



# GOVERNMENT GAZETTE

## OF THE

# REPUBLIC OF NAMIBIA

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WINDHOEK - 1 April 2003

No.2947

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## Government Notice

### NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY

No. 78      2003

#### IMPOSITION OF LEVIES ON NAMIBIA FINANCIAL INSTITUTIONS: NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY ACT, 2001

In terms of section 25(1) of the Namibia Financial Institutions Supervisory Authority Act, 2001 (Act No. 3 of 2001), and on recommendation of the Board of the Namibia Financial Institutions Supervisory Authority, I hereby impose levies on financial institutions in Namibia in accordance with the provisions as set out in the Schedule.

Government Notice No. 82 of 1 June 2002 as amended by Government Notice No. 154 of 2 September 2002 is revoked.

**N. MBUMBA**  
**MINISTER OF FINANCE**

Windhoek, 28 March 2003

### SCHEDULE

#### Definitions

1. In this Schedule "the Act" means the Namibia Financial Institutions Supervisory Act, 2001 and any word or expression to which a meaning has been assigned in that Act or in any of the laws referred to in the definition of "financial institution" in section 1 of the Act, has the meaning so assigned to it and -

“levy year” means the period from 1 April 2003 to 31 March 2004;

“stock exchange” means a stock exchange licensed in terms of the Stock Exchanges Control Act, 1985 (Act No. 1 of 1985).

### **Imposition of levies**

2. Every financial institution mentioned in the subparagraphs below must in respect of the levy year pay the levies as indicated in respect of the particular financial institution.

### **Levy on Pension funds**

2.1 Every pension fund, excluding a retirement annuity fund as defined in section 1 of the Income Tax Act, 1981 (Act No. 24 of 1981), must pay the following levies:

- (a) Basic levy: N\$250,00
- (b) Additional levy:
  - (i) For each member of the pension fund: N\$12,00
  - (ii) For each person who receives regular periodic payments from the pension fund: N\$12,00

Provided that every pension fund registered under an umbrella scheme, must pay an additional levy of N\$100,00 in respect of each registered participating employer for which a set of special rules exists.

For the purposes of paragraph (b) the number of members of a pension fund and the number of persons who receive regular periodic payments from the pension fund in respect of whom the additional levy must be paid for the levy year, shall be the number of such members and of such persons as at the end of the year preceding the levy year.

### **Levy on retirement annuity funds**

2.2 Every retirement annuity fund as defined in section 1 of the Income Tax Act, 1981 (Act No. 24 of 1981), must pay the following levies:

- (a) Basic levy: N\$250,00
- (b) Additional levy: 0,005% of the value of the assets of the fund.

For the purposes of paragraph (b) the calculation of the value of the assets of the fund shall be as at the end of the year preceding the levy year and must include the value of a contract, if any, in which a long-term insurer, in return for the payment of a premium, undertakes to provide policy benefits for the purposes of funding in whole or in part the liability of the retirement annuity fund to provide benefits to its members in terms of its rules.

### **Levy on friendly societies**

2.3 Every registered friendly society as defined in section 1 of the Friendly Societies Act, 1956 (Act No. 25 of 1956) must pay the following levies:

- (a) Basic levy: N\$250,00
- (b) Additional levy: N\$12 for each member of the society, subject to a maximum amount of N\$2000,00.

For the purposes of paragraph (b) -

- (i) “member” excludes a person who receives policy benefits under a contract which relates exclusively to that particular person and issued by a long-

term insurer referred to in the Long-term Insurance Act, 1998 (Act No. 5 of 1998); and

- (ii) the number of members of the friendly society in respect of whom the levy must be paid for the levy year, shall be the number of such members as at the end of the year preceding the levy year.

#### **Levy on short-term insurers and underwriters at Lloyds**

- 2.4 (a) Every registered insurer under the Short-term Insurance Act, 1998 (Act No. 4 of 1998) must pay a levy equal to 1% of the insurer's gross premium income for the last financial year preceding the levy year, subject to adjustment after the end of the financial year in accordance with its actual gross premium income as reflected in its audited financial statement.
- (b) Every chief executive officer of an underwriter at Lloyds appointed in terms of section 41 of the Short-term Insurance Act, 1998 must pay a levy equal to 1% of the underwriter's gross premium income for the financial year preceding the levy year, subject to adjustment in accordance with the actual gross premium income which was received by or on behalf of the underwriter at Lloyd's in Namibia for the previous calendar year as published in the Annual Report of the Registrar of Insurance.

#### **Levy on long-term insurers**

- 2.5 (a) Every registered insurer under the Long-term Insurance Act, 1998 (Act No. 5 of 1998) must pay an annual levy equal to 0,1% of the aggregate of the insurer's liabilities under un-matured long-term policies.
- (b) The expression "liabilities under un-matured long-term policies" means the liabilities as determined at the end of the long-term insurers financial year which ended in the calendar year preceding the levy year, and the value of such liabilities are the net liabilities under un-matured policies reflected in the long-term insurer's financial statements.

