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SUPPLEMENT No. 6
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BILLS SUPPLEMENT
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CALL NO:

Laid on table by Hon. Matha Kasule
On 15/7/2014
JMC
27th June, 2014.

Bill No. 6 Excise Tariff (Amendment) Bill 2014

THE EXCISE TARIFF (AMENDMENT) BILL, 2014.

MEMORANDUM.

The object of this Bill is to amend the Excise Tariff Act, Cap. 338 to—

- (a) vary the rate of excise duty payable on—
 - (i) gas oil (automotive, light, amber for high speed engine);
 - (ii) other gas oils; and
 - (iii) cane or beet sugar and chemically pure sucrose in solid form;
- (b) impose excise duty on kerosene;
- (c) impose excise duty on money transfers or withdrawal services;
- (d) impose excise duty on financial services; and
- (e) remove the distinction between different soft cap cigarettes.

DR. AJEDRA GABRIEL ARIDRU (MP),
Minister of State for Finance, Planning and
Economic Development (Investment),
Also Holding the Portfolio of
Minister of Finance, Planning and Economic Development.

THE EXCISE TARIFF (AMENDMENT) BILL, 2014.

ARRANGEMENT OF CLAUSES.

Clause

1. Commencement.
2. Insertion of new Section 3C of Cap 338.
3. Amendment of Schedule.

A BILL for an Act

ENTITLED

THE EXCISE TARIFF (AMENDMENT) ACT, 2014

An Act to amend the Schedule to the Excise Tariff Act, Cap. 338, for the purpose of varying existing rates; prescribing new rates and for related matters.

BE IT ENACTED by Parliament as follows:

1. Commencement.

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

2. Insertion of new Section 3C of Cap. 338.

The Excise Tariff Act in this Act referred to as the principal Act, is amended by inserting immediately after Section 3B, the following new section—

“3C. Excise duty on charges by financial institutions

(1) There shall be charged excise duty at the rate specified in the schedule on the charges or fees charged by financial institutions in respect of provision of services.

(2) The duty shall be levied on the charges by the financial institutions on the services provided.

(3) The duty shall be collected and paid by financial institutions licensed by Bank of Uganda to provide financial services.

(4) Every person collecting excise duty under this Act shall lodge a tax return with the Commissioner General on a prescribed form and pay the tax due by the fifteenth day of the following month.

(5) The East African Excise Management Act shall, with the necessary modifications, apply to the collection, payment and enforcement of the duty payable under this section.”

3. Amendment of Schedule.

The Schedule to the Excise Tariff Act, in this Act referred to as the principal Act is amended—

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

No.	Item	Excise Duty/Rate of Excise Duty
1.	Cigarettes	
(a)	Soft cap	Ushs. 35,000 per 1000 sticks
(b)	Hinge lid	Ushs. 69,000 per 1000 sticks
(c)	Cigars, cheroots, cigarillos containing tobacco	160%
(d)	Smoking tobacco, whether or not containing tobacco substitutes in any proportion	160%
(e)	Homogenised or reconstituted tobacco	160%
(f)	Other	160%

(b) by substituting for paragraph 8 the following—

Fuel	
Motor spirit (gasoline)	Ushs. 950/- per litre
Gas oil (automotive, light, amber for high speed engine)	Ushs. 630/- per litre
Other gas oils	Ushs. 630/- per litre
Gas oil for thermal power generation to national grid	Nil
Illuminating kerosene	Ushs. 200/- per litre
Jet A1 and aviation fuel	Ushs. 630/- per litre
Jet A1 and aviation fuel imported by registered airlines, companies with designated storage facilities or with contracts to supply airlines	Nil

(c) by substituting for paragraph 9 the following—

“(9) Cane or beet sugar and chemically pure sucrose in solid formUshs. 50/- per kg”.

(d) 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%”.

(e) 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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(f) 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 periodic charged by financial institutions.....10% of the fees charged.”

Cross references

East African Excise Management Act, Laws of the Community, 1970, Revision Cap. 28.

Excise Tariff Act, Cap. 338.

