

Tax Watch

Highlights of the Tax Amendment Bills, 2022

The Tax (Amendment) Bills, 2022 (“Bills”) have been tabled before parliament for discussion. The proposed changes set out in the various Bills which are set to come into force on 1 July 2022 are aimed at improving tax administration, streamlining tax exemptions, reducing tax leakages and boosting tax revenues collected by the Government of Uganda. The proposed amendments will become law once assented by the President.

In this bulletin, we provide an analysis of the proposals introduced by the various Bills, including; the Income Tax (Amendment) Bill,2022, the VAT (Amendment) Bill,2022, the Excise Duty (Amendment) Bill,2022, the Tax Procedure Code (Amendment) Bill, 2022, the Uganda Revenue Authority (Amendment) Bill, 2022, the Tax Appeals Tribunal (Amendment) Bill,2022, the Traffic and Safety (Amendment) Bill, 2022, the Stamp Duty (Amendment) Bill,2022 and the Finance (Amendment) Bill,2022.



Income Tax (Amendment) Bill, 2022

The Income Tax (Amendment) Bill, 2022, proposes the following amendments to the Income Tax Act ("ITA"):

Description	Comments
Definitions amended	<p>Definition of beneficial owner has been broadened</p> <ul style="list-style-type: none">The Bill has amended the definition of beneficial owner and the definition still limits the application of tax exemptions/reduced tax rates and other 'concessions' under double taxation treaties to natural persons.A beneficial owner is defined to mean a "natural person who ultimately owns or controls a customer or the person on whose behalf a transaction is conducted, including a natural person who exercises ultimate control over a legal person or arrangement".The word struck through above has been repealed which suggests that any payments made to a non-resident shareholder (including non-individuals) would qualify for treaty benefits. However, the person should have ultimate control over a legal person, among other factors. The law does not define ultimate control but we interpret it to mean the person who directly or indirectly through interposed companies, partnerships or trusts owns the legal person and is likely to be an individual (not a company). Therefore, the beneficial owner definition will not apply to a non-individual since they will not have ultimate control of a legal entity/person.In addition, a definition of beneficial owner in the context of a legal person has been added to include a natural person who is either directly or indirectly holds at least 10% shares or voting rights, a natural person exercising control of the legal person through other means including personal or financial superiority or the natural person who has power to make or influence a decision of the legal person. This definition covers non-individuals as well as a natural person, subject to the conditions explained above.Therefore, while the word 'natural' has been removed from the first part of the definition, the overall definition does not seem to extend the treaty benefit to entities in which the ultimate owners are not individuals. <p>Exempt organisations to include research institutions</p> <ul style="list-style-type: none">The Bill proposes to amend the definition of an exempt organisation under Subparagraph (B) of paragraph (bb) (i) of the ITA by replacing it with the following "a religious, charitable, educational institution or research institution whose object is not for profit;". Replacing "a religious, charitable or educational institution whose object is not for profit".The proposed definition extends the exemption to research institutions and this is aimed to grow the research base in the country.
Changes to taxation of rental income	<p>Taxation of rental income earned by non-individuals other than partnerships</p> <p>The Bill proposes to cap allowable expenses for offsetting rental income for non-individuals other than a partnership to 50% with any excess rental expenditure being allowed to be carried forward for utilisation in the subsequent years indefinitely. This repeals the deduction rate of 75% which was introduced in July 2021.</p> <p>Taxation of rental income earned by individuals</p> <ul style="list-style-type: none">The Bill proposes to repeal the deduction of rental expenses of 75% of the gross rental income for individuals. This means expenses incurred by individuals will not be treated as deductible expenses for rental income tax purposes.The Bill further proposes to tax rental income earned by individuals at a rate of 12% of the gross rental income. The tax rate has been reduced from 30% on chargeable income to 12% of rental income which increases the effective tax rate on rental income from 7.5% to 12%.This is aimed at maximising rental tax from individual landlords. <p>Taxation of rental income by partnerships</p> <ul style="list-style-type: none">The Bill repeals deduction of rental expenses of 75% of the gross rental income against the rental income for partnerships.The Bill proposes that the income and expenditures derived by a partnership will be taxed on the partners and allocated to each partner based on the distributions or expenses for each partner.

