



A BIRD'S EYE VIEW OF ICT IN URA



URA CELEBRATES REVENUE COLLECTION SUCCESS, CAUTIONED AGAINST CORRUPTION

Uganda Revenue Authority celebrated its recent revenue mobilization achievement, in a thanks giving service held this month, but also received a stern warning against corruption.

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HOW ICT TIES INTO THE COMPLIANCE AND INTEGRITY FUNCTION

The staff compliance in URA is mandated to define, promote and enforce a culture of Integrity, Compliance and Ethics.

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URA SURPASSED REVENUE TARGET, POSTED 16.4% GROWTH

URA exceeded the revenue target for the financial year 2022/23 by collecting UGX 57.48 billion extra in the period July 2022 to June 2023, where they registered collections of UGX 25,209.05 billion against a target of UGX 25,151.57 billion, indicating a 100.23% performance. **Continue to page 26**



FOREWORD FROM THE COMMISSIONER GENERAL

Dear Fellow Countrymen,

As a tax administration agency, we are grateful to you all that have complied with their tax obligations. Most importantly, we thank God for the remarkable performance last financial year, 2022/23. You mobilized and contributed UGX 25,209.05 billion which was a remarkable performance with a surplus of UGX 57.48 billion compared to the previous financial year.

Our country has witnessed significant economic growth in the past years and this is visible in the vibrant economic activity in our major urban and peri-urban

areas. The results of improved livelihoods of our people are also visible in the number of people living below the poverty line.

Our dear taxpayers, this confirms that the revenue mobilization effort and contribution to the national treasury is by those who are engaged in profitable economic activity is key in supporting Government's expenditure programmes and priorities and ultimately uplifting the quality of life of all the citizens.

Therefore, it is incumbent upon all of us to be compliant with our tax obligations for this to happen. For those of you that are

doing your part to diligently pay your taxes on time and in the right amount, your country is proud of you.

For those of you that are doing your part to diligently pay your taxes on time and in the right amount, your country is proud of you. Those of you that are still lagging behind in this important duty, as the national fundraiser, we at URA pledge our availability, support and commitment to make available the information, services and technical support that you need to get on board.

We are delighted to express our enthusiasm to take on the challenge of achieving

our annual revenue target this year, which will require a collaborative effort. We are implementing some promising strategies and remain dedicated to investing in top-notch systems and partnerships to ensure exceptional service delivery. Your contributions have been incredibly valuable, and we look forward to achieving even greater heights together this year.

For God and My Country.

John Rujoki Musinguzi,
Commissioner General



EDITOR'S NOTE

Dear Taxpayers,

We thank you for your compliance and continued support in meeting your tax obligations amidst the uncertain economy. We appreciate the cooperation and productive networks we have built with some of you as our key strategic partners that have enabled us progressively widen our reach and impact.

We also appreciate the enthusiasm with which you appreciate our tax education programs in the different communities countrywide. You attend in big numbers which is testament of your willingness to learn and eventually contribute your fair share of tax. As a tax body, this motivates us to continue focusing energies and resources on providing information that you need for your businesses to grow and additionally help you become and remain compliant.

As we race towards collecting UGX 29,218.98 billion, we are optimistic that this target can be achieved. We have devised a comprehensive plan that includes measures such as strengthening tax administration and compliance, engaging with stakeholders, providing extensive education, improving staff accountability through performance management, implementing digital stamps and EFRIS, enhancing the use of data analytics, artificial intelligence, and risk management to identify audit cases, and revenue leakages, using alternative dispute resolution, improving staff capacity and productivity, strengthening science investigations, and managing borders effectively. With these initiatives in place, we are confident that we can achieve our goals and contribute to the growth and development of our economy.

I therefore urge all of us to be compliant with our tax obligations and continue playing our part diligently.

Ibrahim Kibuuka Blossa
Assistant Commissioner, Public & Corporate Affairs, URA

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THE EVOLUTION OF TECHNOLOGY IN URA

In the last three decades, URA has intensively transformed and grown revenue collections and technology innovations aimed at realigning tax administration processes. Between 1992 to 1994, URA officers used metallic aluminium cash boxes to collect taxes and would remit collections at the day after balancing the collections register. However, this interface with money bred a lot of corruption because officers freely transacted on cash basis.

Later in 2015, URA assimilated online payment platforms such as mobile money, PayWay, VISA, Point of Sale and internet banking to ease payment and remittance of taxes. While establishing a foundation for revenue administration in the early 90s, URA moved from manual typewriters to a low staff computer ratio of 9:1 which was later improved in the early 2000s to 2:1.

The earlier times of the institution

were filled with the old models of desktop computers that were shared among staff. Today, the institution has some of the latest computers ranging from laptops, desktops with renown brands such as Lenovo, Mac, HP with the latest specifications, software, not to mention that every staff has their own working computer.

More significant in the past years were licensing returns that were recorded manually on a daily in the Daily Licensing documents return register, under the Internal Revenue department then. This period also had the licensing seals that were stamped onto licence documents.

Major changes came after the re-structuring in 2004 including computerization of the Income tax act and URA operations in 1994, Electronic Tax system (e tax). The E-tax system is broadly used in tax payer registration, filing, assessment and information dissemination to taxpayers.

As integration evolved, processes were re-engineered necessitating domestic taxes, customs and finance to also integrate payment processes and systems. From the Revenue Cash books that reigned from 1993, there was introduction of the SUN system which improved accountability for revenue and funds.

The Taxpayer Identification Number was first introduced in 1993 and thereafter upgraded in 2009 to reduce the time taxpayers spend paying taxes and to monitor the progress of revenue collection and compliance.

Today, URA boasts of a simplified TIN registration process from the cumbersome excel document to a web based form that prefills some fields once an applicant inputs their National Identification Number details.

Between 2004 and 2008, the Regional Authorities Digital Data Exchange



Centralised Scanner Image Analysis Command Centre



Passenger Car Scanners- Busia And Malaba

weeks to six months to get a bond cancelled because one had to follow the officers and make sure they input the information into a report. Then vouchers would be dispatched to Nairobi, bought stamp duties and waited for the report to be processed.

This has since upgraded into the Single Customs territory that was introduced in 2014 to facilitate faster clearance and improvement in cargo movement along the two corridors (Northern and Central) and the now Standard Gauge Railway line. The SCT reduced non-tariff barriers and enabled lodgement of declarations before cargo arrives at Mombasa, thus downsizing clearance time from 18-22 days in FY 2012/13 to 4-6 days currently. This move, with support of a Centralised Document processing centre (DPC), boosted trade among EAC member states.

The e-Tax – an Integrated Domestic Tax Administration System that provides online services to

system (RADDEX) – for customs and transit data exchange, management and reporting. The platform allowed for real-time transmission of customs documentation to authorized public and private sector users across the five countries of the East African Community (EAC). The USAID trade Hub analysis of RADDEX in 2013 shows that before the system, traders spent between three



URA has intensively transformed and grown revenue through continued use of technology to enhance the taxpayers' experience and Revenue Administration.

taxpayers on a 24-hour basis. eTAX enables taxpayers to lodge their applications online through the web portal, from anywhere on the globe as long as they are connected to the internet.

