



URA APPRECIATES TAXPAYERS

AEO-INTERVIEW WITH COUNTRY DIRECTOR CEVA INTER-FREIGHT UGANDA LIMITED

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URA TO ASSIST WEALTHY INDIVIDUALS TO DISCLOSE STATUS AHEAD OF COMPLIANCE MEASURES

URA exceeded the revenue target for the financial year 2022/23 by collecting UGX 5748 billion extra in the period July 2022 to June 2023, where they registered collections of UGX 25,20905 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 Esteemed Readers,

As we bid farewell to 2023, I would like to express my sincere gratitude to you for your unwavering support, dedication to fulfilling your tax obligations and confidence in the Uganda Revenue Authority (URA). You are our valued partners and the driving force behind our quest to improve our services every day and ensure that Uganda achieves economic independence.

It is my pleasure to welcome you to the latest edition of this newsletter, a reflection of our commitment to keep you updated, involved, and part of our journey.

In this edition of our newsletter, we celebrate the taxpayers of Uganda who have been recognized as economic heroes for their contribution to national development. These are the individuals and businesses who have shown exemplary compliance, integrity and patriotism in fulfilling their tax obligations. We salute them and encourage others

to emulate them.

We also share with you some of the highlights of our digital transformation journey, which is aimed at enhancing service delivery and compliance through various innovations. Some of these include the introduction of the new user-friendly web portal, the USSD code which facilitates you to pay your taxes in the convenience of your home without coming to URA, and improved and easy-to-navigate return filing templates.

We also showcase some of the outreach activities that we have conducted in the past quarter, such as the tax barazas, which are interactive forums where we engage with our taxpayers on the ground and address their issues and concerns. We also highlight the benefits of the Automatic Exchange of Information (AEOI), which is a global standard for the exchange of tax information between jurisdictions, and how it enhances transparency and accountability in the tax system.

In addition, we also feature some of the stakeholder

engagements that we have held in the past quarter, which are part of our efforts to build productive partnerships and foster an engaged citizenry. We have met with various groups of taxpayers, such as rice traders, Kikuubo traders, landlords, suppliers, bankers, and manufacturers, to listen to their challenges and suggestions, and to seek their support and collaboration in improving the country's revenue base.

We also report on some of the enforcement activities that we have undertaken in the quarter to curb smuggling and create a level playing field for business. These include the seizure of contraband goods, and the prosecution of tax offenders.

We also celebrate the 10-year journey of the Authorised Economic Operators (AEOs), who are trusted traders who enjoy simplified customs procedures and faster clearance of their goods. We appreciate their partnership and cooperation with us in facilitating trade and ensuring the security of the supply chain.

Finally, we analyse the effect of the "Mpa e-receipt yange" campaign on the VAT taxpayers, which is a behavioural change campaign that encourages consumers to demand for EFRIS receipts whenever they make a purchase. We examine the impact of the campaign on the VAT collections, compliance levels, and public awareness.

We hope that you will find this magazine informative and insightful. We welcome your feedback and suggestions on how we can serve you better. I also wish you a happy holiday season and a prosperous 2024.

I hope that you will enjoy reading this issue.

John Rujoki Musinguzi,
Commissioner General



EDITOR'S NOTE

Dear Taxpayers,

We thank you for your compliance and continued support in meeting your tax obligations.

We also appreciate the passion with which you attend our tax education activities 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 has motivated us to continue focusing energies on new strategies to support your businesses and help you become compliant.

We have recently launched a three-year Digital strategy in partnership with the United Nations Development Programme aimed at promoting client centricism to allow for tax payers to comply with their obligations in terms of tax registration, on-time filing, payment and accurate reporting.

URA has also since rolled out a number of solutions to ease compliance of taxpayers and their interaction with URA. These include; Electronic Receipting and Invoicing System (EFRIS) for e-filing and e-invoicing, Digital Tax stamping (DTS) for manufacturers, Customer

Relationship Management tools, Non-intrusive inspection with scanners at the customs borders, Bonded Warehouse management system, Rental Tax Income Management solutions, a Call centre that serves through multiple touchpoints (WhatsApp, web, email) and several taxpayer interface enhancements like the web portal, the Mobile App and the new USSD menu.

With your support, we hope these innovations will translate into the UGX 29,218.98 billion target that we are racing to achieve this financial year.