Income Tax (Amendment) Bill, 2022

Description	Comments
Income tax exemptions <ul style="list-style-type: none"> A. Exemption for bujagali hydropower project B. Investment incentives for manufacturers C. Investment incentive for hospital facility developer D. Industrial park and free zone operators 	<p>Exemption for Bujagali hydropower project</p> <ul style="list-style-type: none"> • The Bill proposes to extend the income tax exemption for the income of Bujagali hydro power for an additional five years. The exemption end date has been extended from 30 June 2022 until 30 June 2027. The exemption has been extended to maintain the power tariff for consumers. <p>Investment incentives for manufacturers</p> <ul style="list-style-type: none"> • An exemption from income tax of the income of a manufacturer, other than a manufacturer operating in an industrial park or free zone provided for in paragraph 21(1)(ah) of the ITA, whose investment capital is, for over a period of at least ten years from the date of commencement of business, at least USD 35m for a foreign investor or USD 5m for a citizen investor who has— <ul style="list-style-type: none"> (i) capacity to source at least 50% of the locally produced raw materials, subject to availability; and (ii) capacity to employ a minimum of one hundred citizens. • Government continues to incentivise manufacturing, however, there is a need to provide clear guidelines as to how these incentives will work in practice especially in this instance where the investment capital may be futuristic. <p>Investment incentive for hospital facility developer</p> <ul style="list-style-type: none"> • The Bill introduces an exemption for the income of a hospital facility developer, whose investment capital is at least USD 5m for over a period of at least ten years from the date of commencement of business. This incentive is aimed at promoting development of hospital facilities. <p>Industrial park and free zone operator</p> <ul style="list-style-type: none"> • The Bill clarifies that the period for application of the tax incentives for an operator in an industrial park or free zone or any other person carrying on business outside the industrial park or free zone will commence from the year of income in which the tax incentive was introduced in the Act instead of the date of commencement of business. • This means that this exemption will expire after a period of 10 years from when the incentive was introduced (i.e., 2029 for a person leasing facilities in an industrial park or free zone and 2031 for an operator in or outside an industrial park or free zone that meets the specified conditions) irrespective of the date of commencement of the operator's business.
Withholding tax on non-resident road transport providers for passengers and cargo embarked outside Uganda	<ul style="list-style-type: none"> • The Bill clarifies that the income derived from carriage of passengers who do not embark in Uganda or cargo or mail which is not embarked in Uganda is not income derived from a Ugandan-source service contract. • This amendment makes it clear that the income derived by non-residents transporting passengers or cargo from outside of Uganda is not considered to be sourced from Uganda. Accordingly, this income is not subject to tax at 15%.
Petroleum exploration expenditure as an intangible asset	<ul style="list-style-type: none"> • The Bill clarifies that the amortisation rate for petroleum exploration expenditure which constitutes an intangible asset is 100%. Previously, this provision was not very clear. • The rate of amortisation of intangible assets has been aligned with the depreciation rate for depreciable assets acquired during petroleum exploration.
Due date for payment of income tax by a licensee	<ul style="list-style-type: none"> • The Bill clarifies that the due date for payment of taxes charged in any assessment and mining and petroleum revenues shall be payable on the due date for furnishing a return.
Failure to file a return or provide information to URA by a licensee	<ul style="list-style-type: none"> • The penalty for late filing and provision of any other document to URA by a licensee will be equivalent to between USD 50,000 to USD 500,000 for petroleum operations. • The Bill makes it clear that the penalty for late filing of a return (i.e., the higher of 2% of the tax payable or UGX 200,000 for the period the return remains outstanding) as well as the penalty for failure to provide information (i.e., UGX 50m for transfer pricing and UGX 20m for any other information) does not apply to a licensee. It is not clear why the Bill introduced this specific exclusion as the existing law makes it clear that the special provisions for the taxation of petroleum prevail over the other sections of the law.

