

**PARLIAMENT OF UGANDA**



**REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND  
ECONOMIC DEVELOPMENT ON THE STAMP DUTY  
(AMENDMENT) BILL, 2026**

Office of the Clerk to Parliament

11<sup>th</sup> Parliament

April, 2026

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## 1.0 INTRODUCTION

The Stamp Duty (Amendment) Bill, 2026 was read for the first time on Wednesday, 1<sup>st</sup> April 2026 by the State Minister for Finance, Planning and Economic Development (General Duties). The Minister also laid a certificate of financial implications indicating that the Bill is expected to generate UGX 85 billion annually.

The Committee scrutinised the Bill in accordance with Rule 135 (2), (3) and (4) of the Rules of Procedure and now begs to report.

## 2.0 OBJECT OF THE BILL

The object of the Bill is to amend the Stamp Duty Act, Cap.339 to:

- i. require persons carrying on the business of financial services to file a monthly return;
- ii. require a taxpayer to retain documents subject to stamp duty for a period of at least five years; and
- iii. amend Schedule 2 to the Act to revise the stamp duty payable on transfers and motor vehicle registration.

## 3.0 METHODOLOGY

While considering the Stamp Duty (Amendment) Bill, 2026, the Committee utilised the following methods;

### 3.1 Meetings and written memoranda

The Committee held meetings and received written memoranda from the following entities:

- i. Ministry of Finance, Planning and Economic Development (MoFPED);
- ii. Uganda Revenue Authority (URA);

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- iii. PricewaterhouseCoopers (PwC);
- iv. Institute of Certified Public Accountants of Uganda (ICPAU);
- v. Private Sector Foundation Uganda (PSFU);
- vi. Uganda Manufacturers Association (UMA);
- vii. Uganda Bankers Association (UBA);
- viii. Uganda Gaming and Betting Alliance;
- ix. Uganda Hotel Owners Association (UHOA);
- x. Tax Justice Alliance Uganda;
- xi. Uganda National Traders Alliance (UNATA);
- xii. Civil Society Budget Advocacy Group (CSBAG);
- xiii. Kampala City Traders Association (KACITA) Uganda and
- xiv. Uganda Insurers Association (UIA).

### **3.2 Document review**

The Committee reviewed and made reference to the following documents:

- i. Explanatory notes and briefs on the Stamp Duty (Amendment) Bill, 2026 from the MoFPED; and
- ii. The Stamp Duty Act, Cap. 339.

## **4.0 COMMITTEE OBSERVATIONS AND RECOMMENDATIONS**

### **4.1 Filing returns by persons carrying on business of financial services**

Clause 2 of the Bill introduces a new insertion of Clause 7A which requires a person carrying on the business of financial services to file monthly returns of all sums received in respect of stamp duty paid on the instruments with the Commissioner General. Where the person fails

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to file the returns, he or she is subject to pay a simple interest of the duty payable for every month during which the failure continues.

According to the MoFPED, currently, only insurance companies are required to file stamp duty returns. This amendment extends that requirement to all financial service providers. The aim is to give URA better visibility over financial transactions and ensure that stamp duty is correctly collected and reported. The information will also help URA cross check transactions declared by taxpayers against records held by financial institutions. Regular reporting will make it easier for URA to monitor compliance, detect underpayment, and act quickly where needed. It will also improve transparency in the financial sector and support more accurate and reliable revenue collection.

*The Committee observed that;*

- i. *the term "business of financial services" is not defined in the Bill; and*
- ii. *the provision does not provide clarity on who is required to file the returns under Clause 2(3) and therefore becomes liable to paying the simple interest.*

***The Committee recommends that Clause 2 be amended to define the term "business of financial services" and provide clarity on who is required to file the returns under Clause 2(3).***

#### **4.2 Retention of documents or records**

Clause 3 of the Bill intends to amend Section 62 of the Act. The proposed amendment requires a person who maintains a document or record to retain the document or record for at least five years from the date the document or record is generated.

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The Committee learnt from MoFPED that taxpayers will be required to keep documents and records related to stamp duty for at least five years from the date they are created. For example, if a person transfers property today, they will be required to keep all documents related to this transaction for at least five years for purposes of Stamp Duty. Currently, the Stamp Duty Act does not clearly state how long such records should be kept. This makes it difficult for URA to carry out audits, especially for transactions from previous years. The proposed five-year period brings consistency with existing tax laws as it follows the rule already provided in the Tax Procedures Code Act. This change will clarify the law, help URA verify transactions more easily, reduce disputes, and encourage better record keeping by taxpayers and professionals.

