

Laid on table by Hon. Min. Kasasa on 15/7/2014

27th June, 2014.

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BILLS SUPPLEMENT

to the Uganda Gazette No. 18 Volume CVII dated 27th June, 2014.

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Bill No. 9 Value Added Tax (Amendment) Bill 2014
CALL No.

THE VALUE ADDED TAX (AMENDMENT) BILL 2014.



MEMORANDUM.

The object of this Bill is to amend the Value Added Tax Act, Cap. 349 to—

- (1) provide for the removal from the exempt supplies, the supply of—
 - (a) feeds for poultry and livestock;
 - (b) machinery used for the processing of agricultural or dairy products;
 - (c) accommodation in tourist lodges and hotels;
 - (d) new computers, desktop printers; computer parts and accessories;
 - (e) computer software and software licenses;
 - (f) liquefied petroleum gas; salt; packaging materials exclusively used by the milling industry for packing milled products; and
 - (g) packaging materials exclusively used by the dairy industry for packing milk; insurance services except life insurance and medical services.
- (2) provide for the application of VAT on the supply of—
 - (a) printing services for educational materials;

- (b) seeds, fertilizers, pesticides and hoes;
- (c) cereals, where the cereals are grown, milled or produced in Uganda; and
- (d) machinery, tools and implements suitable for use only in agriculture.

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 VALUE ADDED TAX (AMENDMENT) BILL, 2014.

ARRANGEMENT OF CLAUSES.

Clause

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

A BILL for an Act

ENTITLED

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 and health services, to apply VAT on the supply of printing services for educational materials, seeds, fertilizers, pesticides and hoes, cereals, where the cereals are grown, milled or produced in Uganda, machinery, tools and implements suitable for use only in agriculture 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. 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.”

3. Amendment of Second Schedule to principal Act.

The Second Schedule to the principal Act is amended—

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

“(d) the supply of health insurance and life insurance services;” and

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

(c) 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.”

4. 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) (e),(f),(g) and (h).

Cross references

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

