



# REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT ON THE STAMP DUTY (AMENDMENT) BILL, 2018

## 1.0 Introduction

The Stamp Duty (Amendment) Bill, 2018 was read for the first time on the 3<sup>rd</sup> April 2018 and referred to the Committee on Finance, Planning and Economic Development in accordance with Rule 118 of the Rules of Procedure of Parliament.

## 2.0 Object of the Bill

The object of the bill is to amend the Stamp Duty Act, 2014, to provide for the imposition of stamp duty on instruments used in Islamic financial transactions; to exempt instruments executed in respect of land acquisition for purposes of strategic investment projects from stamp duty; to exempt instruments for financing of strategic investment projects from stamp duty, and to vary the stamp duty chargeable on certain instruments.

## 3.0 Methodology

The Committee held meetings and received memoranda from the following:

- (i) Minister of Finance, Planning and Economic Development
- (ii) Ministry of Education and Sports
- (iii) Uganda Revenue Authority
- (iv) Uganda Law Society
- (v) Uganda Manufacturers Association
- (vi) Uganda Breweries Limited
- (vii) Uganda Bookman and Gaming Association
- (viii) Association of Soft Drink Manufacturers
- (ix) Price Waterhouse Coopers
- (x) Uganda Bankers Association
- (xi) Uganda Tax Alliance

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- (xii) Buganda Kingdom
- (xiii) MTN Uganda
- (xiv) REEV Consult
- (xv) Uganda Forex Bureau and Money Lenders Association
- (xvi) Uganda Cooperative and Savings Credit Union Limited
- (xvii) Uganda Solar Energy Association

#### 4.0 Observations by Committee

The Committee observed that:

- (i) The bill seeks to impose Stamp Duty on instruments used in Islamic Financial transaction. This will be done by a statutory instrument issued by the Minister prescribing the instruments liable to pay Stamp duty. However, no information was provided to the Committee to support this proposal. Therefore this proposal should not be passed.
- (i) Stamp duty is proposed to be increased from shs.10,000 to shs. 15,000 on all instruments that currently attract stamp duty of shs. 10,000. Most of the instruments currently attract stamp duty of shs. 10,000 with exception of those that attract ad valorem duty. The increment of shs. 5000 will discourage people from registering instruments thus promoting informal transactions.
- (ii) The bill seeks to exempt the stamp duty chargeable in respect of an instrument executed by government by, or on behalf of a company or government for the sole purpose of implementing strategic investment projects. The beneficiaries will include developers of an industrial park or free zone whose investment capital is at least USD 100m; operators operating an industrial park and free zones with investment capital of USD 15m; investors putting up a hotel or tourist facility with investment capital of USD 5m; or investors putting up a hospital

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*Hagwom M. M<sub>2</sub>*

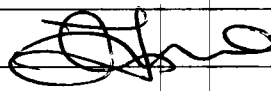


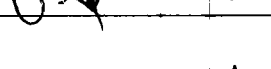
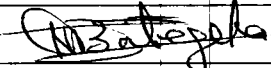
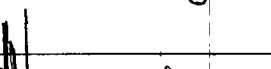
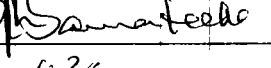


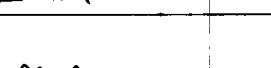
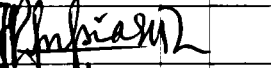

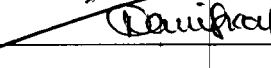

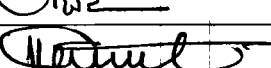
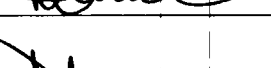
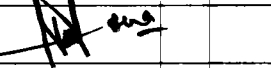
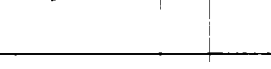
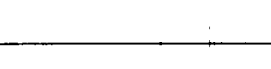
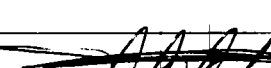
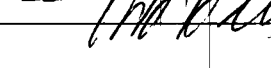





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**REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT ON THE STAMP DUTY (AMENDMENT) BILL, 2018**

No	NAME	CONSTITUENCY	SIGNATURE
1	Hon. Musasizi Henry, CP	Rubanda East	
2	Hon. Katali Loy, V/CP	DWR Jinja	
3	Hon. Acidri James	Maracha East	
4	Hon. Lugoloobi Amos	Ntenjeru North	
5	Hon. Asiku Elly Elias	Koboko North	
6	Hon. Bategeka Lawrence N	Hoima Municipality	
7	Hon. KaluleSengo Emmanuel	Gomba East	
8	Hon. KamateekaJovah	DWR Mitooma	
9	Hon. KatotoHatwib	Katerera County	
10	Hon. Lokii John Baptist	Matheniko County	
11	Hon. Nagwomu Moses M	Bunyole East	
12	Hon. Niringiyimana James .K.	Kinkizi West	
13	Hon. Opolot Isiagi Patrick	Kachumbala County	
14	Hon. TumuramyGenensio	Kashongi County	
15	Hon. Naigaga Mariam	DWR Namutumba	
16	Hon. Ilukor Charles	Kumi county	
17	Hon. Okello Anthony	Kioga County	
18	Hon. Ayepa Michael	Labwor County	
19	Hon. WalyomuMuwanika Moses	Kagoma County	
20	Hon. Mulindwa Isaac Ssozi	Lugazi Municipality	
21	Hon. Adong Lilly	Nwoya District	
22	Hon. Mukula Francis	Agule Pallisa	
23	Hon. Kakooza James	Kabule County	
24	Hon. Bagoole John Ngobi	Luuka County	
25	Hon. Nathan Nandala-Mafabi	Budadiri West	
26	Hon. Akol Anthony	Kilak North	

27	Hon. Odonga Otto	Aruu County	
28	Hon. Luttamaguzi Semakula	Nakaseke South	
29	Hon. Akello Judith Franca	Agago District	