*The Committee observed that:*

- i. the proposal is justified to ease audit and dispute resolution; and*
- ii. the proposal aligns with standard commercial record-keeping practices and is not expected to create significant additional burden.*

***The Committee recommends that Clause 3 of the Bill be adopted.***

#### **4.3 Amendment of Schedule 2, items 63 & 67**

##### **Item 63- stamp duty on transfers**

Clause 4 of the Bill proposes to amend Item 63 under Schedule 2 to provide that the stamp duty payable for an instrument of “transfer of the total value” is 3%.

The MoFPED indicated that this amendment increases stamp duty on land transfers from 1.5% to 3%. This duty is paid when ownership of land is transferred. The increase is to raise revenue from land transactions.

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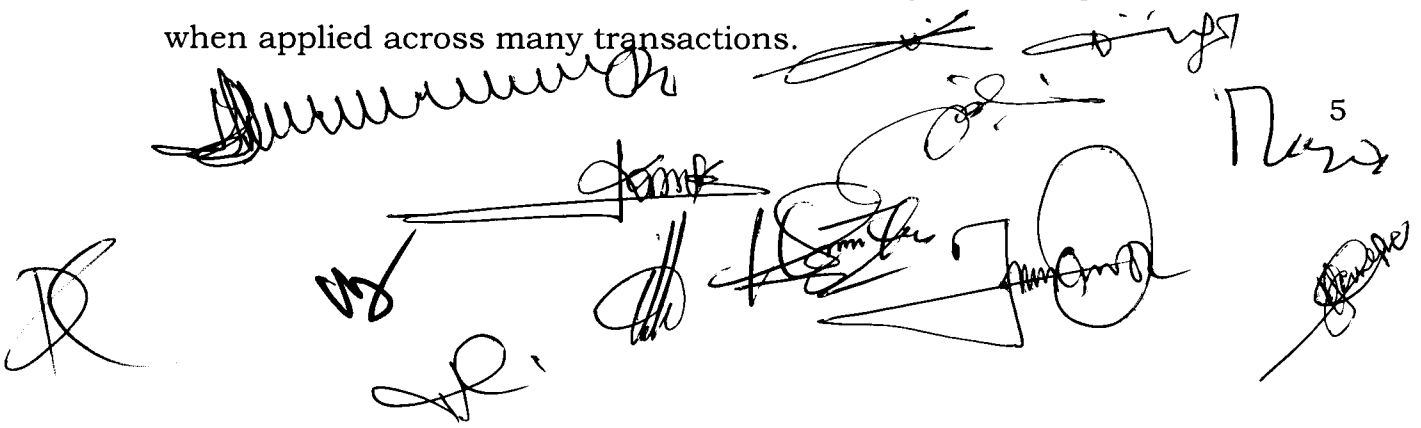
The Committee observed that:

- i. the current stamp duty for transfer of total value is 1.5%. The proposed duty has thus been raised by 100 percentage points;
- ii. the increase by 100 percentage points to 3% is a disproportionate burden on the poor and vulnerable and will raise overall transaction costs, especially to the vulnerable such as widows, orphans and also complicate inheritance processes;
- iii. the proposed amendment is only targeting registered land, of which only 30% of the land in Uganda is registered and 81% of transfers are for mailo/freehold tenure;
- iv. the Land Policy in Uganda encourages registration of land which would among others, enable Government to generate additional revenue as the tax base expands;
- v. doubling the stamp duty is a disincentive to formal registration of land; and
- vi. the proposed increment in the rate stamp duty for transfer of the total value is too high. The increment in the rate should be gradual.

**Item 67 – stamp duty on vehicles, motorcycles, tricycles and quadricycles**

A new tax item has been introduced as item 67 in Schedule 2 to provide for stamp duty on registration or transfer of a motorcycle, tricycle or quadricycle or motor vehicle. The stamp duty proposed is UGX 50,000 for a motorcycle, tricycle or quadricycle while for any other motor vehicle is UGX 200,000.

The Ministry informed the Committee that the new insertion of item 67 presents a large and reliable source of revenue that is not yet taxed. The proposed duty is small and affordable but can generate significant revenue when applied across many transactions.