#### **Levy on insurance agent, insurance broker and reinsurance broker**

2.6 Every person registered as an insurance agent, insurance broker or reinsurance broker in terms of section 53 of the Short-term Insurance Act, 1998 (Act No. 4 of 1998) or in terms of section 55 of the Long-term Insurance Act, 1998 (Act No. 5 of 1998) must pay a levy of N\$3000,00.

#### **Levy on management company of unit trust schemes**

2.7 Every management company of a unit trust scheme in securities other than property shares, registered in terms of the Unit Trusts Control Act, 1981 (Act No. 54 of 1981) must pay the following levies in respect of every unit trust scheme:

- (a) Basic levy: N\$5000,00
- (b) An additional levy equal to 0,04% x 1/12 of the total value of the assets controlled by the management company in respect of every unit trust scheme as at the end of every month of the levy year.

#### **Levy on Stock Exchange**

- 2.8 Every stock exchange must pay a levy of N\$50 000.

**Levy on Stock Brokers**

2.9 Every stock-broker as defined in section 1 of the Stock Exchanges Control Act, 1985 (Act No. 1 of 1985) who is a member of a stock exchange must pay a levy equal to  $0,04\% \times 1/12$  of the total value of securities traded by that stockbroker as at the end of every month of the levy year.

**Levy on Investment Managers**

2.10 Every person, and every person falling within the category referred to as investment manager, who have been approved by the Registrar of Stock Exchanges under section 4(1)(f) of the Stock Exchanges Control Act, 1985 (Act No. 1 of 1985), must pay the following levies:

- (a) Basic levy: N\$5000,00
- (b) An additional levy equal to  $0,14\% \times 1/12$  of the total value of investments managed as contemplated in section 4(1) of the Stock Exchanges Control Act, 1985 as at the end of every month of the levy year.

**Levy on moneylenders**

2.11 Every moneylender as defined in section 1 of the Usury Act, 1968 (Act No. 73 of 1968) must pay a levy equal to 1% of the total amount of loans disbursed by the moneylender as at the end of every month of the levy year.

**Levy on Medical Aid funds**

2.12 A registered fund as defined in section 1 of the Medical Aid Funds Act, 1995 (Act No. 23 of 1995) must pay the following levies:

- (a) Basic levy: N\$2000,00
- (b) Additional levy: N\$12 for each principal member of the registered fund as at the end of the year preceding the levy year.

**Payment of levies**

3. (1) Levies payable in terms of this notice must be paid in two equal installments, the first installment due on the 30 September 2003 to be paid not later than 31 October 2003 and the second installment due on 31 March 2004 not later than 30 April 2004.

(2) The levies and any interest payable in terms of this notice must be paid to the Namibia Financial Institutions Supervisory Authority by the deposit of the amount in the bank account of the Authority, particulars of which are as follows:

Account No. 241440351  
Standard Bank  
Gustav Voigts Branch (Branch Code No. 2772)

(3) Interest will be charged on amounts of overdue levies at a rate equal to the prevailing prime overdraft rate of the Standard Bank in Namibia.

- (4) The levies referred to in this notice at VAT-exempt.

**Application for exemption**

4. (1) An application by any financial institution for an exemption from any provision of this notice must be submitted in writing to the Chief Executive Officer of the Namibia Financial Institutions Supervisory Authority, P O Box 21250, Independence

Avenue, No. 145, Windhoek on a date at least one month before the date on which the exemption is to take effect in accordance with the application.

- (2) The application must -
- (a) contain full particulars of the financial institution and the authorisation of the person signing the application;
  - (b) specify the date on which the exemption is required to take effect;
  - (c) set out fully the reasons for the application;
  - (d) contain an affirmation by the financial institution concerned to provide, at the request of the Executive Officer of the Authority, forthwith any further information or particulars which the Authority may require in connection with the financial institution or application concerned; and
  - (e) specify the address at which the financial institution will accept service by the Authority of any notice contemplated in section 25(6)(b) of the Act.

#### **Service of notice**

5. A notice referred to in section 25(6)(b) of the Act shall be served on a financial institution by the Chief Executive Officer, or any person authorized by him or her, either -

- (a) by delivery personally; or
- (b) dispatch by registered post of the notice,

at or to the address furnished by the financial institution.

#### **Consolidated Payment**

6. (1) If in any particular year a body, regarded by the Authority as fully representative of any category of financial institutions, is offering to make a consolidated payment of levies on behalf of the relevant financial institutions in terms of an agreement concluded between such institutions and that body, the Authority may accept such offer if the payment is made in accordance with the provisions of this notice: Provided that if for any reason any of such consolidated payments are not so made on the relevant dates of payment, every individual financial institution concerned remains fully responsible for the amount of levies payable by it, plus interest (if any) on that amount calculated in accordance with paragraph 3(3).

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