A data and voice communication (URANET) was launched to improve communication within URA. It was later upgraded in 2015 to URANET 2. 2015 also birthed an automated Oil & Gas System and electronic taxpayer register

The newly transformed state of the art contact centre is a URA facility that eases and merges client touchpoints across the institution. Previously, the contact centre had no permanent staff, it was attached to one department of domestic taxes, which hindered uniform communication standards or continuity in serving clients efficiently.

Today, that facility not only has permanent staff but a permanent home with enhanced technology such as an Artificial Intelligence powered client relationship tool code named URA TouchPoint that singlehandedly manages all previously segmented department focused communication platforms such as the Customs Help tool, social media platforms, the Web portal among others.

The Customs trade facilitation first introduced ASYCUDA in the late 1990s, which went through various upgrades and versions to the current ASYCUDA World.

Regional Electronic Cargo Tracking system (RECTS), valuation system, Authorised Economic Operators (AEO), and linked interface with some government agencies.

Further Technology enhancements in 2015 birthed the e-Hub data warehouse to support analysis of data generated by systems. WHT exemption and Tax Clearance Certificates (TCCs) were also automated, a move that facilitated business continuity during the outbreak of corona virus pandemic.

More priority innovations were fronted to facilitate trade and regional integration. This was galvanized by a number of initiatives employed such as: One Stop Border Posts (OSBPs) from 2016, RECTS, Uganda Electronic Single Window (UeSW), AEO, and implementation of the non-intrusive inspection (NII) in 2018.

RECTS offers cargo e-monitoring, thus reducing transit time by 50%. Single Window (UeSW) enables international traders and government to submit regulatory documents at a single location while the NII, in major boarder points of Busia, Malaba, Mutukula, Mpondwe, and Entebbe, allows for inspection of cargo without the need to open the means of transport and unload the cargo. In addition to The Digital Tracking Solution (DTS) rolled out in 2019 to enable tracking and tracing of a product right from production or importation through distribution to consumption and the verification of products from the factory/importation to the point of sale. It has also simplified collection of local excise duty from products gazette to apply digital tax stamps.

The Customs process automation birthed the auto conversion of the T1 and WT8 declarations into IM7 to combat cargo dumping. This has also further advanced into the Bonded Warehouse Information Management System (BWIMS) that was launched in 2022.

The Electronic Fiscal Receipting and Invoicing Solution (EFRIS) was introduced in 2020 to streamline collection of Value Added Tax (VAT). This solution also works as a book keeping solution for business and will further advance to auto-fill tax returns for taxpayers who register and actively use the solution in future.

In 2022/2023, an automated ledger reconciliation process was introduced to manage taxpayers' ledgers. This offers tracking all taxpayer ledgers online to deter distortion or illegal clearance of ledgers without any payment from the taxpayer.

SUBMIT YOUR E-RECEIPT IN 3 EASY STEPS



- STEP 01** Go to your "google playstore" or "apple app store" to download the mpa e-receipt yange app
- STEP 02** Click on the Register button
- STEP 03** Complete a one time registration to submit

FOCUSING ON OUR CUSTOMERS THROUGH THE ICT LENS

By Rytter Muzira,

Organizations as large as URA evolve to meet the demands placed on them, whether it's adapting to the 24/7 online world or making door-to-door engagements, the institution is constantly changing. What won't alter though is what URA is here to do. URA's purpose is incredibly straightforward and can be found in her vision – "A transformational Revenue Service for Uganda's Economic Independence".

At the heart of this vision is the URA Digitalisation and Information Technology strategy, which aims to improve efficiency, effectiveness, and service delivery to maximise revenue growth and increase customer service satisfaction. Rytter Muzira, the Supervisor Media Management engaged with **Robert Mutebi**, the Commissioner Information Technology & Innovation on the progress of this strategy.

What are the goals for the ICT department in URA and what are some of the steps you are taking to achieve them?

As a department, we have three goals: to deliver services instantly, to include everyone in our services, and to ensure our systems are interoperable. One of the key factors for achieving these goals is having a stable and reliable system. Without a functioning system, we cannot provide any service. That is why we aim to maintain system availability of 99.99%. To do this, we have built a new data centre and we have been updating our legacy system regularly.

We have streamlined our customer journeys by implementing several automations. Our goal is to simplify the touch points for our customers and reduce the need for them to visit our service centres. We have introduced a mobile-based touchpoint that allows them to access our services from anywhere. We have also launched a contact centre, a WhatsApp channel, and a Customer Relationship Management system that

integrates all the emails we receive from our customers. As a result, we have seen a significant decrease in the traffic at our URA tower and service centres. Moreover, we have established service levels to monitor the speed and quality of our service delivery. If the service level is not met, we have a management escalation process to ensure customer satisfaction and improve our SLAs.

We are committed to providing inclusive services to suit the diverse needs of our different segments – from large, medium, and small. We are reaching out to the informal sector and ensuring that our products are suitable for everyone. For example, when filing for rental income tax, both large corporations and individuals use the same forms. We have introduced the USSD code to enable any taxpayer, whether big or small to pay their income tax. USSD is a familiar platform that people use to pay for their yaka, water bills, and other services. Today, if a driver wants to renew their driving permit, they don't have to walk to a URA office. They can simply pick up their phone dial *285# and pay for their renewal. We are constantly working to simplify our services and make them more accessible. One of our upcoming initiatives is to offer multiple languages on our web portal, to cater for that segment of clients who find it hard to understand the complex English that we use.

We aim to have systems that are interoperable, meaning that they can communicate and exchange data with other systems in our ecosystem. Revenue administration is not an isolated function, but rather a part of a network that involves various partners, such as Ministries, Departments, Authorities, banks, telecoms, and the private sector. We have initiated a technology revamp project that is creating integration layers to standardize and facilitate the data flow between our systems and those of our partners.

How do you ensure that the ICT systems and solutions you provide are aligned with the URA's strategic goals and operational needs?

We are transforming URA from an authority to a service



Innovation is not a solo act. It requires the input and insights of people who are closest to the customers and their challenges.

organization that puts the taxpayer first. We want to make it easy for taxpayers to fulfil their obligations, which are to register, file, pay, and receive accurate reports. We have identified and removed the barriers that prevent them from doing so, such as agents who charge for TIN, complicated forms to file, and limited payment options. For example, we have designed the USSD channel for the boda boda guy who cannot read English but wants to pay his advance income tax of UGX 20,000. We have also enabled taxpayers to file using auto-populated web forms that they can verify and correct if needed. We have simplified and digitized the payment of tax because we do not accept cash. By enhancing the customer journey and the services we offer, we are aligned with the goals of URA.

How do you balance the need for security and privacy of the URA's data and systems with the need for accessibility and interoperability with other stakeholders, such as taxpayers, government agencies, or private sector partners?

Our data is critical and sensitive, and we have a responsibility to protect its integrity and availability. We do not want to compromise our clients' competitive edge in the market by exposing



Robert Mutebi, the Commissioner Information Technology & Innovation



The writer interviewing Robert

their data to unauthorized parties. Therefore, we follow strict data governance standards and policies, which are overseen by a cross-functional committee. We also respect the privacy and confidentiality of our data subjects and comply with relevant regulations.