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The Committee observed that:

- i. the amendment is intended to increase Government revenue by capturing more value from a rapidly growing transport sector;
- ii. The measures supports broader transport and regulatory objectives. Increased taxation will aid the management of the growth of vehicles, motorcycles, tricycles and quadricycles which are associated with road safety concerns, congestion and urban planning challenges;
- iii. currently, motor vehicle owners, owners of motorcycles, tricycles and quadricycles do not pay non-tax revenue and as such the proposed tax at registration is fair; and
- iv. the amendment strengthens revenue collection while supporting transport regulation and addressing gaps in taxation.

**The Committee recommends that:**

- i. the stamp duty on transfer of the total value under item 63 (a) be amended as proposed.**
- ii. Clause 4(b), Item 67(a) be adopted as proposed.**
- iii. Clause 4(b), Item 67(b) be adopted as proposed.**

## 5.0 CONCLUSION

The Committee recommends that the Stamp Duty (Amendment) Bill, 2026 be passed with the proposed amendments.

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**PROPOSED AMENDMENTS TO THE STAMP DUTY (AMENDMENT) BILL,  
2026**

**CLAUSE 2 - AMENDMENT OF STAMP DUTY ACT**

Clause 2 is amended –

(a) In the proposed sub clause (2) by substituting for the words “proper duty”, the words “stamp duty”;

(b) By inserting immediately after sub clause (3) the following-

“For the purposes of this section, “financial services” means—

(i) granting, negotiating and dealing with loans, credit, credit guarantees and any security for money, including management of loans, credit or credit guarantees by the grantor;

(ii) transactions concerning deposit and current accounts, payments, transfers, debts, cheques and negotiable instruments, other than debt collection and factoring;

(iii) transactions relating to shares, stocks, bonds and other securities, other than custody services;

(iv) management of investment funds, but does not include provision of credit facilities under a hire-purchase or finance lease agreement.”

**Justifications**

- (i) To provide clarity to the clause.
- (ii) To provide for the definition of financial services as used in the clause.

**CLAUSE 4 - AMENDMENT OF SCHEDULE 2 TO PRINCIPAL ACT**

Clause 4 is amended by substituting for paragraph (a), the following -

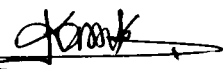
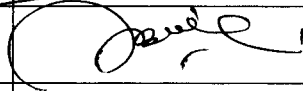
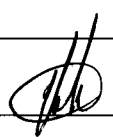
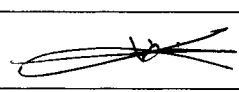
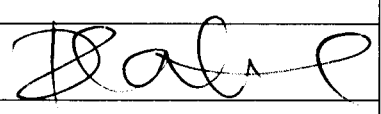

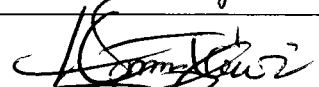
63. Transfer _	
(a) of the total value	2%


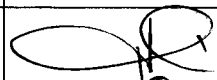
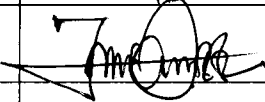
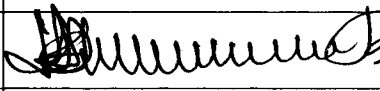

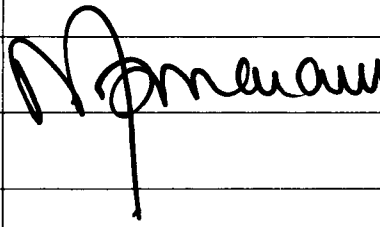
**Justification**

To gradually increase the stamp duty imposed on the transfer of the total value of an instrument to 2% as opposed to increasing it to 3%.

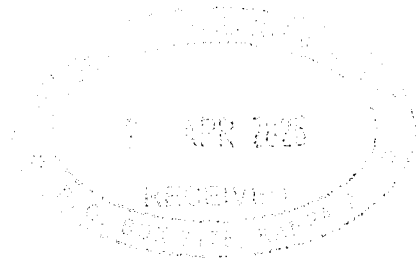
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**ENDORSEMENT OF THE REPORT ON THE STAMP DUTY (AMENDMENT) BILL, 2026**