We have also impacted both the continental and global tax agenda with our indelible mark of innovation and leadership in tax administration.

We thank you for your business and we are available on our various channels and platforms to support where necessary as we continue to Develop Uganda

Ibrahim Kibuka Bossa
Assistant Commissioner, Public & Corporate Affairs, URA

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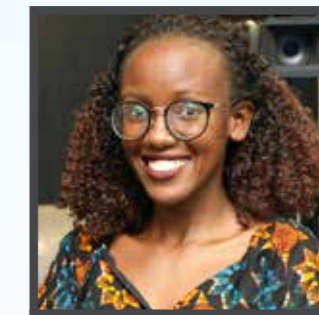
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TAXPAYERS APPRECIATION SEASON WRAP

By Nakiru Elizabeth

Uganda Revenue Authority embarked on the taxpayers' appreciation season under the theme Celebrating the Economic Heroes of Uganda, a yearly event that celebrates Ugandans – the diligent and responsible taxpayers who contribute to the transformation of Uganda's economy. The two-month long extravaganza was a token of recognition and appreciation to the taxpayers who assiduously contributed to the national coffers.

The taxpayers appreciation season began with a thanksgiving ceremony on 16th September 2023. URA thanked the Lord for the far he has enabled them to mobilize revenue and also prayed to have a bountiful harvest in order to close the financial year strong. It is upon this premise that URA called upon government agencies, her partners, business owners and the public to work together in order to deliver Uganda from economic dependence and donor constrictions.

In the spirit of promoting service excellence, Uganda Revenue

Authority organized several initiatives including the Open Minds Forum, service excellence week, Taxpayers Appreciation Day awards, tree planting, and the grand opening of a new regional office in Masaka that took place.

On 24th October 2023, a feedback session dubbed 'Open Minds Forum' was conducted with the aim of partaking in personal and up-close engagements with taxpayers to appreciate them, receive their feedback, recommendations and respond to arising queries. The meeting was held in Mukono division with over 200 participants in attendance

During the meeting, Irene Nassolo, the Mukono regional Manager applauded the taxpayers for their compliance and diligence in fulfilling their tax obligations noting that Mukono region has consistently hit their revenue target every year. She, however, invited them to seek for redress in case they are disgruntled with the assessments that URA gives them.

"If you receive an assessment you

are not comfortable with, please come and we support you. We shall listen to you through our objections management team," said Nassolo. She further mentioned other methods of appeal including Alternative Dispute Resolution (ADR), Voluntary Disclosure (VD) and a tax waiver that permits taxpayers with outstanding tax arrears to only pay their principal tax forfeiting the accumulated penalties and fines.

In FY 22-23, URA registered a performance of UGX 100.23%, and it was imperative to recognize the taxpayers who, despite the economic annihilations, contributed to revenue mobilization especially the compliant taxpayers.

The Authorized Economic Operators anniversary was held on 25th October 2023 in this regard, taxpayers were celebrated for their compliance and willingness to pay their fair share of tax without being coerced.

The grand opening of the Masaka Regional office was held on 10th November 2023 where URA opened its doors to taxpayers in Masaka and surrounding districts to serve

them better. The establishment of the URA regional office in Masaka represented and further cemented URA's commitment to providing exceptional services and support to the community.

"We understand the importance of accessibility and convenience when it comes to addressing your tax-related concerns and queries. This regional office therefore stands as a testament to our renewed dedication to facilitating a seamless and efficient process, ensuring that you receive the assistance and guidance you deserve in a place of abode that is worthier," said Musinguzi John, the Commissioner General.

"Every service that would have required you to travel to the URA Headquarters, you can access here," added Musinguzi.

URA, in collaboration with its partners like Kampala City Council Authority (KCCA), National Identification and Registration Authority (NIRA), Uganda National Bureau of Statistics (UNBS), Africa Ventures, MTN and Airtel, treated taxpayers to a number of services during the 3-day service excellence week that happened from

15th to 17th November 2023 at the headquarters premises at Nakawa.

The taxpayers were able to garner new information and technology about the taxation systems and processes which had previously made it cumbersome for some taxpayers to fulfill their obligations. Those who had complaints received support on their tax related issues which were sorted instantly.