To ensure the security of our data, we adopt a defense-in-depth strategy that covers various dimensions of security, from human to physical to system. First, we educate our staff to follow best practices such as securing their usernames and passwords and respecting their roles and permissions. We restrict access to the data center and USB ports to prevent unauthorized entry or leakage of data. Third, we fortify our system with firewalls and security layers at every level of the technology stack, from the databases to the applications. Fourth, we train our security teams on the latest threats and countermeasures. We take data security very seriously and we continuously monitor and improve our processes and technologies to safeguard our data assets.

What are the main objectives and challenges of your department in terms of ICT development and implementation?

The challenge of training and retaining good talent in technology. Technology is a fast-paced and dynamic field that requires constant learning and adaptation. Unlike many other professions, the skills and knowledge that are relevant today may become obsolete and useless in a few years. Therefore, we must be lifelong students who keep up with the latest developments and innovations in our field.

However, this also poses a challenge for training and retaining good talent. Technology also enables digital transformation across various industries, creating a high demand for skilled workers who can handle large volumes of data and extract insights for strategic decision-making.

However, there is a shortage of people who have the expertise and experience to work with complex and evolving technologies. Therefore, attracting and retaining such talent is highly competitive and difficult

Moreover, in a government setting, we also face the challenge of procurement processes that are slow and rigid. They may take up to two years to complete, while the technology we are procuring has a shelf life of three to five years. By the time we acquire the technology, it may already be outdated or surpassed by a better one. This makes it hard to plan and anticipate the future needs and trends of the sector.

To overcome these challenges, we have adopted some strategies that can help us save time and cost, as well as improve our efficiency and effectiveness. One of them is to use framework contracts that allow us to avoid going through the lengthy process every time we need to procure something. Another one is to do in-house development of projects, where we hire people on a temporary basis to work on a specific project and then disband them when it is done. This way, we can tap into the diverse and dynamic pool of talent available in the market and save time and money that would otherwise be spent on the procurement process.

How do you manage the risks and challenges associated with ICT, such as cyberattacks, system failures, or user resistance?

Data security is a vital aspect of any IT system, especially when it involves sensitive and confidential information. Users of IT systems have basic expectations of the risks and challenges that they may face, and how they can be mitigated. Three of these expectations are data confidentiality, data integrity, and service availability.

Data confidentiality means that the data is only accessible to authorized parties, and not exposed to unauthorized ones. This is particularly important when we exchange data with banks and other international bodies. To ensure data confidentiality, we have built systems that define roles of access, approval levels, and data classification. We also provide user training on data protection.

Another expectation is data integrity. As data owners, we respect the originality of the data we receive and do not alter it without authorization. We have experienced cases of data tampering in the past, but we have taken steps to prevent that from happening in our databases by monitoring any changes in the data and flagging any anomalies. We have also established a system of checks and approvals for any critical data points, such as ledgers or assessments so that no change can be made without proper verification and authorization.

Finally, we also always value the availability of our services. We want to avoid any downtime that could disrupt our operations or compromise our security. We have built redundancies, firewalls and segments to protect our systems from cyber-attacks and ensure that our services are always accessible to our users.

How do you foster a culture of innovation and collaboration within your department and across the URA, and what are some of the best practices or lessons learned from your experience?

Innovation is not a solo act. It requires the input and insights of people who are closest to the customers and their challenges. These are not only IT people, but also lawyers, station workers, border officers, and anyone else who witnesses the daily struggles that taxpayers face.

Our role in IT is to find ways of automating and simplifying the processes for everyone. At URA, we are encouraging people to speak up, especially about the pain points in their service areas. We have managed to prevent a lot of fraud by addressing those pain points. It is a collaborative effort, where we work with teams from different departments and conduct assessments like TADAT on our service, compliance, and availability. Based on those assessments, we identify and prioritize the biggest problems and focus on solving them.

How do you measure the impact and effectiveness of URA's ICT interventions on revenue collection, taxpayer satisfaction and staff productivity?

Digitalization should achieve two goals: satisfying the customer and optimizing the organization's resources. One way to do this is to leverage technology to extend our reach beyond human limitations. For example, by rolling out a USSD channel, we can offer superior service than a physical station. This channel will allow anyone with a phone to access the URA services at any time of the day, regardless of the URA office hours. This will make it easier for taxpayers to fulfil their obligations and enjoy the benefits of the URA way. We estimate that nearly 44 million Ugandans will have tax services in their hand through this channel. This will not only result in happy customers but also in more efficient use of our resources internally.

How do you keep abreast of the latest trends and developments in ICT, and what are some of the emerging technologies?

Currently, we are thinking about using artificial intelligence to analyse the sentiments of our customers from every touchpoint. Whether they write an article, tweet, LinkedIn post, Facebook post, email, or CRM platform comment, we want to understand how they feel about our services. We are also exploring the possibility of using a machine to classify and process requests from our relationship management tool without bothering a taxpayer.

We are also interested in blockchain technology with our various stakeholders. Blockchain is a way of updating each other whenever there is a change and keeping a record of the transactions. This gives us a complete view of the taxpayer. This kind of model is based on mutual benefit and trust for everyone.

Any message to the Public?

Taxpayers are our partners in achieving our goals. We aim to be more transparent, visible, and fair in our work and hope that our taxpayers will cooperate with us for our mutual happiness. We have a bright vision for the future of our nation, as we collect the revenue that supports the efficient running of government programs.



URA CELEBRATES REVENUE COLLECTION SUCCESS, CAUTIONED AGAINST CORRUPTION

By our Guest Writers; Edward Kayiwa & Ricks Kayizzi

Uganda Revenue Authority celebrated its recent revenue mobilization achievement, in a thanks giving service held this month, but also received a stern warning against corruption.

The taxman collected UGX25.209 trillion, surpassing the target of sh25.152trillion to record a stellar performance last financial year.

During the service, Rev. George Turyasingura, the Bishop of East Rwenzori diocese raised concerns about corruption and fraud, particularly among government officials, who he said are increasingly acquiring wealth through corrupt means and fraudulent activities.

“Many people have left the virtue of honesty and integrity and are stocking a lot of wealth through ungodly means. If God were to question you today about your

investments, how much honesty have you employed?” he questioned.

Quoting from Isaiah 60:1, Bishop Turyasingura advised URA not to become complacent with its current achievements but to work even harder.

He emphasized that URA’s success is crucial for the country, as government services rely on revenue collection, especially with decreasing support from development partners.

The bishop urged URA to uphold the values of integrity to gain the trust of taxpayers, stressing that it’s for the greater good of the nation. He encouraged URA to follow the example of Ezra, who prayed for and initiated change amidst opposition and challenges.

“Like Ezra, build the hearts of the people, by praying for change, and eventually effecting that change, remembering that amidst tight opposition and fighting, the Lord is

there for you,” the bishop said. He reminded URA staff that the money they collect belongs to the entire nation and cautioned them against mishandling it.

Pastor Robert Kayanja highlighted the need for URA to educate people on investment. He commended URA’s efforts in educating farmers on record-keeping but urged them to also teach investment principles.

Kyanja emphasized the importance of protecting the country’s achievements and discouraging corruption, as it ultimately harms those who engage in it.

“While you compromise on the quality of education through corruption, those same kids will one day be the ones to treat you. They will be the ones to serve you food in a hotel, and if they learned from you, imagine who will end up being hurt,” he asked.

Helen Awidi, representing the Board

Chair of URA, expressed confidence in the Commissioner General and commended him for overcoming deficits.

