

## **PARLIAMENT OF UGANDA**

### **REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT ON THE TAX APPEALS TRIBUNALS (AMENDMENT) BILL, 2018**

OFFICE OF THE CLERK TO PARLIAMENT  
May 2018

# REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT ON THE TAX APPEALS TRIBUNALS (AMENDMENT) BILL, 2018

## 1.0 Introduction

The Tax Appeals Tribunals (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 Tax Appeals Tribunal Act, Cap. 345, to provide for mediation as a mechanism for resolution of tax disputes; to provide for the powers of the registrar to handle interlocutory applications; to empower the tribunals to award damages and interest; and for related matters.

## 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
- (xii) Buganda Kingdom

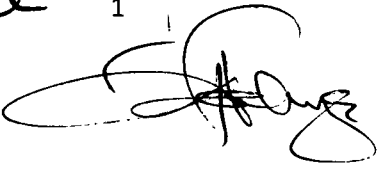
*Magnum M. Mwanika*  


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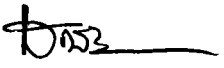
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- (xiii) MTN Uganda
- (xiv) REEV Consult
- (xv) Uganda Forex Bureau and Money Lenders Association
- (xvi) Uganda Cooperative and Savings Credit Union Limited
- (xvii) Uganda Solar Energy Association

**4.0 Observations by the Committee**

The Committee observed that:

- (i) The Bill is intended to provide for mediation as it is done in the Courts of law. Mediation allows faster and more amicable resolution of disputes. Under the current law it is not possible for the tribunal to refer disputes to mediation.
- (ii) Currently, under the Tax Appeals Tribunal Act, the Tribunal has no powers to award damages to successful parties. For a successful taxpayer to get damages, he/she has to file a fresh suit in the High Court for that purpose. However, allowing the Tribunal to engage in awarding damages will divert the tribunal from its core function of adjudicating tax disputes. Any applicant who wants damages should file a suit in the High Court to enable the tribunal concentrate on adjudicating tax disputes.
- (iii) The bill will enable the Registrar to discharge judicial powers like taxing costs and handling interim orders. The Tax Appeals Tribunal Act is silent about the judicial responsibilities of the Registrar. The powers of the Registrar are only provided for by the Regulations which may be challenged in future since the parent Act does not confer such duties.

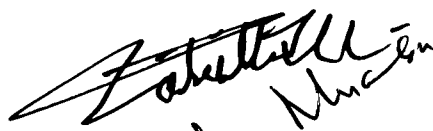

**5.0 Recommendation**

The Committee recommends that:

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 Magwan Alwa Mwanika  
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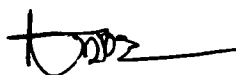
- (i) The Tax Appeals Tribunal should only handle tax disputes and leave matters of awarding costs and damages to the High Court.
- (ii) the Tax Appeals Tribunal (Amendment) Bill, 2018 be passed into law subject to the proposed amendments.



Hegwin Moss Muncie



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**PROPOSED AMENDMENTS TO THE TAX APPEALS TRIBUNAL (AMENDMENT) BILL, 2018**

**1. Clause 2**

Clause 2 is amended by deleting the headnote and substituting the following-  
“Amendment of the Tax Appeals Tribunal Act, Cap. 345”

**Justification**

To correct a drafting error

**2. Clause 3**

Clause 3 should be deleted

**Justification**

A tribunal should not be mandated to make orders on damages and interests. This should be left with the courts.

**3. Clause 3**

Clause is amended by deleting paragraph (5) (b)

**Justification**

Consequential to the deletion of clause 3

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**REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT ON THE TAX APPEALS TRIBUNALS (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	