They also discovered tax simplification, where they were exposed to and explored the latest compliance-enabling platforms that make navigating the world of taxation a breeze. Taxpayers were further introduced to Electronic Fiscal Receipting and Invoicing System (EFRIS), Digital Tracking Solution (DTS), Bonded Warehousing and Information Management System (BWIMS), the USSD code, and Touchpoint, which are tools geared towards simplifying the tax paying process.

A New perception of URA, experience and a transformed relationship with the URA was fostered during a feedback session with stakeholders at service excellence week including senior management. "We are here to support you, guide you, and make

the tax-paying process as seamless as possible. Get to know the friendly faces behind the URA brand and see how we are committed to serving you better", said the Commissioner General.

The Taxpayers Appreciation Day (TPAD) was held on 23rd November 2023, to inspire compliance, as success stories of taxpayers who have consistently fulfilled their civic duties were showcased. Their dedication and commitment were inspirational, and motivated potential and non-compliant taxpayers to contribute responsibly to the development of our economy.

Coca-Cola scooped the prestigious excel award beating two others in the same category to being named as the most compliant and largest taxpayer of the year. There were 17 other awardees who received the vantage award, and 3 received the commissioner general's award.

URA thanks all taxpayers for paying their taxes and encourages those who are yet to fulfill their tax obligations to come on board and develop Uganda together.

AEO-INTERVIEW WITH COUNTRY DIRECTOR CEVA INTER-FREIGHT UGANDA LIMITED

By Irene Kabakama,

Recently Uganda marked 10 years since the inception of the Authorized Economic Operator (AEO) program through which compliant companies enjoy the journey of compliance with its benefits. The AEO is an internationally recognized standard that shows the business role in the international supply chain is secure and as customs control procedure that meets the AEO standards. This comes with a license issued to a business that proves customs compliance.

I interviewed Abert Mwebembezi, the country director of Ceva Inter-Freight Uganda Limited, one of the pioneers of the Authorized Economic Operator (AEO) program in

Uganda for the last 10 years.

Benefits of an Authorized Economic Operator?

According to Mwebembezi, the AEO program comes with several benefits. Firstly, AEOs have an automatic status of license renewal where you apply as others since they are documents that have changed but you don't go through the hassle of the competence tests, thus, saving a lot of time and resources.

Secondly, AEOs enjoy priority treatment with shipments that are declared across the region. For the regional AEOs, transactions in the ASYCUDA system are identified as AEO transactions and given priority in terms of clearance.

Thirdly, AEOs enjoy a close relationship with URA where they are given a relationship manager to walk them through the compliance journey. In case of any issues, they can address them through the manager and their problems are resolved.

Mwebembezi noted that AEOs are less likely to be suspended as agents or importers in case of a mistake because of their close relationship with the manager who offers guidance. Many who are not in the AEO program have suffered this fate.

Joining the program.

Mwebembezi encourages other businesses to join

the program, stating that there are few AEOs, but they contribute significant revenue to the country. He emphasizes that being part of the program will save businesses from suspension due to mistakes, and clearance timelines are prioritized. Therefore, it's essential to walk the journey of compliance.

Message to AEO members.

Mwebembezi urges them not to take their status for granted and to remain compliant in every angle. He encourages them to onboard the right clients, recruit the right people, and follow the compliance rules because the benefits are immense, and no one would want to take them for granted.





URA MARKS 10 YEARS' COMPLIANCE JOURNEY WITH AEOs

By Immaculate Wanyenze

In October, the URA commemorated 10 years of the Authorized Economic Operator Program at Sheraton Kampala hotel. The program was launched in 2013 to allow compliant companies enjoy fast clearance of their goods through simplified procedures and reduced inspection.

From some of the testimonies shared by the pioneers of the program, the benefits are still vivid. Betty Kiguli, the Procurement Specialist representing Mulwana Group explained that self-management is a key benefit they are proud of because they are able to have timely clearance of their goods. The Mulwana group company, she

explained, has also gained some leverage in time saved owing to delays in clearing goods at customs. "Our goods come from Mombasa to our bonded warehouses and we are able to get them and take them to the manufacturing line, I can say we have enjoyed more successes than challenges," Kiguli emphasized.

Kiguli's remarks were not different from Anna Nambooze, the Country Director of Trade Mark Africa who praised URA for the remarkable journey as pioneers of the AEO program.