She thanked taxpayers who diligently paid their taxes and urged others to follow suit, discouraging practices of hiring accountants to reduce profits for tax purposes.

“I know that some companies are hiring accountants to reduce their profits so that they can pay less tax. However, let me encourage you to desist from that habit, because it is our responsibility as citizens to develop our country together, and not the responsibility of a few,” she said.

John Rujoki Musinguzi, the URA Commissioner General, shared insights into the challenges URA faced, particularly due to the impact of COVID-19 on the economy.

He spoke of the importance of URA’s role in making Uganda economically

independent, with a focus on financing education, infrastructure, security, and prosperity.

Musinguzi also highlighted the miraculous turnaround in URA’s performance during the year, despite facing revenue shortfalls. He emphasized the power of prayer and faith in overcoming challenges.

“This year has been a year of miracles because when we started the year, we were doing so well, but as the targets started to increase towards the middle and later parts of the year, we started realizing the deficits and tried to close all revenue leakages and gaps, and also be innovative.

However, the real impact of Covid on the economy was being felt, the numbers were not making sense. That is when we had nowhere to

turned to the Lord. At the beginning the year, he had given us a word in Psalm 65:11, saying he would crown the year with bounty. It was a moment to remind the Lord of His promises, through prayer. The Lord started turning around things, and that is how we ended the year, in glory,” Musinguzi revealed.

Aine Grace Ngabirano, from the High-Net-Worth Individuals’ Office, shared a remarkable testimony of a taxpayer who had initially delayed payment but eventually paid, leading to a surplus in revenue collection.

The event served as a platform for reflection on URA’s accomplishments and underscored the importance of ethical conduct and dedication in the tax collection process.

Musinguzi said as URA moves forward, the emphasis on integrity and transparency will continue to play a critical role in achieving its goals for the nation.

ICT IN URA CUSTOMS THROUGH AUCTIONS, CARGO TRACKING & INTRUSIVE TECHNOLOGIES

By Kabahweza Allan

In a world of evolving trade dynamics and security challenges, the Customs department is playing a pivotal role in safeguarding national interests while facilitating legitimate international trade.

In Uganda, the integration of Information and Communication Technology is instrumental in embracing Customs practices effectively.

In the Customs Department, ICT is key especially in fighting illicit trade. In URA currently, there has been a lot of progress in the processes of; Regional Electronic Cargo Tracking System (RECTS), Auctions and the adoption of Non-Intrusive Inspection (NII) technologies.

What is RECTS

Regional Electronic Cargo Tracking System offers 24-hour real time monitoring of cargo in transit across the Northern Corridor. It's a web based system that allows global view of all cargo in transit by all contracting partner states.

The system came in to address the manual cumbersome transit system which was comprised of physical convoy system, paper control, and highly manual processes which all created delays, non-tariff barriers and high cost of doing business.

It currently operates in Uganda, Kenya and Rwanda, with plans under way for extension to DRC and South Sudan. The system was rolled out in 2016 and has provided the following benefits;

1. Provided single platform for 24-hour monitoring and view of cargo in transit across the 3 countries in the Northern Corridor
2. Reduced clearance time from 14 days to average 5 days from Mombasa to Kampala
3. Enhanced transit information exchange by the partner states
4. Effective protection of government revenue
5. Enhanced cargo security through real time detection and response to any transit violations

The system supports the following groups of people; Importers, Exporters Clearing and forwarding companies, Government agencies, Transporters and Revenue Authorities.

How it works;

Regional Electronic Cargo Tracking System involves two types of cargo that is tracked; namely Dry Cargo and Wet Cargo (Fuel).

Magnetic seals (e-seals) are attached to the containers transporting dry cargo that is coming into and passing through Uganda. These seals have a tracker which sends signals to the command centre at Nakawa and to other command

centres in countries where cargo is destined.

Fuel sensors (e-fuel) are placed inside fuel tankers and they too send signals in case of any diversion from its registered route. These sensors have a long battery shelf life and are monitored 24-hours seven days.

RECTs uses Information and Communication Technology (ICT) since it is mainly electronic. There is ICT interconnectivity between all revenue authorities in the East African Community to track cargo.

URA Supervisor Customs in charge of Central Monitoring Centre Peter Obbo says that the electronic cargo tracking system helps check compliance and improve revenue collections by discouraging dumping of goods.

Dumping of goods refers to the off-loading of goods in Uganda when such goods were destined for neighbouring states for example Democratic Republic of Congo (DRC).

Obbo highlighted some benefits of RECTs as relaying real-time information to the monitoring centre, courtesy of ICT, and reducing transportation costs and transit period.

RECTs uses an alert monitoring dashboard that sends alerts to the monitoring team so that a case can be resolved in the shortest time possible. When an alert comes in, a CMC off-



Passenger car scanners- Busia and Malaba



Fast scanner - Malaba, Busia, Elegu And Katuna

cer contacts the driver of the cargo to establish the cause, but in cases where there is suspicion, the officer notifies the rapid response unit (RRU) team to check on that truck.

Auctions – Section 42 (1) of the East African Community Management Act (EACCMA) grants the Commissioner, Customs Department authority to sale by public auction or private treaty overstayed goods in the Customs Warehouse.

Supervisor Customs Warehousing, Arthur Musinguzi notes that the items in this category include abandoned goods, seized goods or goods from Want of Entry on the system. He ex-

plains that up to 2017, these goods were subjected to the basic and manual auction processes which involved gathering bidders at the warehouse.

However, due to the challenges associated with manual processes, URA updated its processes to implement the online auction module that automates auction of goods under Customs Warehouse.

The goods handled under this module include among others those on Want of Entry, under offence management (seized goods), abandoned goods, and intercepted goods due to suspected non-com-

pliance. All these feed into the deposit of goods process of the customs warehouse where a CW7 is created.

The Customs manager says that before the online auction is done, a public notice issued by Commissioner Customs is published in both the print and digital media for thirty days. During this time, owners of the goods are allowed to redeem and pay taxes on their goods.

After the expiry of 30 days, all goods that were not redeemed are approved for auction and assigned a unique identifier (lot number) before they are uploaded to the Single window for Online and physical viewing by interested participants and bidding takes five days.

Once bidding is completed, the system automatically issues an assessment to the highest bidder which is supposed to be paid within 48hours after which it expires and the system rolls on to the next bidder who is also given 48 hours to make payment. This continues until a bidder finally makes payment.

This process is entirely managed through the ASYCUDA system, interacting with the Single Window Portal.



Aircargo scanners - Entebbe

NON-INTRUSIVE INSPECTION (NII)

Key Benefits of NII

1. Eases and fastens examination of goods and cargo clearance process.
2. Easily detects contrabands and combats trade fraud such as concealments, mis-declarations and under declarations.
3. Maintains the international security chain thereby enhancing national security.
4. CBRN detectors are embedded to protect the environment from radiation.

Musinguzi commends the Online system for being efficient in managing Customs Auctions as it attracts a wider group of participants, it has eliminated most client complaints and it has improved record keeping.

NII – The adoption of Non-Intrusive Inspection (NII) technologies has revolutionized the URA Customs operations, allowing for efficient cargo screening without disrupting the flow of goods. Information and Communication Technology (ICT) stands at the forefront of this transformation, enabling the successful implementation of NII measures within the Customs Department of Uganda.

