



THE REPUBLIC OF UGANDA

## **CERTIFICATE OF FINANCIAL IMPLICATIONS**

(Made under Section 76 of the Public Finance Management Act, 2015)

**THIS IS TO CERTIFY** that the Bill entitled, the Tax Procedures Code (Amendment) Bill 2020, has been examined as required under Section 76 of the Public Finance Management Act, 2015. I wish to report as follows:-

**(a) That the Bill has the following objectives:**

1. To provide for defer of payment of income tax for companies and other persons whose turnover is less than five hundred million shillings.
2. To provide for defer of payment of tax employment income of persons employed in the manufacturing, tourism and floricultural sectors.
3. To waiver of interest on tax arrears.

**(b) That it is expected to achieve the following outputs:**

1. To stimulate the economy.
2. To support the private sector.
3. To enhance domestic production capacity of goods and services.

**(c) Estimates of expenditure for the next two years:**

Since this is an amendment to an existing tax law, there is no expenditure plan specifically different from the overall allocation to Uganda Revenue Authority of Shs 438.26 billion for FY 2020/21 and Shs 484.53 billion for FY 2021/22.

**(d) Estimates of revenue for the next two years:**

Revenue is expected from improved compliance, but cannot be quantified at the moment.

**(e) Impact of the bill on the economy:**

The expected revenue loss as a result of waiver of interest on tax arrears is Ushs 50 billion.

Submitted this **June 4, 2020** under my hand.

A large, stylized handwritten signature in black ink, appearing to read 'Matia Kasaija'.

Matia Kasaija (MP)

**MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT**