year and of which the value per parcel does not exceed N\$400 (excluding goods contained in passengers' baggage, wine, spirits and manufactured tobacco (including cigarettes and cigars)) consigned by natural persons abroad to natural persons in Namibia.
412.11	Good imported - (a) for the relief of distress of persons in cases of famine or other national disaster; (b) under any technical assistance agreement; or (c) in terms of an obligation under any multilateral international agreement to which Namibia is a party.

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- 412.12 Goods imported for any purpose agreed upon between the Governments of Namibia, Republic of South Africa, Botswana, Lesotho and Swaziland.
- 460.11 Goods for welfare or charitable purposes:
- 63.09 Used clothing purchased by or forwarded unsolicited and free to any church or any welfare organization registered in terms of the National Welfare Act, 1978 (Act 100 of 1978), for distribution free of charge by such church or organization to indigent persons, subject to production at the time of importation of a written declaration by such church or organization that the goods have been purchased or forwarded unsolicited and free and that they will be distributed free of charge to indigent persons.
- 460.23 Goods imported for use solely in operations in connection with the prospecting for, or the mining of, natural oil or natural gas.
- 470.01 Goods temporarily admitted for processing, provided such goods do not become the property of the importer.
- 470.02 Goods temporarily admitted for repair, cleaning or reconditioning.
- 480.00 Goods temporarily admitted for any other specific purposes.
- 490.00 Goods temporarily admitted subject to the exportation in the same state.
- Heading No. 49.11.10 Publications and other advertising matter, relating to fairs, exhibitions and tourism in foreign countries, when imported by a tourist agency of a foreign government recognized by the Minister for the purposes of this exemption.
- 71.18.90 Gold coin.
- 87.13 Invalid carriages, whether or not motorised or otherwise mechanically propelled.
2. Any of the following items imported into Namibia in respect of which the Controller of Customs and Excise has, in terms of the proviso to section 38(1)(a) of the Customs and Excise Act, 1964 (Act 91 of 1964), granted permission that entry need not be made:
- (i) containers temporarily imported;
- (ii) human remains;
- (iii) goods which in the opinion of the Commissioner for Customs and Excise are of no commercial value;

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- (iv) goods imported under an international carnet; and
 - (v) goods of a value for customs duty purposes not exceeding N\$200, and on which no such duty is payable in terms of Schedule 1 to the said Act.
3. Goods, being printed books, newspapers, journals and periodicals, imported into Namibia by post of a value for duty purposes under the Customs and Excise Act, 1964, not exceeding N\$100 per parcel.

PART B

Imported goods which are not and will not be required to be cleared under the provisions of the Customs and Excise Act, 1964 (Act 91 of 1964)

1. Goods imported into Namibia from any specified country as defined in section 1, namely -
- (a) Goods referred to in paragraph 1 of Part A of this Schedule under item nos. 460.11, 406.00, 407.01, 407.02, 407.06, 412.03, 412.04, 412.10, 412.11, 412.12, 460.23, 470.01, 470.02, 480.00 and 490.00 and Heading nos. 49.11.10, 71.18.90, 87.13, 89.01, 89.02, 89.04, 89.05, 89.06, 89.07 and 89.08, to the extent indicated.
 - (b) Goods or items referred to in paragraphs 2 and 3 of Part A of this Schedule, to the extent indicated.
 - (c) Goods intended for sale to -
 - (i) a registered vendor for resale as such by the vendor in the ordinary course of the enterprise in respect of which he or she is registered under section 12;
 - (ii) a vendor who is registered under section 12 in respect of an enterprise falling within a category of enterprises mentioned in Schedule 2, if such goods are goods described in that Schedule in relation to such category and are intended for use or utilization in such enterprise,if such goods have been produced, manufactured, assembled or processed by the person who imported such goods.
 - (d) Goods set forth in Schedule 6.
 - (e) Any motor vehicle constituting an asset of any enterprise or of any other *bona fide* commercial, financial, industrial, mining, quarrying, farming, forestry or fishing concern or of any *bona fide* professional practice actively carried on in any specified country, and which is brought temporarily into Namibia from such country for the use during the course of his or her employment by any employee of such enterprise, concern or practice where such an employee is ordinarily

resident in Namibia and does not have any direct or indirect financial interest or share in such enterprise, concern or practice.

2. Goods imported into or produced or manufactured in Namibia, exported therefrom to any specified country and thereafter directly returned to or brought back by the exporter without having been subjected to any manufacturing process, manipulation or modification and without a change in ownership, if tax under this Act or any law repealed by this Act was paid in respect of the acquisition thereof.
3. Goods which are shipped or conveyed to Namibia for transshipment or conveyance to any specified country."

Substitution of certain expressions in Act 5 of 1992

6. The principal Act is amended by the substitution for the expression "Permanent Secretary", wherever it occurs, of the word "Minister".

Short title

7. This Act shall be called the Sales Tax Amendment Act, 1996.
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