Supervisor Customs (NII) Brian Ahimbisibwe explained that the Non-Intrusive Inspection techniques involve using advanced technologies to examine cargo and containers without the need for physical inspection, thus minimizing delays, operational costs, and trade interruptions.

“These methods encompass cutting-edge tools such as X-ray scanners, gamma-ray scanners, and other imaging technologies that provide Customs officers with comprehensive insights into container contents,” he said.

The URA officer noted that ICT is an enabler of NII implementation and

here below is how it serves as a catalyst in this transformation: –

The Customs Department operates scanners at all One Stop Border Stations, all scanner images are transmitted to the Central analysis Command Centre at the Headquarters for analysis in real time.

The Customs Department deals with an abundance of data from diverse sources, including trade documents, manifests, and risk profiles. ICT systems allow for seamless integration and analysis of this data, identifying high-risk shipments that necessitate focused NII inspection and analysis and enhancing the accuracy of Customs operations.

Modern Customs management systems, underpinned by ICT, utilize algorithms and machine learning to evaluate risk levels associated with shipments. This automation optimizes resource allocation and ensures that the scrutiny of NII is directed toward high-risk cargo, facilitating efficient trade facilitation.

ICT facilitates instantaneous communication between Customs officers, port authorities, and other stakeholders. Real-time updates on inspection outcomes, risk assessments, and cargo movements enhance collabora-

tion and enable swift decision-making, further streamlining Customs procedures.

NII generates a wealth of digital images and data that can aid in effective decision-making. ICT enables secure sharing of these resources among relevant parties, including Customs officials at Bonded Warehouses, Revenue Intelligence, and Enforcement agencies, for an improved assessment of potential threats.

ICT-powered dashboards offer Customs department real-time insights into inspection performance, enabling them to evaluate the effectiveness of NII measures, identify bottlenecks, and make informed adjustments for improved operational efficiency.

The amalgamation of NII operations and ICT solutions therefore brings forth a host of benefits for the Customs Department. These include heightened security measures, amplified trade facilitation, decreased smuggling activities, and enhanced revenue collection. Nonetheless, challenges such as data privacy concerns, cybersecurity vulnerabilities, and infrastructural limitations must be acknowledged and addressed to maximize the benefits of ICT-integrated NII implementation.





HOW ICT TIES INTO THE COMPLIANCE AND INTEGRITY FUNCTION

By Irene Kabakama

The staff compliance in URA is mandated with defining, promoting and enforcing a culture of Integrity, Compliance and Ethics. The division seeks to actively guide employees on their obligations, good corporate governance principles, Staff compliance to regulatory requirements and ethical business practices. In all this, URA aims to harness technology.

Currently, URA is working towards operating simplified business processes, offer accessible services and service points, high level of transparency and accountability in service delivery, offer high quality services that meet client expectations, deliver timely service with in the set service standards, minimize the cost of taxpayer compliance, offer a service driven by client focused relationship and fairness to all clients with professionalism and integrity.

This is done through robust technologies, increased IT staff capacity, improved systems integrity, increased responsiveness to client needs and increased involvement of the IT function in process development.

The compliance division has harnessed the use of technology in conducting the Comprehensive Integrity Survey to improve credibility and raise more revenue for National Development.

Aside of the strategy, URA encourages innovation and that is why it is considered one of the most automated tax administrations in Africa.

Staff Compliance uses data from most of the URA systems such as ASYCUDA, E tax and E-hub to put together evidence that is used in case management and to also carry out compliance reviews.

In addition, Compliance as a division is currently working with IT to develop a system to ease accountability and reporting.

IT systems are used to disseminate information within staff compliance such as findings from investigations, compliance reviews, engagement feedback and Integrity messages for example through mail, Document Management System and ERP as well as a feedback mechanism to clients.

Compliance uses I.T in assessing improved efficiency, effectiveness, and the removal of opportunities for corruption resulting from automation. Well automated systems improve accountability, provide audit trails to monitor user actions and decisions, minimize inappropriate exercise of official discretion or face to face contact, and the physical handling or transfer of funds.

COURT BLOCKS AIRTEL'S BID TO COLLECT REFUND FROM URA

By Winiefred Akinyi

The Supreme Court recently ruled that Airtel Uganda is not entitled to a refund from URA because it was lawfully collected.

The decision follows an appeal to the Supreme Court where URA was dissatisfied with the Court of Appeal's decision that ordered a refund of 1.5 billion shillings to the telecom Company, which had been collected as unpaid VAT and penal tax.

The Supreme Court also ruled that the



Court of Appeal erred in ordering that URA refunds the 1.5 Billion Shillings paid by Airtel, which amount had accrued during the pendency of the tax objection proceedings and conclusion of the Case filed in Court.

It also faulted the Court of Appeal's finding that the accrual of penal tax is suspended during the pendency of tax objection proceedings, as the finding is not supported by the relevant tax laws.

The Supreme Court therefore ordered that the decision of the Court of Appeal be set aside and subsequently reinstated the decision of the High Court dismissing Airtel's suit in the High Court.

URA was also granted costs in the Supreme Court and the courts below.



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URA TIGHTENS INTELLIGENCE NETWORK AMIDST TRICKS FROM SMUGGLERS

By Immaculate Wanyenze

Even with the penalties that come with smuggling, these don't blur the ambition of the habitual smugglers. They are never short of tricks despite URA's vigilance. Below are some of the operations that happen daily in the different regions;

Top Hardware dealers in Hoima netted for selling forged invoices

Following intelligence reports about continuous issuance and selling of fictitious invoices to different companies by Sohil Kumar and Amarshibhai Andani both directors of Kingstar General Hardware Limited, Hoima, they were arrested.

Reports verified by URA officials indicate that these directors declared falsely generated invoices as output VAT in the period of 2018-2022. Also, some of the beneficiaries such as China Railway No.3 Engineering Group Limited and Krisha International Limited wrongly claimed Input VAT during the same period which amounted to UGX. 746,988,702 from fictitious purchases worth UGX. 4,149,937,234.

With this background, the directors were also charged in the Anti-Corruption Court last Friday [4th August 2023] to respond to the accusations against them. In court, URA was represented by its two lawyers - Hilda Atusimire and Stella Nayebara.

Although the accused have since been granted cash bail of UGX10,000,000 each and a non-cash bail of UGX. 50,000,000 for each of their seven (07) sureties, they will return to court on September 4th for further hearings.

Denis Kugonza, URA's Commissioner Tax Investigations continues to encourage the public to desist from these vices of mis-invoicing and embrace Electronic Receipting & Invoicing Solution (EFRIS) and Digital Tax Stamps (DTS) to create a level playing ground for all legitimate business persons.

Habitual cigarette smuggler caught in Karuma operation

A thief has 40 days, the same was of the habitual cigarette smuggler who had been tormenting Karuma.

Following intelligence networks, the smuggler was caught last Sunday along Moyo - South Sudan borderline approximately 400km from Karuma, loading the contraband. The smuggler had played "clever" and used a ferry from Moyo to Adjumani at Laropi. Unfortunately, this did not save him because the URA team was monitoring the truck.

