



Uganda Revenue Authority
DEVELOPING UGANDA TOGETHER

BUSINESS RECORDS

Records must provide sufficient details to determine your tax obligations and entitlements.

What kind of records do you have to keep?

A business has to keep records relating to all its transactions, it is important to always have records that are dated, so that you can understand which records relate to what period.

Types of records one should keep include: income statement (List of Receipts and Payments), balance sheet, payroll, import schedules, contracts, bank statements, appointment letters, bills (eg utility bills), stock records, asset registers and many other records and/or documents relevant to your business such as receipt books, invoices, debtors and creditors.

What are Business Records?

A business record is a documentation of the transactions that a business carries out in a given period. This documentation can be in a traditional form written down on paper or electronic or both.

Records include but are not limited to accounting and other financial documents kept in an organized way. You are required to maintain adequate records if you are carrying on a business or engaged in a commercial activity. These

Some detailed illustration of records you should keep:

- a) **Income Records:** Keep track of the gross income your business earns. Gross income is your total income before you deduct the cost of goods sold and expenses. Your income records should show date, amount and source of income. Record the income whether you received cash, property, or services. Support all income entries with original documents namely: sales invoices, cash register tapes, receipts, fee statements contracts etc.
- b) **Expense Records:** Always get receipts or other vouchers when you buy something for your business. The receipts have to show the date of purchase, names and address of the seller/supplier and buyer, full description of goods or services. Make sure the seller describes the item on the receipt. If there is no description on the receipt, write what the item is on the receipt or in your expense journal
- NB:** *Sometimes, however, suppliers may not provide receipts. In this case, write the information in your records. Show the name and address of the supplier, the date you made the payment, the amount you paid, and the details of the transaction.*

How often can I keep records?

- ↳ You must keep an accurate record of every transaction whenever you make it. This eases the work and enhances accuracy and also avoids omissions that may occur as a result of forgetting certain items due to passage of time
- ↳ Keep a record of your daily income and expenses. URA does not issue record books or suggest any type of book or set of books you must keep. There are many record books and bookkeeping systems available for example, you can use a book that has columns and separate pages for income and expenses.
- ↳ Keep your records, along with your duplicate deposit slips, bank statements, and cancelled cheques. Keep separate records for each business you operate. If you want to keep computerized records, make sure they are clear and easy to read.
- NB.** *If you do not keep the necessary information and you do not have any other proof, URA may have to determine your income using other methods. We may also reduce the expenses you deducted.*

Why is it important to keep records?

- ↳ Keeping good records will remind you of expenses you can deduct when it is time to do your income tax return
- ↳ When you earn income from many places, good records help you to identify the source of income. Unless proper records are kept, you may not be able to prove that some income is not from your business, or that it is not taxable.
- ↳ Good records will keep you better informed about the past and present financial position of your business.
- ↳ Good records can help you budget for your business and assist to get help from banks and other lenders
- ↳ Good records can prevent problems you may run into if URA audits your income tax returns.

Accounts and Records (S15 TPCA)

Part IV of the Tax Procedures Code Act spells out issues regarding record keeping. A taxpayer is required to:

- Keep records in physical or electronic format in the English language. Where a taxpayer wishes to keep records in another language or currency, the taxpayer should request for permission from the Commissioner General and detail the reasons why
- Where records are kept in another language, or currency, the Commissioner may by notice in writing require the person who has kept the records to translate them to English
- Records are supposed to be kept for five years after the end of the tax period to which such records relate and in case those records are needed for any proceedings, they should be kept until such proceedings are complete.





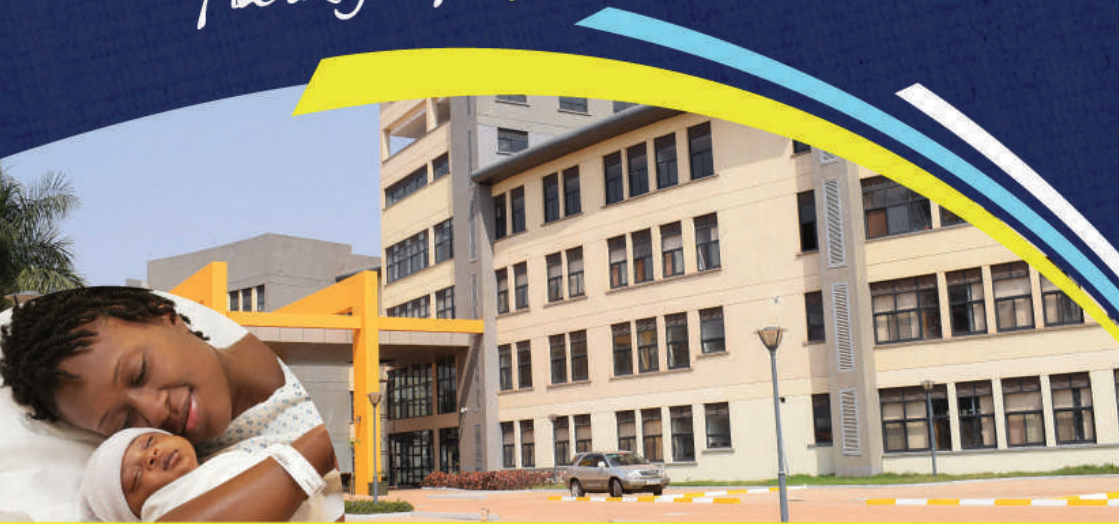
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Because of *you*

**Paved roads have
increased to 5,350 km.**

Together we are making our
journeys faster and safer.

Thank you for paying your Taxes



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