Income Tax (Amendment) Bill, 2022

Description	Comments
Definition of a business asset	<ul style="list-style-type: none">• The Bill proposes to introduce a separate definition of a business asset under section 118B of the ITA to mean “land, the whole or any part of land, which is used or held for use in any business except land held as trading stock and includes:<ul style="list-style-type: none">– Land that is used in business to generate income other than land of an individual that is subject to rental tax; or– Land owned by a company, trust or partnership• The term business asset has now been clearly defined and the business asset should be looked at from the point of view of the seller. WHT will be accounted for or remitted by the purchaser as the WHT agent.• The Bill further clarifies that the following do not qualify as business assets for purposes of section 118B of the ITA:<ul style="list-style-type: none">– Land that is held as trading stock– A seller who the Commissioner is satisfied has regularly complied with the obligations imposed on that person (Sellers who are included on the WHT exemption list).– The disposal of any property by means of gift, bequest, devise or inheritance that does not generate a gain included in business or employment income.
Listed institutions	<p>The Bill proposes to amend the First Schedule of the ITA to include the following organisations:</p> <ul style="list-style-type: none">• International Development Law Organisation (“IDLO”)• Replacing the Department for International Development (“DFID”) with Foreign Commonwealth and Development Office (“FCDO”) <p>The income of institutions listed under the First Schedule of the ITA is exempt from Income tax.</p>



Value Added tax (Amendment), Bill, 2022

The Value Added tax (Amendment), Bill, 2022 proposes to make the following amendments to the VAT Act

Description	Comments
1. Repealing the VAT exemption for imported services used in the provision of VAT exempt supplies	<ul style="list-style-type: none">The Bill proposes an amendment to Section 20(2) of the VAT Act to reverse the existing VAT exemption for imported services that are used in the provision of exempt supplies. This amendment was introduced to the VAT Act in 2021.This means imported services will only be considered to be exempt if the services would be exempt had they been provided in Uganda.(i.e., If they are listed in the Second Schedule (Exempt Supplies) of the VAT Act).
2. Amendment to the First Schedule of the VAT Act	<p>The Bill proposes to amend the First Schedule (Public International Organisations) of the VAT Act to include the following organisations:</p> <ul style="list-style-type: none">International Development Law OrganisationReplacement of the “Department for International Development (DFID)” with “Foreign, Commonwealth and Development Office (FCDO) <p>Organisations listed under the First Schedule of the VAT Act are entitled to certain VAT reliefs.</p>
3. Expansion of VAT exemption regime	<ul style="list-style-type: none">The Bill proposes additions to the list of VAT exempt supplies in the Second Schedule of the VAT Act as follows:<ol style="list-style-type: none">The supply of assistive devices for persons with disability.The supply of airport user services charged by the Civil Aviation Authority.The supply of oxygen for medical use. Currently, only oxygen cylinders are exempt from VAT. This exemption is aimed at supporting the exemption to oxygen used for medical use whether it is in a cylinder or not.In addition, the Bill further proposes to extend the exemption for new investments in certain standards of a national referral hospital referred to under paragraph (rr) of the Second Schedule of the VAT Act to any hospital as long as it has the capacity to provide specialised medical care.
4. Exclusion of some items from the VAT exemption regime	<ul style="list-style-type: none">The Bill proposes exclusions from the list of VAT exempt supplies in the Second Schedule of the VAT Act as follows:<ol style="list-style-type: none">The supply of menstrual cups;The supply of cotton seed cake
5. Expansion of the Third schedule of the VAT Act (Zero rated supplies)	<p>The Bill proposes amend the list of VAT zero rated supplies in the Third Schedule of the VAT Act as follows:</p> <ul style="list-style-type: none">Substitution of the “supply of educational material” with the “supply of educational materials including educational materials manufactured in a Partner State of the East African Community”. This measure is aimed at providing clarification by zero rating all education materials including education materials manufactured by a Partner State of the EAC.Inclusion of “menstrual cups” as a zero-rated supply alongside sanitary towels, tampons and inputs for their manufacture. Currently, the menstrual cups are listed as exempt supplies under the VAT Act. This is a welcome amendment since it allows manufacturers of menstrual caps and other taxpayers to claim their input credit incurred in their business activities.

Excise Duty (Amendment) Bill, 2022

The Excise Duty (Amendment) Bill, 2022 proposes the following amendments to the Excise Duty Act:

Description	Comments
1. Definition of fruit juice	The Bill proposes to introduce a definition for fruit juice to mean unfermented liquid extracted from the edible parts of a fresh fruit whether the extracted liquid is diluted or not.
2. Definition of un-denatured spirits	The Bill proposes to introduce a definition for un-denatured spirits to mean spirits that are not mixed with any substance to render the spirit unfit for human consumption, including neutral spirits or alcoholic beverages made from neutral spirits that are fit for human consumption.
3. Definition of Vegetable juice	The Bill further proposes to introduce a definition of vegetable juice to mean unfermented liquid extracted from the edible part of a vegetable whether the extracted liquid is diluted or not.