"Our high-level intelligence had it that an Army green box body truck reg no. UAX 661Y was being loaded with Supermatch cigarettes in Moyo and that the smuggler intended to use charcoal to conceal the contraband," Peter Sebyoto an officer part of the operation explained.

The culprit and his driver a one Richard Yiga when got, confidently declared charcoal. However, when they were ordered to park the truck to confirm the actual contents, it was discovered that they had concealed 600 cartons of supermatch cigarettes behind charcoal bags.

Although offence management is underway, Abel Kagumire, the Commissioner Customs explained that cigarettes are considered contrabands which cannot be released but rather destroyed at the cost of the offender.

A contraband is any illegal goods prohibited by law within a country to possess, transport, sell, import or export. Other examples include; drugs, medicines, used computers & refrigerators and polyethene bags below 30micron.

URA strives to increase fairness in all its processes thereby liberating Ugandans from economic saboteurs engaging in illicit Trade. The general public is encouraged to report to URA all suspicious trade practices in their areas to enable URA create a level trading ground for all legitimate Traders.

URA seizes smuggled cigarettes in a



major operation

In a major operation, URA successfully intercepted a truck loaded with smuggled cigarettes. There was close collaboration between URA officials and law enforcement agencies which resulted in the seizure of a significant amount of contraband goods.

According to Peter Sebyoto, the Team Leader Karuma Customs, the team received intelligence of a truck which had parked in the outskirts of Gulu town for a couple of days as the smugglers tried to find ways of beating the Karuma tactical check point.

"We recruited an informer within the racket who kept updating us on the smuggler's next move. By 10:00pm, the truck, registration number UBM 182H(Tata) finally reached Karuma with empty plastic drums filled to the bream," Sebyoto narrated.

Intercepted cigarettes concealed in empty drums

Acting on a tip-off, URA officials were able to monitor the movements of the truck and gather crucial intelligence with which they carefully planned an operation. The truck was intercepted at the Karuma tactical checkpoint. The driver, unaware of the URA's intel-

ligence, was ordered to park the truck within the customs fence and wait for offloading the next morning.

Sebyoto confirmed that the truck was fully offloaded and 96 Cartons of Oris cigarettes (Germany blend) were found.

The truck and the goods are under custody at URA head office and offence management is underway.

For URA, the seizure of the smuggled cigarettes is part of the ongoing efforts to combat smuggling and ensure compliance with tax regulations.



A DAY IN A LIFE OF A URA CUSTOMS OFFICER OPERATING NON-INTRUSIVE INSPECTION

By Joshua Niyonshima

Non-Intrusive Inspection is not as a method of verifying cargo without opening it. It uses gamma ray or x-ray to identify the package in the container without opening it.

Our journey began at Malaba border where we met Umar Lwere a team lead NII Malaba.

He explained the journey before the NII equipment as risky.

"We had lots of delays in terms of cargo clearance and client facilitation. Using this technology we are able to identify different risks in a container in real time without opening it," said Umar.

He added that there were also delays in clearing containers but with the technology they are able to decide on whether to subject a container to

physical verification depending on the risks identified or immediately flag it off in only five minutes.

Umar said that between 1000 to 1500 cargo trucks are scanned via Malaba border on daily. Here cases of mis-declaration, concealment and under declaration arise.

He disclosed that URA is currently using baggage CT scanners to scan traveler baggage, a passenger car inspection machine to scan small vehicles and Cargo scanners to scan cargo trucks. This guarantees security of the supply chain and closes revenue gaps.

The Acting Supervisor NII, David Mugarura, a consignment has to go through the scanner and in less than five minutes it is allowed to go through border to its destination depending on the risk.

"This technology has aided fast customs clearance at a business effective cost to the importer," David added.

He also cited the trader's ability to do business in real-time as a key advantage.

On the other hand, Brian Ahimbisibwe, the Supervisor NII described the process of image analysis during scanning.

"Scanner images are transmitted in real time for analysts to do image analysis. Analysts are scrutinizing scanner images against declarations. The risk is identified if any and field teams are notified," he said.

Meanwhile, in the FY 2022/23 alone, the Non-Intrusive Inspection (NII) technology saved Uganda of 167 billion shillings. This could have been lost in concealment, under declaration and misdeclaration.



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URA SURPASSED REVENUE TARGET, POSTED 16.4% GROWTH

By Annet Nantongo

URA exceeded the revenue target for the financial year 2022/23 by collecting UGX 57.48 billion extra in the period July 2022 to June 2023, where they registered collections of UGX 25,209.05 billion against a target of UGX 25,151.57 billion, indicating a 100.23% performance. This success comes 5 years later since the tax body last surpassed its target in financial year 2018/2019.

The taxman posted a year on year growth of 16.4% compared to the past financial year with an increase of UGX 3,551.04 billion growth compared to the year 2021/2022 which had a collection of UGX 21.062 trillion and a

growth of 12.14%.

This excellent performance disputes the anticipated UGX 2 trillion shortfall that was speculated by several economists early this year who based their projections on the trend in revenue performance as at 31st December 2022.

As the country drives an intensive agenda to grow local revenue mobilisation, URA employed a number of measures such as automated ledger reconciliation, the EFRIS and DTS solutions which greatly contributed to the 20.21% growth, bringing in local revenue to a tune of UGX 16,425.41 billion, surpassing the target of UGX 16,188.51

billion by 101.46%. Domestic revenue posted a surplus of UGX 236.89 billion.

"The biggest contributor for these excellent results was the arrears recovery because URA deliberately engaged the public and private sector to reduce the UGX 4,493.41 billion tax arrears portfolio. In the ended financial year, we recovered UGX 713.47 billion from government and a total of UGX 1,277.92 billion recoveries from non-government players. That assisted in closing the revenue gaps," noted John Musinguzi, the Commissioner General of URA as he delivered the revenue performance report at the institution's headquarters in Nakawa today.

In terms of international trade, a total of UGX 9,326.64 billion was collected, against a target of UGX 9,462.70 billion, posting a 98.56% performance. International taxes increased by UGX 892.47 billion (10.68 per cent) compared to the same period the previous fiscal year. Customs collections excelled with a surplus in import duty of UGX 275.17 billion, temporary road licenses with UGX 12.66 billion, and export levy with UGX 3.75 billion.

These results are further attributed to a stable and resilient economy, cooperation of patriotic taxpayers, and enhanced administrative measures.

Revenue also grew due to growth in the taxpayer register which stands at over 3.5 million taxpayers, with 882,286 taxpayers added in the year under review, indicating a growth of 33.70%. Enforcement interventions also recovered a total of UGX 132.77 billion through 14,187 seizures.

Going forward, there are some tax administration policy changes that have been introduced to raise over UGX 29.2 trillion revenue target for financial year 2023/2024. For instance, the Tax Procedures Code Act (TPC) section 40(d) has been amended to waive all interests and penalties for taxpayers who pay all principal tax of their liabilities. This comes after the President

assented to the tax amendments bill on Monday August 21st, 2023 to allow taxpayers pay their principal tax arrears before December 30th 2023.

Furthermore, URA will actively engage with stakeholders, provide extensive education, improve staff accountability through performance management, implement digital stamps and EFRIS, enhance the use of data analytics, artificial intelligence, and risk management to identify potential taxpayers, audit cases, and revenue leakages.