"We are now working on having an enterprise risk management system that is being piloted and will

be celebrated soon, so as Trade Mark Africa we are proud of URA's progress," she said.

The Ag. Commissioner General Sarah Chelangat, on the other hand recognized the AEOs for their continued compliance toward revenue collection. Reason: Nowadays, for one to qualify as AEO, they must pass all URA compliance checks of Domestic taxes and Customs.

"You matter in the tax administration equation, you make us proud, you are our strategic partners and you are exceptional clients. AEO is a win-win for us and has allowed us optimize our resources and focus on the

high-risk areas while providing faster and smoother clearance for low risk operators," she explained.

She however urged the AEOs to guard their status by filing on time and paying their due tax in the correct amounts.

In addition, Abel Kagumire the Commissioner Customs emphasized that URA has been able to collect revenue from 130 National AEOs who are responsible for about 40% of the value of international trade operations, amounting to about Ush1.7 trillion and accounting for 24% of Customs tax revenue.

"We don't have to run after you (AEOs), you file on time. At the time we

started, the revenue was only 4% in 2013. When we grow the numbers, we expect more revenue," he said.

He revealed that the recognition by the World Customs Organization in 2018 gave URA the right to win the image of a country which is willing to open up and serve. Through this, URA has hosted a number of countries in form of benchmarks such as; Zambia, Malawi, Nigeria among others.

An AEO is a company or individual highly trusted by the revenue body – that even with less surveillance, such a company is expected to assess itself and wilfully pay taxes. At the border points, customs officials are not obliged to over-scrutinise goods

of such a company.

AEO is a regional trade facilitation programme recommended by the World Customs Organization (WCO) to ease trade and customs clearance for tax-compliant importers and exporters. To be accredited as an AEO, a company applies to URA and is subjected to rigorous checks – audits of its income returns and tax returns.

Eleven companies have been chosen to receive preferential treatment when clearing their goods at customs, after they exhibited high levels of compliance in their tax obligations.



FROM AUTHORITY TO SERVICE

By Elizabeth Nakiru

URA has embarked on a journey to transform from being an authority to a service-centric organization. This is a long-term goal that is in line with URA's recently launched digital strategy with an aim to enable clients receive the utmost service. Taxpayers will ably access a number of tax related services via the newly revamped web portal that is a self-serving and user-friendly platform.

As part of the journey to a service revenue body, Uganda Revenue Authority (URA) organized a service excellence week from 15th to 17th November 2023. This was to show its commitment to service excellence and collect feedback from taxpayers to aid facilitate improvements by URA.

Taxpayers were treated to a number of tax services including tax return filing, ledger reconciliation, legal probono services, training on the new web portal, touchpoint, and a feedback session held by URA top management. Other services included partnerships from KCCA, NIRA, MTN, Airtel, and URSB for those

who needed support from them.

During the feedback session, URA top management assured taxpayers of timely, reliable and convenient services at all URA stations across the country. "Expect excellent services characterized by timeliness, quality and efficiency," echoed John Musinguzi, URA Commissioner General.

Taxpayers raised numerous issues including the cumbersome URA processes of tax clearance and enforcements which cost them their goods and time. URA's Commissioner Domestic Taxes, Sarah Chelangat in her response said that going forward, taxpayers shall be issued with a conditional tax clearance to give them ample time to clear their taxes thereby annulling the highhanded enforcement.

In the spirit of service enhancement, Robert Mutebi, Commissioner IT and Innovations said that the next step is to have taxpayer assistance centers dedicated to support taxpayers who cannot navigate the complicated tax systems. This is in a bid to simplify taxation jargon which is sometimes

confusing and misinterpreted by some taxpayers especially those in the informal sector. This is expected at the start of January 2024.

It is imperative to note that meticulous service delivery is the key to building and augmenting tax morale and therefore should not be taken lightly by URA staff. This was revealed during the service excellence baraza that was held for staff as a follow-up on the feedback session with taxpayers.

CG Musinguzi urged URA staff to handle taxpayers' issues immediately and resolve them in the shortest time possible as a way to encourage them to fulfill their tax obligations.

Sarah Chelangat also encouraged staff to close the knowledge gaps among some taxpayers to promote tax compliance and avoid tax evasion by virtue of being ignorant of their tax obligations.

