
BILLS**SUPPLEMENT No. 2****24th March, 2021****BILLS SUPPLEMENT***to The Uganda Gazette No. 26, Volume CXIV, dated 24th March, 2021*

Printed by UPPC, Entebbe, by Order of the Government.

Bill No. 3*The Excise Duty (Amendment) Bill***2021****THE EXCISE DUTY (AMENDMENT) BILL, 2021****MEMORANDUM**

The object of this Bill is to repeal subsections (10), (11) and (12) of section 5 relating to the renewal of certificate of registration of manufacturers, importers and providers of excisable goods and services; to provide for rebates on the excise duty paid on plastic packaging; and to amend Schedule 2 to vary the excise duty in respect of opaque beer, locally manufactured non- alcoholic beverages, plastics, airtime, value added services and internet; to provide for an incentive to a manufacturer other than a manufacturer referred to in item 21 whose investment capital is, at least fifty million United States Dollars.

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

THE EXCISE DUTY (AMENDMENT) BILL, 2021

ARRANGEMENT OF CLAUSES

Clauses

1. Commencement
2. Amendment of Excise Duty Act, 2014
3. Amendment of section 10 of principal Act
4. Amendment of Schedule 2 to principal Act

A Bill for an Act

ENTITLED

THE EXCISE DUTY (AMENDMENT) ACT, 2021

An Act to amend the Excise Duty Act, 2014; to repeal subsections (10), (11) and (12) of section 5 relating to the renewal of certificate of registration of manufacturers, importers and providers of excisable goods and services; to provide for rebates on the excise duty paid on plastic packaging; and to amend Schedule 2 to vary the excise duty in respect of opaque beer, locally manufactured non- alcoholic beverages, plastics, airtime, value added services and internet; to provide for an incentive to a manufacturer other than a manufacturer referred to in item 21 whose investment capital is, at least fifty million United States Dollars.

BE IT ENACTED by Parliament as follows:

1. Commencement

This Act shall come into force on 1st July 2021.

2. Amendment of Excise Duty Act, 2014

The Excise Duty Act, 2014 in this Act referred to as the principal Act, is amended in section 5 by repealing subsections (10), (11) and (12).

3. Amendment of section 10 of principal Act

Section 10 of the principal Act is amended by inserting immediately after subsection (3a) the following—

“(3b) The Commissioner may, if satisfied that excise duty was paid on plastic packaging—

- (a) for exported goods;
- (b) for medicaments; or
- (c) manufactured from recycled plastics,

remit the excise duty paid under this Act.

(3c) The Commissioner shall not remit the excise duty paid on plastic packaging manufactured from recycled plastic referred to in subsection (3b) (c), unless the recycled plastic used in the manufacture of the plastic packaging is equivalent to at least fifty percent of the raw material used.”

4. Amendment of Schedule 2 to principal Act

The principal Act is amended in Part 1 of Schedule 2—

- (a) by substituting for item 2 (d) the following—

“(d)	opaque beer	30% or shs 230 per litre; whichever is higher”
------	-------------	--

- (b) by inserting immediately after item 2 (d) the following—

“(e)	any other alcoholic beverage locally produced	30% or shs 230 per litre; whichever is higher”
------	---	--

- (c) by inserting immediately after item 5 (c) the following—

“(d)	any other non-alcoholic beverage locally produced other than the beverage referred to in subparagraph (a) made out of fermented sugary tea solution with a combination of yeast and bacteria	12% or shs 250 per litre whichever is higher;”
------	--	--

(d) by substituting for item 11 the following—

“11	Plastics	
(a)	plastic packaging	5% or USD 150 per ton, whichever is higher;
(b)	plastic granules	5% or USD 100 per ton, whichever is higher;

(e) by repealing item 13 (b);

(f) by substituting for item 13 (c) the following—

“(c)	internet data, except data for provision of medical services and education services	12% of the fee charged;
------	---	-------------------------

(g) by substituting for item 13 (e) the following—

“(e)	value added services	12% of the fee charged;
------	----------------------	-------------------------

(h) by inserting immediately after item 24 the following—

25	any other fermented beverages including cider, perry, mead, spears or near beer	60% or shs 950 per litre; whichever is higher
----	---	---

26	<p>construction materials of a manufacturer, other than a manufacturer referred to in item 21, whose investment capital is, at least fifty million United States Dollars or, in the case of any other manufacturer, who makes an additional investment equivalent to fifty million United States Dollars;</p>	Nil
27	Wheat grain	Shs 100 per kilogram”