The Bill further proposes to amend Schedule 2 of the Excise Duty Act as follows:

Paragraph	Excisable Good or Service	Duty rates		Comments
		2021/2022	2022/2023	
2	Beer		Proposal	
(d)	Opaque Beer	20% or Shs.230 per litre, whichever is higher	12% or Shs.150 per litre, whichever is higher	Decrease in ad-valorem rate by 8% and a decrease in fixed rate by Shs.80. This proposal is aimed at encouraging production of opaque beer
3	Undenatured spirits			
(a)	Un-denatured spirits of alcoholic strength by volume of 80% or more made from locally produced raw materials	60% or Shs. 1,500 per litre whichever is higher;	60% or Shs. 1500 per litre whichever is higher;	This excise duty category is amended to introduce a reference to the alcoholic strength of the undenatured spirits for ease of categorisation of spirits that fall under this paragraph.
(b)	Un-denatured spirits of alcoholic strength by volume of 80% or more made from imported raw materials	100% or Shs. 2500 per litre whichever is higher;	100% or Shs. 2500 per litre whichever is higher;	This excise duty category is also amended to introduce a reference to the alcoholic strength by volume of 80% or more for un-denatured spirits whose raw materials are imported.
(c)	Any-other un-denatured spirits			
(i)	Locally produced of alcoholic strength by volume of less than 80%; or		80% or Shs. 1700 per litre whichever is higher;	This is a new excise duty category which covers locally produced un-denatured spirits of alcohol strength of less than 80%
(ii)	Spirits that are imported of alcoholic strength by volume of less than 80%.		100% or Shs. 2500 per litre whichever is higher;	This is a new excise duty category which covers imported un-denatured spirits of alcohol strength of less than 80%
(d)	Un-denatured spirits made from locally produced raw materials that are used in the production of disinfectants and sanitizers for the prevention of the spread of COVID-19 of alcoholic content by volume not less than 70%.		NIL	This is a newly inserted category aimed at boosting the production of sanitizers
5	Non-alcoholic			
(b)	Fruit juice and vegetable juice, except juice made from at least 30% pulp or at least 30% juice by weight or volume of the total composition of the drink from fruits and vegetables locally grown	12% or Shs. 250 per litre whichever is higher;	12% or Shs. 250 per litre whichever is higher;	Reduction of the excise duty scope to exclude fruit or vegetable juice that contains at least 30% juice by weight or volume of the total composition of the drink, made from fruits and vegetables locally grown

Excise Duty (Amendment) Bill, 2022

Paragraph	Excisable Good or Service	Duty rates		Comments
		2021/2022	2022/2023	
5	Non-alcoholic			
(d)	Any other non-alcoholic beverage locally produced made out of fermented sugary tea solution with a combination of yeast and bacteria	12% or Shs. 250 per litre whichever is higher;	12% or Shs. 150 per litre whichever is higher;	Decrease in fixed rate by Shs. 150
11	Sacks and bags of polymers of ethylene and other plastics under HS codes 3923.21.00 and 3923.29.00 except vacuum packaging bags for food, juices, tea and coffee sacks and bags for direct use in the manufacture of sanitary pads;		40% or Shs. 4,000 per kilogram whichever is higher	<p>This replaces the current plastic product and plastic granules under paragraph 11 of the Third Schedule of the Excise Duty Act.</p> <p>This proposal seeks to limit the application of excise duty to paper bags for environmental protection purposes.</p>
13	Telecommunication Services			
(g)	Incoming calls except calls from Republic of Kenya, United Republic of Tanzania , the Republic of Rwanda and the Republic of South Sudan	USD 0.09 per minute	USD 0.09 per minute	The Bill seeks to extend the exemption from excise duty to incoming calls from The United Republic of Tanzania.
25 (b)	Any other fermented beverages including cider, perry, mead or near beer produced from locally grown or produced raw materials	30% or Shs. 550 per kilogram whichever is higher	30% or Shs. 550 per kilogram whichever is higher	The Bill seeks to include cider, perry, mead as fermented beverages rather than as raw materials
26	Construction materials of a manufacturer, other than a manufacturer referred to in item 21, whose investment capital is, at least USD 35 million in case of a foreigner or USD 5 million in the case of a citizen;	NIL	NIL	The investment capital has been reduced from USD 50 million to 35 million USD for non-residents and to USD 5 million USD for citizens. Also, reference to any other manufacturer who makes an additional investment of USD 50 million has been removed.