In conclusion, the service excellence week gave us a peak into the future of URA as a service revenue body other than an authority.

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.



URA TO ASSIST WEALTHY INDIVIDUALS TO DISCLOSE STATUS AHEAD OF COMPLIANCE MEASURES



By Annet Nantongo

URA will roll out a Voluntarily Disclosure Program for Automatic Exchange of Information (AEOI) this year as an incentive to people who have acquired wealth from undeclared incomes, to self-declare to URA and regularize their tax affairs.

Voluntary disclosure grants eligible declarants full waiver of penalties and interest on the tax paid before Uganda's first automatic information exchange come September 2025.

This development follows Uganda's commitment to the Organization for Economic Co-operation and Development (OECD) Global Forum (as a member) to implement Automatic Exchange of Information (AEOI), a mea-

sure that will allow Uganda to obtain details of undisclosed income from treaty partners and to enforce assessment, collection of taxes and also prosecute offenders.

The 2023 Africa Wealth Report, released in March 2023, reveals that Africa's 'Big 5' wealth markets – South Africa, Egypt, Nigeria, Kenya, and Morocco – together account for 56% of the continent's high-net-worth individuals (HNWIs) and over 90% of its billionaires. There is USD 2.4 Trillion of total private wealth held on the continent and currently 138,000 HNWIs with investable wealth of USD 1 million or more living in Africa.

Uganda Revenue Authority's HNWI section was set up in September 2015, based on International Monetary

Fund (IMF) recommendations towards addressing the considerable level of non-compliance among the large and medium taxpayers. Within the first year of its operation the unit increased revenue collection by UGX19 billion and the proportion of wealthy individuals who filed income tax returns increased from 13% to 78%.

One is considered a high net worth individual in Uganda if they have net investable assets of UGX 1bn, have significant directorship in companies with an annual turnover of UGX 50bn, undertake bank transactions of UGX 1bn, or obtain a bank loan of at least UGX 5bn over a period of 5 years.

Other HNWI parameters include earning at least UGX 500M in rental income per year, owning a home valued at over UGX 1bn, owning motor vehi-

cles valued at over UGX 500M and making imports of at least UGX 1bn in a year.

"Today, URA's HNWI register comprises of 1,629 individuals with 270 VIPs and 1,359 HNWI posting a 17% growth in the register over the last four years. These individuals contributed UGX 91.47 billion taxes to the total UGX 25,209.05 billion revenue collected in FY 2022/2023. The collections from the HNWI category are distributed as UGX 72.41 billion collected domestically, while UGX 19.06 billion was collected from customs," revealed Annet Cherotich, the Supervisor HNWIs in URA.

According to the International Centre for Tax and Development, wealthy people contribute a significant share of the total revenue collected through

personal income tax (PIT) in high-income countries.

However, in most low-income countries, the bulk of revenue from PIT is collected from people in formal employment especially in the public sector, which is collected by employers and remitted to the tax authority. The inconsistent implementation of taxation laws in this area results in losses of income tax revenue and in severe cases, inequity in the distribution of the tax burden. Successful taxation of HNWIs requires a special organizational effort on the part of the tax authority.

In Uganda, wealthy individuals are characterised by being politically connected, largely channeling their wealth in real estate, hiding illicit wealth and outright evasion of taxes. They also

register wealth in names of children, unknown relations in the countryside, or hold wealth in offshore companies.

Cherotich added that while taxation of HNWIs is on income and not wealth, they do not file returns and there is limited use of available data to profile them, a vice that is further propelled by the highly cash economy that makes it ineffective to trace their economic transactions.

URA will always offer avenues for dialogue with these taxpayers in order to ease compliance before deploying enforcement measures. Taxpayers are therefore advised to look-out for the chance to voluntarily re-align their tax affairs and avoid all potential legal battles.

URA SIMPLIFIES THE TAX LEDGER FOR TAXPAYERS TO EASE NAVIGATION

By Irene Kabakama

The Uganda Revenue Authority has taken significant steps to ensure taxpayers comply with tax regulations thus increasing transparency. It did this by introducing a new, simplified tax ledger that is resolving issues that were present in the previous ledger.

The new ledger was integrated with other modules, such as objections and court applications, to ensure that taxpayers have an easier time meeting their tax obligations.

