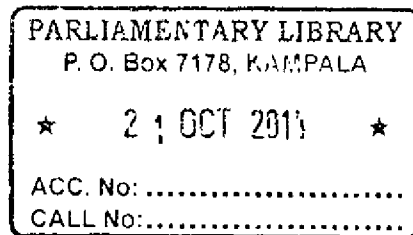




THE REPUBLIC OF UGANDA

**THE VALUE ADDED TAX (AMENDMENT) ACT, 2014.**





THE REPUBLIC OF UGANDA

I SIGNIFY my assent to the bill.

*Yoweri Museveni*  
.....  
*President*

Date of assent: *19<sup>th</sup> of October 2014.*

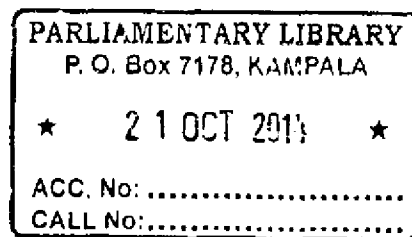
*Act.*                      *Value Added Tax (Amendment) Act* - -                      **2014.**

THE VALUE ADDED TAX (AMENDMENT) ACT, 2014.

ARRANGEMENT OF SECTIONS.

*Section*

1. Commencement.
2. Amendment of Section 7 of Cap. 349.
3. Amendment of Section 28 of Cap. 349.
4. Amendment of Second Schedule to principal Act.
5. Amendment of Third Schedule to principal Act.





THE REPUBLIC OF UGANDA

**THE VALUE ADDED TAX (AMENDMENT) ACT, 2014.**

**An Act to amend the Value Added Tax Act, Cap. 349, to remove from the exempt supplies, the supply of; feeds for poultry and livestock, machinery used for the processing of agricultural or dairy products, accommodation in tourist lodges and hotels, new computers, desktop printers, computer parts and accessories, computer software and software licenses, liquefied petroleum gas, salt, packaging materials exclusively used by the milling industry for packing milled products, packaging materials exclusively used by the dairy industry for packing milk, insurance services except life insurance services, health insurance services, micro insurance services and Re-insurance services, to apply VAT on the supply of printing services for educational materials; cereals, where the cereals are grown and milled in Uganda, and for related matters.**

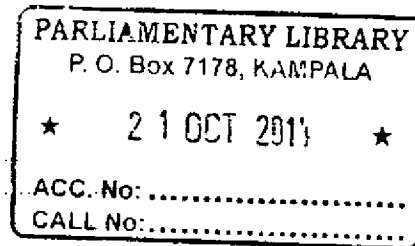
DATE OF ASSENT:

*Date of Commencement:*

BE IT ENACTED by Parliament as follows:

**1. Commencement.**

This Act shall be deemed to have come into force on 1st July, 2014 except items (iii) and (iv) of paragraph (a) of section 4, and paragraph (c) of section 4 which shall come into force on publication of this Act.



Act *Value Added Tax (Amendment) Act* 2014

**2. Amendment of section 7 of Cap. 349.**

Section 7 of the principal Act is amended—

- (a) subsection (1) by inserting immediately after paragraph (b) the following new paragraph—

“(c) at the beginning of any tax period of more than three calendar months where there are reasonable grounds to expect that the total value exclusive of any tax of taxable supplies to be made by the person will exceed the annual threshold set out in sub-section (2).”

- (b) by inserting immediately after subsection (5) the following new subsection—

“(6) The registration under paragraph (c) of subsection (1) shall be valid only for purposes of accessing terms and conditions of payment of tax on plant and machinery as provided in section 34(8)”

**3. Amendment of section 28 of Cap. 349.**

Section 28 of the Value Added Tax Act, Cap 349 in this Act referred to as the principal Act is amended—

- (a) in subsection (7) by substituting for the reference to subsection (9) and (10) the reference subsection (8) and (9);
- (b) by substituting for subsection (11)(b) the following—

“(b) a bill of entry or other document prescribed under the East African Community Customs Management Act, 2004 evidencing the amount of input tax.”

**4. Amendment of Second Schedule to principal Act.**

The Second Schedule to the principal Act is amended—

**Act.**                      *Value Added Tax (Amendment) Act.*                      **2014.**

(a) by substituting for paragraph 1(d) with the following—

“(d) the supply of—

- (i) health insurance services;
- (ii) life insurance services;
- ~~(iii) micro insurance services; and~~
- (iv) re-insurance services.

(b) by substituting for paragraph (1) (s), the following—

“(s) the supply of machinery, tools and implements suitable for use only in agriculture, and for the purposes of this subparagraph, “machinery, tools and implements” means—

- (i) knapsack sprayers;
- (ii) ox ploughs;
- (iii) drinkers and feeders for chicken;
- (iv) agricultural tractors (including walking tractors);
- (v) disk harrows;
- (vi) cultivators;
- (vii) ploughs;
- (viii) weeders;
- (ix) seeders;
- (x) planters;
- (xi) subsoilers;
- (xii) seed drills;
- (xiii) threshers;
- (xiv) bale wrappers;
- (xv) milking machinery;
- (xvi) milk coolers;

- (xvii) maize mills;
- (xviii) wheat flour mills;
- (xix) homogenisers;
- (xx) dairy machinery;
- (xxi) grain cleaners and sorters;
- (xxii) feed grinders hatcheries; and
- (xxiii) implements used for artificial insemination in animals.”

(c) by repealing paragraph (1) (r), (u), (v), (w), (cc), (ff), (hh), (ii) ,and (aa).

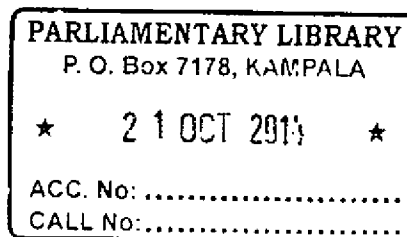
(d) by inserting immediately after paragraph (3) the following new paragraph—

“(4) Paragraph (1) (aa) shall continue to apply to contracts that were entered into prior to its repeal until the contracts are completed or are terminated.

**5. Amendment of Third Schedule to principal Act.**

The Third Schedule to the principal Act is amended by repealing—

- (a) “and the supply of printing services for educational materials” appearing in paragraph 1(d); and
- (b) paragraph (1) (f),(g) and (h).



**Act.**                    *Value Added Tax (Amendment) Act*                    **2014**

**Cross references**

1. East African Community Customs Management Act, 2004, Act No. 1 of 2005
2. Value Added Tax Act, Cap. 349





THE REPUBLIC OF UGANDA

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This printed impression has been carefully compared by me with the bill which was passed by Parliament and found by me to be a true copy of the bill.

*RB*

.....  
*for: Clerk to Parliament*

Date of authentication: *14<sup>th</sup> OCTOBER, 2014*