The Tax Procedures Code (Amendment) Bill, 2022

The Tax Procedures Code (Amendment) Bill, 2022 proposes to make the following amendments to the Tax Procedures (Amendment) Code Act (“TPCA”):

Description	Comments
Expiration date for a Certificate of Registration for a tax agent	<ul style="list-style-type: none">The Bill proposes to amend the expiration date of the Certificate of Registration for a tax agent to 31 December of every calendar year.This means that the Certificate will expire at the end of the calendar year as opposed to the previous position where it was valid for 12 months from the date of registration.
Failure to activate a tax stamp	<ul style="list-style-type: none">The Bill proposes to impose a penal tax that is double the tax due on the goods or Uganda Shillings fifty million (Ushs 50,000,000) whichever is higher on any person who fails to activate a tax stamp.This amendment is intended to ensure that taxpayers comply with the requirements related to affixing and activation of tax stamps
Temporary Closure of Business	<ul style="list-style-type: none">The Bill proposes to introduce failure to comply with the requirements of electronic receipting and invoicing and tax stamps as part of the reasons that can lead to a taxpayer receiving a notice of the URA's intention to close the business. The Bill further empowers the Commissioner to close the business if the taxpayer does not comply with URA's notice.The above amendment is intended to ensure compliance with the newly introduced EFRIS system and tax stamps.
Disclosure of information by Persons in the Construction or Extractive industry	<ul style="list-style-type: none">The Bill proposes to introduce a requirement for persons in construction or extractive industries to disclose to the URA names of persons contracted in the course of performance of their business within seven days from the date of signing of the contract.The Bill proposes to introduce a penalty of Ushs 20,000,000 (1000 currency points) for a person who fails to comply with the requirement.This proposal is intended at widening the tax base by bringing more persons into the tax bracket.
Payment of Informers	<ul style="list-style-type: none">The Bill proposes to exclude URA staff as whistle-blowers/informers.It further proposes to modify the scope of informers and their reward to include persons who provide information leading to (i) identification of unassessed tax or duty and (ii) recovery of unassessed tax or duty and sets their payment at the lower of 1% of the assessed tax or Ushs 15 million and the lower of 5% or Ushs 100 million respectively.Previously the scope was limited to persons who provide information leading to recovery of tax and the reward was a flat rate of 5%.
Penalty for making false or misleading statements	<ul style="list-style-type: none">The Bill proposes to increase the fine payable by a person who makes a false or misleading statement from 200 currency points (Ushs 4,000,000) to 5,500 currency points (Ushs 110,000,000).A currency point is equivalent to Ushs 20,000

Introduction of new offences and increase in penalties for offences under the TPCA

The Bill proposes to introduce new offences relating to Electronic Fiscal Reporting and Invoicing System (“EFRIS”), Tax Stamps, automatic exchange of information and impose higher penalties and sentences upon conviction for offences committed under the TPCA as summarised below.



Offences relating to EFRIS and Tax Stamps

Offence	Penalty
Failure to affix/activate a tax stamp	Fine ≤1500 currency points or imprisonment not exceeding 10 years or both
Printing over or defacing tax stamps	Fine ≤1500 currency points or imprisonment not exceeding 10 years or both
Forgery of a tax stamp	Fine ≤1500 currency points or imprisonment not exceeding 10 years or both
Failure to use an electronic receipting or invoicing	Fine ≤1500 currency points or imprisonment not exceeding 10 years or both
Forgery of electronic receipt or invoice	Fine ≤1500 currency points or imprisonment not exceeding 10 years or both
Interfering with electronic fiscal device or electronic dispensing control device	Fine ≤1500 currency points or imprisonment not exceeding 10 years or both

Offences relating to automatic exchange of information

Offence	Penalty
Failure to file an information return relating to automatic exchange of information	Fine ≤ 2500 currency points for each day in default or imprisonment not exceeding ten years or both.
Failure to maintain records for purposes of automatic exchange of information	Fine ≤ 2500 currency points for each day in default or imprisonment not exceeding ten years or both.
Making a false or misleading statement in information return	Fine ≤ 2500 currency points for each day in default or imprisonment not exceeding ten years or both.
Omitting from a statement made in the information return	Fine ≤ 2500 currency points for each day in default or imprisonment not exceeding ten years or both.

