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Ministry of Finance, Planning &
Economic Development,
P.O. Box, 8147
Kampala, Uganda

CERTIFICATE OF FINANCIAL IMPLICATION

(Made under Section 74 of the Public Finance Management Act, 2015)

THIS IS TO CERTIFY that the Bill entitled the Excise Duty (Amendment) Bill, 2026, has been examined as required under Section 74 of the Public Finance Management Act, Cap. 171. I wish to report as follows: -

1. That the Bill has the following objective:

The main objective of the Bill is to amend the Excise Duty Act, Cap. 336 to revise the rates of excise duty on certain excisable goods and services under Schedule 2 to the Act, introduce excise duty on products that were not previously taxed, and related matters.

2. That it is expected to achieve the following outputs:

The Bill is expected to achieve the following outputs;

- i. Broaden the tax base to ensure that products that were previously untaxed but have adverse welfare effects, such as single-use plastics and cooking fats, are taxed, thereby increasing revenue.
- ii. Revise excise duty rates on several goods to restore their true value, addressing erosion caused by inflation over the years, to ensure the tax remains adequate and sustainable for future years.

3. Impact on the economy

The revenue yield from the Bill will be allocated to areas that generate economic output, which will contribute to sustainable economic growth from 6.6% in FY 2025/26 to 10.2% in FY 2026/27. In nominal terms, the size of the economy will increase

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"

from Shs. 249.33 trillion by the end of FY 2025/26, to Shs. 288.57 trillion by the end of FY 2026/27.

The impact of the proposed changes in the Excise Duty (Amendment) Bill on business, consumption, and welfare will be positive.

4. That the expenditure plan by major components for the next two years.

Since these are amendments to the existing tax provisions, there is no expenditure plan specifically different from the overall allocation of Shs 877.30 billion for FY 2025/26 and Shs. 917.40 billion for FY 2026/27 to Uganda Revenue Authority.

5. That the funding and budgetary implications are the following:

Funding is going to be through the overall Government budgetary allocations to the Uganda Revenue Authority.

6. Expected savings and/or revenue to Government:

The revenue gain expected from the Bill is estimated to be Shs. 722 billion annually.

Submitted under my hand this **30th March, 2026.**


Matia Kasajja (MP)
MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT.

Received by

Date.....

