

BILLS

SUPPLEMENT No. 4

27th March, 2019

BILLS SUPPLEMENT

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Bill No. 9 *Tax Procedures Code (Amendment) Bill* **2019**

THE TAX PROCEDURES CODE (AMENDMENT) BILL, 2019

MEMORANDUM

The object of this Bill is to amend the Tax Procedures Code Act, 2014, to write off all unpaid taxes by Government as at 30th June 2019, to empower the Commissioner General to compound offences and to provide for a list of returns filed with the Commissioner General.

MATIA KASAIJA (MP),
Minister of Finance, Planning & Economic Development.

*Laid on table by
Hon. Matia Kasaija
on 28/3/2019
Imma*

THE TAX PROCEDURES CODE (AMENDMENT) BILL, 2019

ARRANGEMENT OF CLAUSES

Clause

1. Commencement
2. Amendment of section 3 of the Tax Procedures Code Act 2014
3. Insertion of new section 40A in principal Act
4. Amendment of section 66 of principal Act
5. Insertion of new section 74A in principal Act
6. Amendment of the Finance Act, 2014
7. Insertion of a new Schedule 4

A Bill for an Act

ENTITLED

THE TAX PROCEDURES CODE (AMENDMENT) ACT, 2019

An Act to amend the Tax Procedures Code Act, 2014, to write off all unpaid taxes by Government as at 30th June 2019, to empower the Commissioner General compound offences and to insert a new Schedule 4 on list of returns filed with the Commissioner General.

BE IT ENACTED by Parliament as follows:

1. Commencement

This Act shall come into force on 1st July, 2019.

2. Amendment of section 3 of the Tax Procedures Code Act, 2014

The Tax Procedures Code Act, 2014 in this Act referred to as the principal Act, is amended in section 3 by substituting for the words "Third schedule" appearing in the definition of "tax return", the words "Schedule 4".

3. Insertion of new section 40A to principal Act

The principal Act is amended by inserting immediately after section 40 the following—

“40A. Tax due and payable by Government

(1) The Minister shall pay any tax due and payable by Government, arising from a commitment made by Government to pay tax on behalf of a person or owing from Government as counterpart funding for aid funded projects.

(2) Notwithstanding subsection (1), all unpaid taxes by Government as at 31st June, 2019 are written off.

(3) The Minister shall publish in the Gazette, a list of all taxes waived under subsection (2).”

4. Amendment of section 66 of the principal Act

Section 66 of the principal Act is amended by inserting immediately after subsection (1), the following—

“(1a) Where a person has committed an offence under a tax law, other than under section 63 of this Act and that person voluntarily discloses the commission of the offence to the Commissioner, at any time prior to the commencement of court proceedings, the Commissioner may enter into an agreement with the offender to compound the offence if the offender agrees to pay to the Commissioner the outstanding unpaid tax and that person shall not be required to pay any interest or fine due.”

5. Insertion of new section 74A

The principal Act is amended by inserting immediately after section 74 the following—

“74A. Payment of informers

The Commissioner General shall pay to a person who provides information leading to the recovery of a tax or duty, the equivalent of five percent of the principal tax or duty recovered.”

6. Amendment of the Finance Act, 2014

The Finance Act, 2014 is amended by repealing section 8.

7. Insertion of new Schedule 4

The principal Act is amended by inserting immediately after Schedule 3 the following—

“SCHEDULE 4

Section 3

Tax returns filed with Commissioner General

- (a) Value Added Tax return;
- (b) Income Tax return;
- (c) Withholding Tax return;
- (d) Excise Duty return;
- (e) Tax return under section 50 of the Lotteries and Gaming Act, 2016; and
- (f) Stamp Duty return.”

Cross Reference

Lotteries and Gaming Act, 2016 Act 7 of 2016



THE REPUBLIC OF UGANDA

CERTIFICATE OF FINANCIAL IMPLICATIONS

(Made under Section 76 of the Public Finance Management Act, 2015)

THIS IS TO CERTIFY that the Bill entitled, the TAX PROCEDURE CODE (AMENDMENT) BILL 2019, has been examined as required under Section 76 of the Public Finance Management Act, 2015. I wish to report as follows:-

a) That the Bill has the following objective:

1. To write off all unpaid taxes by Government as at 30th June, 2019;
2. To provide for penal tax for failure to submit a return of tax withheld;
3. To empower the Commissioner General to compound offences;
4. To insert a new Schedule 4 on the lists of returns filed with the Commissioner General.

b) That the Bill will have the following impact on the economy:

1. To enhance tax compliance and ease tax administration.
2. To facilitate and promote business and investments.


c) That the expenditure plan by major components for the next two years:

Since this is an amendment to the existing tax provisions, there is no expenditure plan specifically different from the overall allocation of US\$431.255 billion for Financial Year 2019/20 to Uganda Revenue Authority.

d) Expected revenue to Government:

The interventions above are expected to contribute to the overall projected revenues from administrative measures for FY 2019/20 of US\$748 billion.

Submitted this 28th day of **March, 2019** under my hand.


Matia Kasaija (MP)

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

Vision

"A competitive economy for national development"

*Laid on table by
Hon. Matia Kasaija
on 28/3/2019
Pma*