*currency point = UGX 20,000





Stamp Duty (Amendment) Bill, 2022

The Stamp Duty (Amendment), Bill, 2022 contains proposals to amend the Stamp Duty rates under schedule 2 of the Stamp Duty Act on several instruments. We highlight below the proposed changes in the Bill:

Item	Description	Comments
6	AGREEMENT relating to deposit of title- deeds, pawn pledge – of the total value	The Bill proposes to amend the applicable stamp duty rate from 1% to nil.
56	SECURITY BOND OR MORTGAGE DEED- executed by way of security for the due execution of an office, or to account for money or other property received by virtue of security bond or mortgage deed executed by surety to secure a loan or credit facility- of entry total value	The Bill proposes to amend the applicable stamp duty rate from 1% to nil. The Bill also amends the description of the instrument from “SECURITY BOND OR MORTGAGE DEED- executed by way of security for the due execution of an office, or to account for money or other property received by virtue of security bond or mortgage deed executed by surety to secure the due performance of a contract of entry total value” to “SECURITY BOND OR MORTGAGE DEED- executed by way of security for the due execution of an office, or to account for money or other property received by virtue of security bond or mortgage deed executed by surety to secure a loan or credit facility- of entry total value”. The amendment above is intended to specify that the instrument applies to only security bonds and mortgage deeds meant to secure a loan or credit facility.
60	An operator in an industrial park or free zone or an operator of a single factory or other business outside an industrial park.	The Bill proposes to reduce the minimum investment capital from USD 50 million to USD 35 million.
63	TRUST- concerning any property made by any writing including a transfer from a holder of letters of administration or probate to a beneficiary	The rate has been maintained at UGX 15000. However, the instrument has been amended to include a transfer from a holder of letters of administration or probate to a beneficiary.





Stamp Duty (Amendment) Bill, 2022

The Traffic and Road Safety (Amendment) Bill, 2022 proposes to amend the Traffic and Road Safety Act Cap. 361 as set out below:

Description	Comments
Amendment to section 2(1) of the Act to include the position of a Commissioner	The Bill proposes to amend Section 2(1) of the Act to introduce the position of a Commissioner who will be responsible for the Transport Regulation and Safety.
Amendment to Sections 2(1) (d) and 61(1),(2) to substitute the word “Board” with the word “Competent Authority” and the word “Secretary to the Board” with the word “Commissioner”.	The bill proposes to substitute the word “Board” with the words “Competent Authority” and the words “Secretary to the Board” to be replaced with the word “Commissioner” in Sections 2(1) (d) and 61(1),(2) of the Traffic and Road Safety Act. The Board shall be termed the Competent Authority and the Secretary to the Board shall be the Commissioner when the Bill is enacted.
Amendment to Section14(A) and 14B (1) and the Fourth Schedule of the Act to substitute the word “date” with the word “year”	The Bill proposes to substitute the word “date” with the word “year” in Section 14(A);14B(1) and the Fourth Schedule of the Traffic and Road Safety Act. This amendment is intended to simplify the determination of the age of imported motor vehicles when computing applicable Environmental Levy.

The Tax Appeals Tribunal (Amendment) Bill, 2022

The Tax Appeals Tribunal (Amendment) Bill, 2022 has proposed the change below to the Tax Appeals Tribunal Act.

Description	Comments
Increasing the number of the Tax Appeals Tribunal members from four to eight members.	The Bill proposes to amend Section 2 of the Bill to substitute for the word “four” in the principal Act the word “eight” to read that “a tribunal shall consist of a chairperson and eight other tribunal members appointed in accordance with this Act.” This is a welcome amendment as the increase in the members of the TAT is likely to improve the efficiency of the TAT.



