

PARLIAMENT OF UGANDA

**A REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND
ECONOMIC DEVELOPMENT ON THE EXCISE DUTY BILL, 2014**

OFFICE OF THE CLERK TO PARLIAMENT
PARLIAMENT BUILDINGS
KAMPALA - UGANDA

October, 2014

1.0 INTRODUCTION

Rt. Hon. Speaker and Hon. Members, this is a report of the Committee of Finance, Planning and Economic Development on the Excise Duty Bill, 2014.

You will recall the Bill was referred to the Committee on Tuesday 30th September 2014 after H. E The President returned it to Parliament for re-consideration in his letter dated 29th September 2014 in accordance with Article 91, Clause 3(b) of the Constitution of the Republic of Uganda.

1.1 Methodology

Given that the Committee had already consulted extensively on the bill, it held an in-house meeting to consider the Clauses in the Bill as pointed out by H.E the President for Parliament's re-consideration.

2.0 Re-considered Clause(s)

1. The Committee maintains its position that as proposed in Schedule 2 of the Bill - paragraph (8) an excise duty of Shs. 200 be levied on every litre of kerosene as proposed in the Bill.

2. The Committee further brings the attention of Parliament to the following amendments to the Schedule 2 of the bill which were inadvertently omitted during the Committee Stage of the Bill;


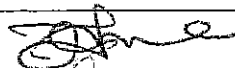
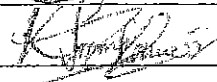

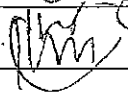
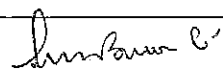
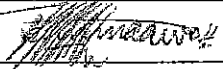
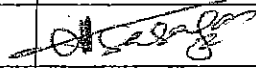
- a) In paragraph (9), Shs. 50 be levied on every kilogram of sugar,
- b) In paragraph (13), a 10% duty on mobile money transactions be levied specifically on withdrawal fees.
- c) a new paragraph (14) to be introduced for a 10% levy to be charged on financial transactions except those on bank loans to read as follows;

“Ledger fees, ATM fees, withdrawal fees and periodic charges and other transaction and non-transaction charges excluding loan related charges periodically charged by financial institutions”.

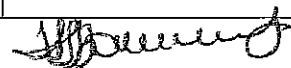
3.0 OBSERVATIONS

The Committee reconsidered the provisions enumerated above and agreed that the provisions highlighted were inline with the Committee position and that there is no objection to the proposed excise duties.

MEMBERS OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT WHO SIGNED THIS REPORT

NO	NAME	CONSTITUENCY	SIGNATURE
1	Hon. Kasule Robert Sebunya	Kyadondo North	
2	Hon. Okello Anthony	Kioga	
3	Hon. Musasizi Henry	Rubanda East	
4	Hon. Kyooma Xavier	Ibanda North	
5	Hon. Akol Rose	Bukedea	
6	Hon. Sejjoba Isaac	Bukoto Mid-West	
7	Hon. Lwanga Timothy	Kyamuswa	
8	Hon. Adong Lilly	Nwoya	
9	Hon. Katoto Hatwib	Katerera	
10	Hon. Amos Lugoloobi	Ntenjeru South	
11	Hon. Emma Boona	Mbarara	
12	Hon. Ayepa Micheal	Labwor	
13	Hon. Kakooza James	Kabula	
14	Hon. Mugabi Muzaale Martin	Buzaaya	
15	Hon. Geoffrey Ekanya	Tororo	
16	Hon. Nathan Nandala -Mafabi	Budadiri West	
17	Hon. Odo Tayebwa	Bushenyi-Ishaka M	
18	Hon. Mathias Nsubuga	Bukoto South	
19	Hon. Judith Franca Akello	Agago	
20	Hon. Maxwell Ebong Akorã	Maruzi	
21	Hon. Ssasaga Isaiah	Budadiri East	
22	Hon. Kevinah Taaka	Busia Municipality	
23	Hon. Jack Sabiiti	Rukiiga	
24	Hon. Bagoole John	Luuka	
25	Hon. Capt. Lakot Oruni Susan	UPDF	

26) Hon. Ochwo David Agule





PROPOSED AMENDMENTS

A. NEW CLAUSE ON COMMENCEMENT

Insert a new immediately before clause 1 as follows

"1. Commencement

This Act shall be deemed to have come into force on 1st July, 2014.