URA LEVERAGES STAKEHOLDER RELATIONS TO EASE COMPLIANCE

By Immaculate Wanyenze

Stakeholders are the ultimate beneficiaries of development that arise when the nation achieves financial independence and their role is examined by their participation to determine what improvements can be made by adopting modern and innovative mechanisms to collect enough revenue and reduce on the donor dependence.

In light of this, URA has found it inevitable to initiate ways of creating enjoyable working relationships with its stakeholders as part of its total transformation drive. The ultimate objective is to position URA as customer centric to allow taxpayers to voluntarily contribute to tax.

The URA corporate plan FY2020/21 – 2024/25 is also premised on the need to promote an engaged citizenry to enhance voluntary compliance by building a taxpaying culture through engaging taxpayers, building productive partnerships, leveraging technology, data and innovative staff.

The task of collecting enough revenue therefore calls for more productive partnerships for Uganda to realise full service delivery and economic independence. It is for this reason that URA has continually engaged different segments of taxpayers.

URA has engaged business leaders countrywide to mobilise their support as influencers but also listen to the challenges they go through in the business environment as they ensure compliance.

The Commissioner General, John R. Musinguzi met with Gold dealers, Car dealers association, Suppliers, the Bankers association and the Uganda Manufacturers Association. All these engagements were aimed at developing a working memorandum of understanding geared to improving the country's revenue base.

The on-going Tujenge bus drives in the different regions is also part of URA's tax education initiatives aimed at bringing services closer to taxpayers. Through Tujenge, URA is also able to interest clients in paying tax through simplified tax literature.

All these are initiatives are part of the many routine stakeholder engagements URA carries out to strengthen its relations and information sharing with partners as well as build increased awareness of service offerings.

Beyond engaging stakeholders URA has continued to deliver services to taxpayers to include; tax clinics, special taxpayer visits scheduled to keep abreast with clients' issues at their business premises. The tax advisory visits aimed at sensitizing taxpayers about new processes and systems and to address specific issues relating to compliance. Senior Management staff are usually at the forefront of the visits and are conducted on scheduled basis. These visits also create a closer touch to taxpayer issues which the bigger engagements may not address.

"Through these engagements, URA keeps abreast with the dynamic business environment and clients are able to share useful feedback about the quality of our services for continuous improvement," James Abola the Assistant Commissioner Compliance explained during a Mid-Western stakeholder integrity forum.

URA has also hosted a total of eighteen (38) benchmarks local, regional and international. These visits are testament of URA's best practices and model institution in terms of its Tax processes, systems and human capital.

Since one of the main challenges of compliance or tax morale today is lack of tax education, URA has understood the pains that affect taxpayer behaviours and attitudes and has tailored information according to the respective needs of segmenting taxpayers.

Taxpayers are therefore encouraged to partner with URA to augment avenues for continued engagement, feedback gathering and where necessary appropriate additional networks. The information shared will support URA in designing solutions that will build business capacity and the ability for every taxpayer to contribute their fair share of revenue.

Additionally, paying tax is a collaborative effort by every Ugandan and so URA will continue to intensify tax education so that taxpayers are made aware of their obligations and entitlements.

THE COST OF SHELFING EFRIS

In January 2021, URA rolled out the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) to address the tax administration challenges relating to business transactions and the issuance of receipts.

Since then, the authority has been trying to get the business community to adopt the system and Ugandans to get used to demanding fiscalized receipts. Despite the success in rolling it out, reports still indicate that traders who have acquired the Electronic Fiscal Devices or integrated with URA through a system-to-system approach are not fully using EFRIS for transactions.

Akinyi Winiefred from the Public & Corporate Affairs Division spoke to **Hassan Wassajja**, the Ag. Manager, EFRIS at URA, to help us understand the cost of non-compliance with EFRIS.

What are some of the common ways traders use to flout EFRIS?

- Selective issuance of e-invoices includes not issuing e-receipts or invoices to final consumers at night or on weekends, especially for hotels, bars, and restaurants, or only to those that demand e-receipts.
- Selling goods and services outside the EFRIS system, for example, through the use of manual receipts.
- Invoice trading (missing trader link) is where taxpayers generate invoices without the fiscal movement of goods and services, leading to the claiming of a fictitious input tax credit.
- Cancellation of authentic transactions through the use of credit notes

What is the penalty for not complying with the system?

Section 73B of the Tax Procedures Code Act 2014 specifies the different penalties for non-compliance with re-

gard to EFRIS.

- A penalty equivalent to the tax due on the goods or services or three hundred currency points (UGX: 20,000 for each currency point), whichever is higher, for not issuing an e-invoice or e-receipt or for tampering with an electrical fiscal device
- A penalty equivalent to the tax due on the goods or services or four hundred currency points, whichever is higher, for not using an electronic fiscal device
- A term of imprisonment not exceeding three years or a fine not exceeding three hundred currency points, or both, for acquiring an electronic fiscal device not connected to EFRIS.
- Temporarily close your business for failure to comply with the EFRIS requirement.

Reports indicate that traders who have acquired EFRIS use it selectively, what remedies has URA put in place to monitor and ensure qualifying businesses use the system for all transactions?

The supermarket industry has greatly improved its compliance with EFRIS requirements, with the majority issuing e-receipts and e-invoices as required. This progress is attributed to the collaboration and engagements we have had with the leadership of the supermarket associations and the Uganda Manufacturers Association to ensure that all the required taxpayers are on board and using EFRIS as required. We shall continue with these engagements to sensitize all taxpayers required to be on EFRIS in this industry and other taxpayers across the country.

We have introduced the "MPA Receipt Yange Campaign" to promote and increase EFRIS usage by increasing awareness of the use of EFRIS and empowering the buyer to demand an e-receipt for every purchase or supply.

We have also increased field deployments and surveillance teams to enforce on non-complaint taxpayers, applying both the carrot and stick approach.

Traders have raised concerns around the cost of the electronic fiscal devices; what other channels does URA have that are cost-friendly to use?

The cost of the Electronic Fiscal Devices (EFD) is UGX 1,100,000, which is the cheapest compared to other East African countries in the region. In addition, the cost of the EFD is an allowable business expense for income tax purposes.

EFRIS also has other invoicing methods such as;

Desktop application that can be downloaded from the EFRIS web portal. It's free and also supports the issuance of e-invoices in offline mode (invoices can be issued without the internet).

The Web portal is suitable for taxpayers with relatively few transactions. system-to-system invoicing method that supports taxpayers with existing billing systems to integrate with EFRIS and issue e-invoices from their ERPs, POS, or billing systems.

The mobile app This financial year, we shall also roll out the mobile application to support taxpayers in issuing e-invoices from the comfort of their mobile devices.

This is all intended to ease doing business and make the process of complying with EFRIS requirements seamless.

There are fears that integrating business systems into URA could give the tax body access to confidential information, what are these fears?

All communication to URA is outbound; URA does not initiate any traffic to the taxpayer's system. The EFRIS integration is through a secure layer via the



HTTPS protocol. Taxpayers only share transactional information relating to sales, purchases, and stock as required by law.

URA has a statutory duty under the TPC Act, 2014, to keep taxpayers information that is required for tax purposes confidential. As such, URA's policies and procedures always give priority to information security.

Therefore, the security of all data exchanges between URA and any other taxpayers shall adhere to acceptable security controls, including encryption of data and the use of private and public keys to digitally sign off transactions.