NO	MEMBER	CONSTITUENCY	SIGNATURE
1	Hon. KANKUNDA AMOS	Rwampara County	
2	Hon. ALEPER MOSES	Chekwii County (Kadam)	
3	Hon. ACIRO PASKA MENYA	District Woman Pader	
4	Hon. ADEKE ANNA EBAJU	District Woman Soroti	
5	Hon. AKOL ANTHONY	Kilak North County	
6	Hon. ASIIMWE ENOS	Kabula County	
7	Hon. ATIM AGNES APEA	District Woman Amolatar	
8	Hon. ATIMA LEE BUTI JACKSON	Arua Central Division	
9	Hon. AVUR PACUTO JANE	District Woman Pakwach	
10	Hon. AYUME CHARLES	Koboko Municipality	
11	Hon. BATARINGAYA BASIL	Kashari North County	
12	Hon. EKANYA GEOFFREY	Tororo North County	
13	Hon. KAMBALE FERIGO	Kasese Municipality	
14	Hon. KATESHUMBWA DICKSONS	Sheema Municipality	
15	Hon. KATWESIGYE KOYEKYENGA OLIVER	District Woman Buhweju	
16	Hon. KINSHABA NKUNDA PATIENCE	District Woman Kanungu	
17	Hon. KIWANUKA KEEFA	Kiboga East County	
18	Hon. KUGONZA EMELY	<del>Buganda</del> East County	
19	Hon. KYOOMA AKAMPURIRA XAVIER	Ibanda County North	

20	Hon. LUBEGA SSEMPA BASHIR	Mubende Municipality	
21	Hon. MASABA KARIM	Mbale Industrial Division	
22	Hon. MBABAZI JANEPHER KYOMUHENDO	District Woman Kagadi	
23	Hon. MPINDI BUMALI	PWD Representative	
24	Hon. MUWANGA KIVUMBI MUHAMMAD	Butambala County	
25	Hon. NABAGABE KALULE FLAVIA	District Woman Kassanda	
26	Hon. NABUKEERA HANIFA	District Woman Mukono	
27	Hon. NABUKENYA BRENDA	District Woman Luweero	
28	Hon. NAKUT FAITH LORU	District Woman Napak	
29	Hon. NANDALA MAFABI NATHAN	Budadiri County West	
30	Hon. NANGOLI GERALD	Elgon North County	
31	Hon. OCAN PATRICK	Apac Municipality	
32	Hon. OCHAI MAXIMUS	West Budama County North	
33	Hon. OCHWA DAVID	Agule County	
34	Hon. OGWAL MOSES	Dokolo North County	
35	Hon. OKOT JOHN AMOS	Agago North County	
36	Hon. OKOT MOSES JUNIOR	Kioga County	
37	Hon. OMARA PAUL	Otuke County	
38	Hon. OPOLOT ISIAGI PATRICK	Kachumbala County	
39	Hon. SSEMUJJU IBRAHIM	Kira Municipality	
40	Hon. TAYEBWA HERBERT	Kashongi County	

41	Hon. WAMAKUYU MUDIMI IGNATIUS	Elgon County	
42	Hon. WANDA RICHARD	Bungokho Central County	



PARLIAMENT OF UGANDA

**MINORITY REPORT ON THE STAMP DUTY (AMENDMENT)  
BILL, 2026**

**APRIL, 2026**

The stamp duty (Amendment) Bill, 2026 seeks to amend the Stamp Duty Act, Cap.339 to increase Stamp Duty on land transfers from 1.5% to 3%, introduce the Stamp Duty on motor vehicle and motorcycle registration.

**Hon. Speaker and Members**, Stamp Duty is a tax charged on legal documents and instruments, including agreements, contracts, land transfers, and registration of assets, making such documents legally enforceable.

The government claims to want to raise revenue from high-value transactions, broaden the tax base in asset ownership and transfers, and formalize ownership of documentation across sectors.

Parliament must understand, that it is not real estate developers that are transferring land only. Ordinary people are also transferring for all sorts of reasons. When you die, land is transferred into names of your children.

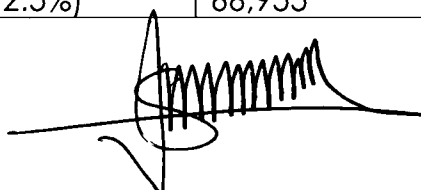
**1.0. The Bill, Stamp Duty (Amendment), 2026 proposes following;**

Tax area	FY 2025/2026 Position	Proposed stamp duty for FY 2026/2027
Land Transfer Stamp Duty	1.5% of property value	Increase to 3%
Motor Vehicle Registration	No stamp duty ( registration fees only)	Ugx. 100,000 (regular), Ugx. 200,000 ( commercial)
Motorcycle Registration	No stamp duty	Ugx. 50,000
Transfer of Vehicle Ownership	Minimal administration fees	Stamp duty introduced

Hon. Speaker, and Members, multiple taxation is affecting business survival in the country. Virtually every sector has had its turn already and government keeps looking for ways of squeezing it further. Take for instance a single motorcycle (boda-boda) rider who will part with **UGX. 2,212,056** direct taxes if he wants to acquire a motorcycle.