The Finance Bill, 2022

In order to avoid duplication of fees, the Finance Bill, 2022 proposes to repeal a number of provisions in various Finance Acts since these provisions are now being provided for under the respective Acts as summarised below:

Description	Comments
Removal of fees payable in regard to Vehicle Registration and Driving permits from the Finance Act No. 14 of 2016	<p>The Bill proposes to repeal section 4 and the Schedule of the Finance Act No 14 of 2016. This section provides for fees relating to Vehicle Registration and Driving permits which are now covered under the Traffic and Road Safety Act, Cap 361.</p> <p>These fees are now being provided for under the Traffic and Road Safety (Driving Permits) Regulations 2021. This proposal is therefore aimed to repeal the old fees under the 2016 Finance Act in order to avoid duplication.</p>
Repeal of section 4 of the Finance Act No. 10 of 2014 in respect to fees payable under the Mining Act	<p>The Bill proposes to repeal section 4 of the Finance Act No. 14 which provides for fees chargeable under the Mining Act 2003.</p> <p>Similar to the previous repeals, this is aimed at eliminating the duplicated fees in this Finance Act which have since been revised with the passing of the Mining and Minerals Bill in February 2021.</p>
Rescission of sections 2, 5 and Schedule 1 of the Finance Act No.18 of 2013 relating to motor vehicle and motorcycle registration, business names, cattle traders etc	<p>The Bill proposes to repeal the following sections in the Finance Act:</p> <ul style="list-style-type: none">• Section 2 that provides for motor vehicle and motorcycle registration fees and;• Schedule 2 of Section 5 of the Finance Act that provides for fees that are now being captured under various instruments such as Business Names Act, Cattle Traders Act, Mining Act 2003 etc. <p>As with the proposals above, this proposal is aimed at eliminating fees which have since been revised by the respective Acts to avoid duplication.</p>
Revocation of section 2 of the Finance (Amendment) Act No. 22, 2010 which provides for registration fees for motorcycles.	<p>The Bill proposes to repeal section 2 of the Finance (Amendment) Act No. 22, 2010 which provides for registration fees for motorcycles.</p> <p>This is intended to remove the old fees which have since been revised under the Traffic and Road Safety Amendment Act, 2020 and supplemented by the Regulations in the same year.</p>
Revocation of section 3 of the Finance Act No.18 of 2008 relating to fees for services and various documents under the Traffic and Road Safety Act,1998	<p>The Bill proposes to repeal the entire First schedule of section 3 related to fees for services and various documents under the Traffic and Road Safety Act,1998 such as registration and re-registration fees for motor vehicles and cycles etc.</p> <p>Similar to the above repeals, the proposal is intended to remove such fees that have since been revised under the Traffic and Road Safety Amendment Act, 2020 and supplemented by the Regulations in the same year</p>
Revocation of section 1 and the First schedule of the Finance Act No.32 of 2006 relating to annual fees for vehicles and tractors	<p>The Bill proposes to repeal the entire First schedule of section 1 of the Finance Act No.32 of 2006 that provides for annual fees for vehicles, tractors etc payable under the Traffic and Road Safety Act 1998,Cap 361 services.</p> <p>The proposal is intended to remove such fees that have since been revised under the Traffic and Road Safety Amendment Act, 2020 and supplemented by the Regulations in the same year.</p>
Repeal of section 3 and the First schedule of the Finance Act No. 2, 2005 relating to annual fees for vehicles and tractors	<p>The Bill proposes to repeal the entire First schedule of section 3 related to annual fees for vehicles, tractors etc payable under the Traffic and Road Safety Act 1998,Cap 361.</p> <p>The proposal is intended to remove such fees that have since been revised under the Traffic and Road Safety Amendment Act, 2020 and supplemented by the Regulations in the same year</p>