What advice do you have for taxpayers who have not yet enrolled for EFRIS?

With EFRIS, all taxpayers regulated to interact with the system have already enrolled. The challenge is with selective issuance or not issuing e-invoices at all as required by law. My advice for

such taxpayers is to stop this practice. Non-compliance with EFRIS is definitely going to be expensive, especially for taxpayers who have been fully trained and supported but have not complied. At an appropriate time, all taxpayers doing business in Uganda shall be required to be onboard and use EFRIS to issue e-receipts. This is intended to level the playing field and ensure that every taxpayer pays a fair contribution or share to the revenue target.

We shall also continue to engage and support all taxpayers, including those who are not VAT registered at the moment but are willing to use EFRIS because of the benefits of EFRIS.

- Ability to validate e-receipts in real time
- Shortened audit and return examination time
- Improved record-keeping among taxpayers, especially small micro-taxpayers
- Faster refund processing
- Reduce unfair competition.
- Prefilled tax returns for ease of

compliance

How do interested taxpayers apply to enroll? What is the process?

Taxpayers who are registered for VAT are automatically enrolled in EFRIS. Non-VAT-registered taxpayers who may want to voluntarily use EFRIS can access the EFRIS web portal by following the steps below to register and start issuing e-receipts on EFRIS.

- Log on to the URA web portal at <https://www.ura.go.ug> and click on the e-invoicing menu to access your account using your TIN and password.
- A one-time password (OTP) shall be sent to your email or phone number registered on your TIN. Enter the OTP.
- Select "First time registration, complete the details, and submit your application.
- Once the application is approved, you are then enrolled in EFRIS and ready to start using EFRIS to issue e-receipts.

The "Mpa e-receipt change" campaign has been on a roll since July. What is the impact on EFRIS usage thus far.

The "Mpa e-receipt yange" campaign was rolled out in July 2023, and it has helped us increase awareness among all Ugandans about the use of EFRIS. We have also been able to register a 62% increase on average and a 11% increase on average in the number of invoices and the number of VAT-registered taxpayers, respectively, in areas where we have had activations.

Our appeal to the public is to continue demanding an e-receipt for every supply or purchase, regardless of whether the supply is at the rate of zero (0%), exempt (-), or standard (18%), as this is the only confirmation that the tax the supplier or seller of goods and services has deducted has been submitted to the consolidated fund to support national development.



URA COMMENDS INVESTMENT PORTAL FOR ENABLING INVESTOR TAX COMPLIANCE

By Irene Kabakama

The State Minister for Privatization Hon. Evelyn Anite together with the Commissioner General, John Rujoki Musinguzi commended the investment One Stop Centre (OSC) for easing the way of doing business in Uganda through facilitating access to permits and licenses.

The investment OSC is a single access point located in Kololo housing 14 government agencies that provide information and service transactions for investors. This electronic OSC grants investors access to online services and private sector institutions responsible for investment facilitation.

In her remarks, Hon. Evelyn Anite revealed that the OSC is the President's idea aimed at improving the turnaround time for investors to complete all the registration with different

agencies within 48 hours, reduce the corruption levels so that these investments kick off for the investors to create jobs since they largely employ Ugandans in their factories.

She added that supporting investors through the center is important in growing Uganda's export earnings. "Ugandans were traditionally investing in real estate not manufacturing and this was bringing less value addition, that's why government had to introduce tax incentives to encourage Ugandans to come in the money economy which leads to value addition and enables them to export," noted Hon. Anite.

The Minister elaborated that government monitors investors to ensure they employ a number of Ugandans, utilize local materials and contribute to the revenue basket through taxes.

Musinguzi lauded the centre for fa-

ilitating increase in the number of investments and supporting investors in accessing services and information about taxes.

"Being in this centric place with different stakeholders who support investment is a good way to contribute to the economy since the investors are critical people that contribute a lot to our economy. As URA, we are advantaged because we offer priority fast service to investors right from TIN registration to tax education because they need to know their obligations."

He added that the OSC is a strategic neutral ground, decentralized to monitor investors since it comes with clear Key Performance Indicators.

During this media interview, Musinguzi also cautioned taxpayers to personally handle their tax matters instead of trusting tax agents who end up defrauding them.

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THE TAXPAYERS APPRECIATION SEASON IS BACK

By Elizabeth Nakiru

Uganda Revenue Authority has launched the taxpayers' appreciation season under the theme Celebrating the Economic Heroes of Uganda. The season is aimed at celebrating Ugandans who contribute to the transformation of our economy. The three-month long extravaganza is also a tribute to the invaluable contributions made to the tax basket.

TPAS intends to recognize and reward compliant taxpayers for their contribution towards revenue mobilization.

In financial year 22-23, URA registered a performance of Ugx 100.23% which calls for a celebration of the taxpayers who despite the economic annihilations contributed to revenue mobilization. Celebrating compliant taxpayers is envisaged to have a spillover effect on the compliance of other taxpayers.

URA in collaboration with its partners has organized activities which include the Regional taxpayer visits, unveiling of the Masaka Regional offices, Client service week, Annual staff CSR, launch of the URA digital journey, Authorized Economic Operators anniversary, Regional tax

Barazas, tax football derby, unveiling of new URA offices, Mpa E-receipt Yange finale, taxpayer appreciation day and Awards Dinner.

Therefore, the public is encouraged to attend and enjoy tax simplification, explore the latest compliance-enabling platforms like Electronic Fiscal Receipting & Invoicing Solution (EFRIS) and listen to success stories of compliant taxpayers.

According to the Assistant Commissioner Public and Corporate Affairs, Ibrahim Bbossa, celebrating taxpayers will nurture the value of compliance and cultivate a taxpaying culture among Ugandans.

BOOSTING TAX THROUGH SPORTS, THE SUCCESS STORY OF THE URA FC

By Joshua Niyonshima

The Technical Director URA FC, Kyondo Barungi Geoffrey said that URA FC was formed to change the authority's perspective in the eyes of the public as a People centric organization.

"There is a time when URA was a scare to the Public, as URA FC we are bridging the gap between the URA and the community. We recruit their children, play in their communities and in this way, they begin to appreciate that URA is for them," Kyondo said.

According to the CEO URA FC Allan Munaaba URA Football Club is focused on boosting taxes by using football and the team's players.

"Using URA FC players as ambassadors, we want to move the collection of taxes. This comes by embedding on our jersey's messages on the prevailing tax campaigns," Munaaba said.

Good performance

In the MTN best of 08 URA FC ended the second. This followed its victory in quarter and semi-finals. Munaaba stated that such performance puts URA FC at the centre of marketing tax.

The Ag. Manager Public and Corporate Affairs, Robert Wamala is assured of a success in the new URA way of being pro-People.

"This is a deliberate move by the URA to improve its relationship with the public. If you have observed in the last three years, all our initiatives are aimed at boosting a good relationship with the people. This makes it easy for us to teach People tax hence voluntary compliance," Wamala emphasized.

Recruiting and retaining best talent

Apart from boosting tax, Kyondo recounted that professionalizing the local sport, supporting sports experts and legends in key in URA FC.

When URA FC team is recruiting the best talent is picked. These players have successfully represented URA in the leagues of; Egypt, Ghana and across Europe.



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