Justification

The Excise Duty Bill 2013 and the Excise Tariff (Amendment) Bill 2014 are already in force as per the Taxes and Duties (Provisional Collection) Order 2014.

Note: The provisions of the Excise Tariff (Amendment) Bill 2014 have been incorporated in the amendments to the Excise Duty Bill 2013.

B. SCHEDULE 2

Amend the schedule as follows;

(a) by substituting for item (e) in paragraph 8 the following—

(e) Illuminating kerosene	Ushs. 200/- per litre
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(b) by substituting for paragraph 9 the following—

9.	Cane or beet sugar and chemically pure sucrose in solid form	Ushs. 50/- per kg
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(c) by substituting paragraph 11 with the following—

11.	Sacks and bags of polymers of ethylene and other plastics under its HS Codes 3923.21.00 and 3923.29.00 except vacuum packaging bags for food, juices, tea and coffee	Ushs. 120%
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(d) by substituting for item (c) in paragraph 13 with the following—

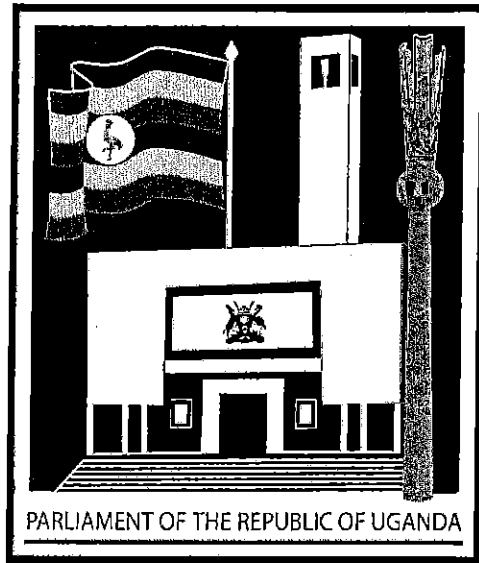
Money transfer or withdrawal services, including transfers and withdraw services by the operators licensed or permitted to provide communications or money transfer or withdrawal but not including transfers and withdraw services provided by banks	10% of the fees charged
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(e) by inserting immediately after paragraph 13 the following paragraph—

14.	Ledger fees, ATM fees, withdrawal fees and periodic charges and other transaction and non-transaction charges excluding loan related charges periodically charged by financial institutions	10% of the fees charged
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Justification

Due regard has been given to the provisions of the Excise Tariff (Amendment) Bill 2014 which proposes new rates for this financial year, and to the committee recommendation that the provisions of the Excise Tariff (Amendment) Bill 2014 be incorporated in this Excise Duty Bill 2014 and considered by Parliament as such.



MINORITY REPORT ON THE EXCISE DUTY BILL 2014

HON. EKANYA GEOFFREY

MP TORORO COUNTY

SHADOW MINISTER FOR FINANCE, PLANNING

AND

ECONOMIC DEVELOPMENT

SEPTEMBER, 2014

1.0 INTRODUCTION

In accordance with Rule 194 of the Rules of Procedure of the Parliament of Uganda, I hereby present my opinions on the Excise Duty Bill 2014.

I took part in the examination of the tax bills of 2014. However, my opinions differ from the ones of the majority of the members of the Committee for Finance and Planning especially on the Excise Duty Bill 2014.

I strongly oppose the Kerosene Tax of shs 200 per litre on Schedule 2(b).

2.0 JUSTIFICATION

- In some areas of Uganda, hospitals use kerosene lamps to perform operations on patients, midwives use it to deliver babies and doctors use it to treat patients.
- Children in rural schools use kerosene lamps to read and do their homework.
- In agriculture, people use kerosene fridges.
- The current price of kerosene is already high for most of its consumers.
- Kerosene lamps are used to sell produce in markets and on the streets at night.

3.0 CONCLUSION

Rt. Honourable Speaker and Honourable Members, I pray that you support the opinions in this minority report and discard the proposals of the Excise Duty Bill 2014.



Ekanya Geoffrey

MP Tororo County

Shadow Minister for Finance, Planning and Economic Development and Member of the Committee for Finance and Planning