

Tax Alert | January 2025

Income Tax Amendment: Youth Internship & Designated Authorities

On 16 September 2024, the **Income Tax Act 24 of 1981** was amended and a **youth internship allowance** is claimable, effective for all entities having a financial year commencing on or after 01 January 2024.

The following is important to note:

1. As per Section 17E, in order for an employer to claim the internship allowance, there must be:

- 1.1 an internship agreement, which must be
- 1.2 certified
- 1.3 by a designated authority.

2. When the amendments came into force, the Minister did not yet designate any authorities for the purpose of certifying internship agreements for purposes of section 17E.

The following institutions / organisations were identified as designated authorities, **effective 31 December 2024**, as published in the Government Gazette no. 8551.

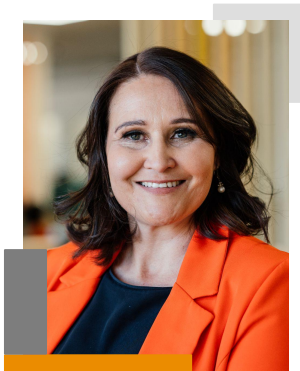
No.	Name of Institution/Authority	Abbreviation
1	Namibia Civil Aviation Authority	NCAA
2	Public Accountants and Auditors Board	PAAB
3	Law Society of Namibia	LSN
4	Engineering Council of Namibia	ECN
5	The Namibia Council for Architects and Quantity Surveyors	NCAQS
6	Namibia Institute for Architects	NIA
7	Health Professions Council of Namibia	HPCNA
8	Society of Actuaries of Namibia	SAN
9	Namibia Institute of Professional Accountants	NIPA
10	Namibia Training Authority	NTA
11	Federation of Namibia Tourism Associates	FENATA
12	Namibia Investment Promotion and Development Board	NIPDB
13	Construction Industries Federation of Namibia	CIF
14	Institute of Chartered Accountants of Namibia	ICAN



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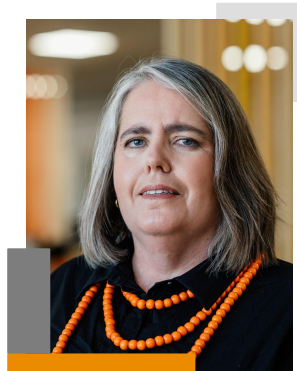
3. Though the wording of Section 17E refers to "internship", we understand the intention is that the allowance will also apply to training contracts, and will not be limited solely to internships agreements.
4. No further guidance is available yet regarding how each designated authority will certify the internship / training agreement and the supporting documents to be submitted.
5. We again caution employers to the formula error in Section 17E, where "A" in the formula should be read as only 50%, and not as "50% of the amount represented by "C".

For further details, please reach out:



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