**Table showing taxes awaiting a motorcycle rider**

Transfer fees	74,000
Digital number plates	714,000
Advance tax	20,000
Import VAT(18%)	566,282
Import duty( 10%)	267,819
Infrastructure levy ( 2.5%)	66,955



MVR form Registration	250,000
MVR form fees	18,000
Stamp duty on import	35,000
Excise duty	200,000
<b>Total</b>	<b>2,212,056</b>

On the Ugx. 2,212,056, Boda-boda riders pay, government proposes to add another layer of tax in form of stamp duty of UGX. 50,000.

Hon. Speaker and Members, for many youths and low-income earners, a motorcycle is not a luxury, it is a primary tool of survival. Any additional tax to the already high taxes of motorcycles will eat into the razor-thin margins of the poor. Many youths will continue being forced into the predatory motorcycle-leasing schemes.

You are actually enslaving these young people. Rich people buy motorcycles and sell them on a high purchase model to these poor youths. All that they get from boda boda riding is mere *ya leero* (food).

The government wants to blind you that boda boda numbering over two million don't pay taxes. Far from the truth. Currently government charges Shs ,1550 per litre of petrol.

On a verage, each boda boda consumes five litres a day. When you charge petrol Shs 1,550 tax, a boda boda man pays in taxes Shs 7,750 per day, Shs 232,500 per month and Shs 2,790,000 per year. If you have one million boda bodas on the road, in a year, you collect Shs 2.7 trillion from them using the current rate.

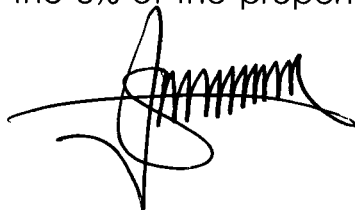
It is therefore not true to claim that this big industry is not taxed. If you multiply the 2.7 million each of the boda boda pays in taxes every year, you

The cost of a new motorcycle is about Shs 5.4 million. Government taxes are now 40% of the total cost of a motorcycle.

Hon. Speaker and Members the next targeted group are real estate and property developers. Targeted here are landlords, property developers, investors and traders acquiring business premises.

Government proposes an increment of 100% from 1.5% to 3% stamp duty on asset transfers like land. Hon. Speaker, a 3% stamp duty on land transfer will make it very hard for the majority poor especially orphans to own land willed to them by their parents.

Let's us not create entry barriers to legal land ownership. Many vulnerable Ugandans lack the 3% of the property's value. While a 1.5% increase might be



negligible for high-end developers, for a family transferring a small rural plot or a modest suburban lot, it can represent several months of total household income.

Property owners are likely to under declare the property values and resort to informal transfer arrangements thus undermining revenue collection. When taxes are perceived as " excessive" rather than " fair" citizens bypass formal legal systems. We will likely see a surge in informal land sales (agreements witnessed by local leaders only).

In summary

Issue	Impact on the poor	recommendation
Boda-boda Duty	Increased cost of a livelihood tool by over UGX. 2.2 M	Reject the Ugx. 50,000 additional duty
Land transfer ( 3%)	Prevents orphans/poor from legalizing land titles	Maintain the 1.5% rate to encourage formalization
Vehicle transfer	Deters the poor from owning low-cost transport	Remove stamp duty on non-luxury / commercial vehicles

**Rt. Hon. Speaker**, a tax policy should be a tool for wealth creation, not wealth extraction from those who have the least. In the absence of a Comprehensive Taxation Policy that protects the vulnerable, this Bill acts as a regressive weight on the neck of the struggling Ugandan.

We move that this Parliament rejects the proposed increments and maintains the status quo to protect the economic dignity of our citizens.

I submit.

**Members of the Committee on Finance, Planning and Economic Development  
Dissenting from the views of the Majority**

SN	MEMBER	SIGNATURE
	Ssemugon Ibrahim	