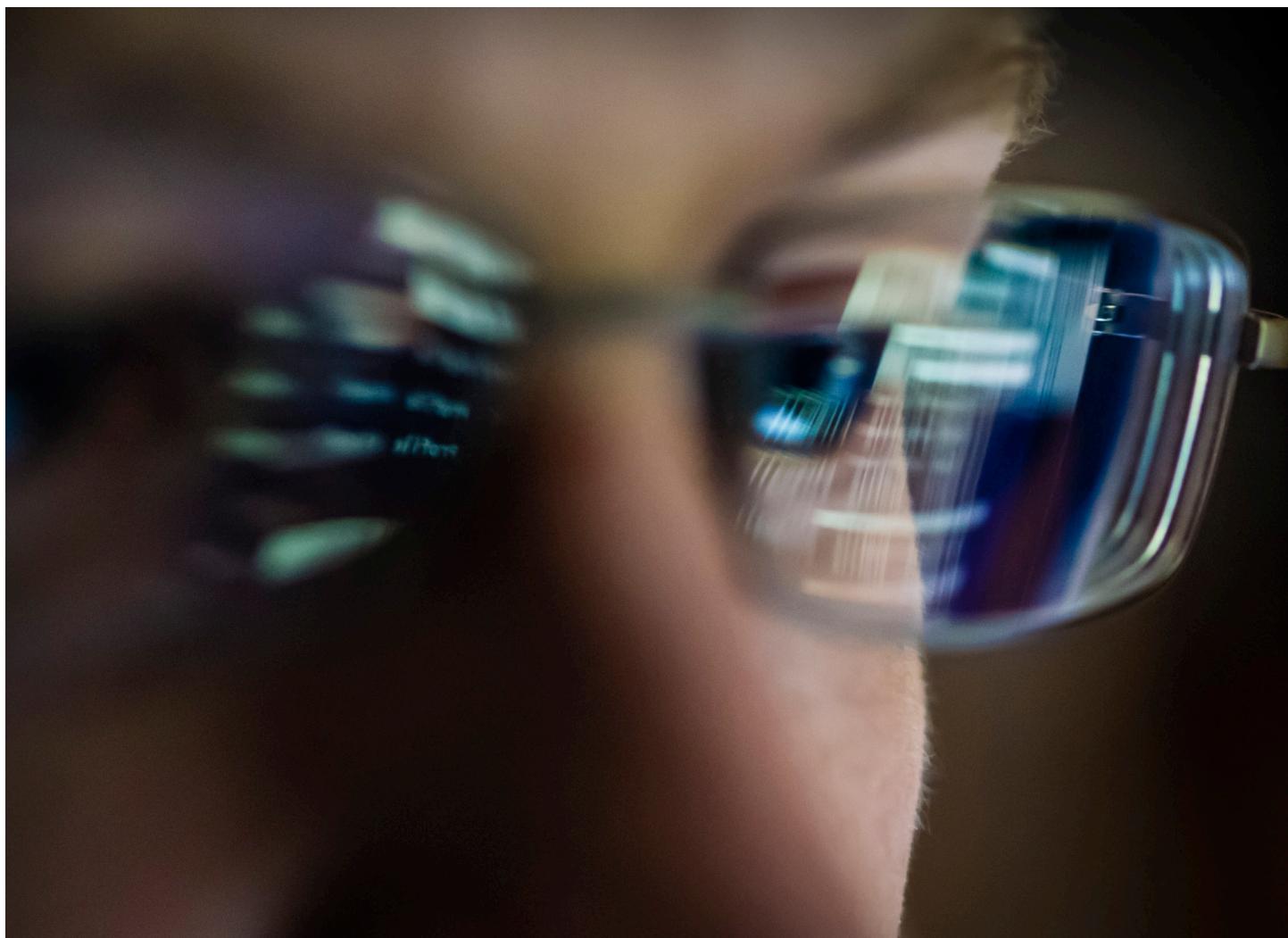




The Uganda Revenue Authority Act CAP 196

The Uganda Revenue Authority (Amendment) Bill, 2022 has proposed the changes below under the principal Act:

Description	Comments
Amendment of Section 3(2) of the Principal Act to allow the Minister by statutory instrument to amend the First and Second Schedules to this Act.	Currently, Section 3(2) of The Uganda Revenue Authority Act CAP 196 Act provides that the Minister may, by statutory instrument, amend the First Schedule to this Act. The proposed amendment allows for the Minister to also amend the Second Schedule to the Act by statutory instrument.
Amendment of Section 11(1) of the Principal Act to give power of the board to appoint officers at the level of assistant commissioners or higher.	Currently Section 11(1) in the principal Act provides that Subject to Section 9, the board shall appoint officers at the level of principal revenue officers or higher, on such terms and conditions as the board may determine. The proposed amendment gives powers to the Board to appoint officers at the level of assistant commissioners or higher. However, it should be noted that Section 3 of the Bill talks of substituting the word "manager" while the Memorandum to the Bill and principal Act provide for the word "officers" and not managers. This should be aligned because the principal Act provides for only principal revenue officers.



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