Integration with other modules ensures that if a taxpayer is applying for alternative dispute resolution (ADR) or tax appeals tribunal (TAT), that liability will be separated, thus preventing the enforcement on the disputed tax. Additionally, the new ledger is linked with the MOU module for taxpayers who agreed to pay in installments. This feature will prevent tax officers from disturbing the taxpayer's peace, as it indicates that an agreement was made to pay in installments.

The new ledger also gives taxpayers the freedom to allocate their pay-

ments and clear their liabilities as they see fit and the liabilities are indicated according to different tax types, that is how much the system is clear hence removing the strict payment rules seen in the previous ledger.

Further, the outstanding principal tax, interest, and penalties are broken down in the new ledger, making it transparent and easy for taxpayers to keep track of their payments. In the previous ledger, the taxpayer had to get in touch with a URA officer to get the details.

The new ledger also enables taxpayers to track their payment records with ease, as the features are embedded within the system, and they have full control over their outstanding tax obligations, timely declarations and filing of returns, and a simplified process for computing VAT.

In addition, URA has uploaded tutorials on all their social media handles and the new web portal which taxpayers can refer to at their convenience.

The URA team has organized sev-

eral physical and virtual trainings to empower taxpayers and help them navigate the new system. They commenced the training with the tax agents to ensure they spread the knowledge to the companies they work for, and subsequently trained large taxpayers, medium taxpayers, petroleum division taxpayers, and small business taxpayers. This approach ensured that everyone had a 360-degree understanding of the new tax statement or ledger.

The new tax statement was introduced during the digital strategy launch in October to simplify work and save taxpayers time. Previously, taxpayers found it difficult to interpret the ledger, and they often consulted URA officers for clarification. Therefore, the Uganda Revenue Authority designed a user-friendly ledger that is easy to navigate, just like a bank statement, and renamed it to a tax statement.

The simplified tax ledger will not only ensure transparency and compliance among the taxpayers but also ensure growth in the tax collections since it has resolved the frustration among clients and will make it easy for them hence revenue growth.

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



ONE-STOP BORDER POINTS ARE SHIFTING BUSINESS TRENDS IN AFRICA

By Joshua Niyonshima

The Parliamentary Committee on Finance Planning and Economic Development embarked on a fact-finding mission into the URA's activities at the start of October 2023.

The Committee's Chairperson, Hon. Amos Kankunda stated that monitoring the operations of digital tax stamps and one-stop border posts was a primary priority.

"As parliament, we need to understand how we can support you better in the endeavors of this generation. We want to understand your performance in rental tax because it's a concern. I know, as a country, we have shifted from import duty to domestic revenue, so how can we raise that without compromising the set standards," Kankunda asked?

Committee Vice Chairperson, Hon. Jane Avul Pacuto, who once worked at the Malaba OSBP, praised the contributions the one-stop border points have made in enhancing the customs clearance process, eradicating tax-related criminality, and fostering international trade. She disclosed that one-stop border posts have boosted the dynamics of trade.

"My first job was in customs clearing," Pacuto recounted.

"Back then, the process was very slow, but as we inspected the non-intrusive inspection operations, the process was seamless." It has also come to our attention that there is a great deal of coordination across the various government departments. Customs, immigration, even the department of domestic taxes, and security are all housed in one facility. Therefore, by uniting these businesses, the risk concern is reduced.

Benefits of OSBPs explored.

A One-Stop Border Post (OSBP) is a coordinated border management approach that entails the collaboration of pertinent government agencies from both sides of a border in order to expedite the clearing processes for both products and passengers, according to the World Customs Organization (WCO).

By combining the operations of several border control agencies into one facility, an OSBP seeks to improve trade facilitation and border efficiency.

"The OSBs and the information sharing program are currently facilitating speedy information exchange between Uganda and her neighbors," boasted URA's Victoria Makumbi Nabitaka, Assistant Commissioner of Field Services.

"We have reaped several benefits; when we need information, it is instant; having KRA inside our premises and conducting regular meetings enables us to discuss prevailing circumstances," noted Victoria.

Combating border crime.

The URA Assistant Commissioner for Public and Corporate Affairs, Ibrahim Bbossa, revealed that a drone intervention is being planned to stop smuggling.

"The URA is undergoing significant changes, much of which is technological in nature. For this reason, non-intrusive scanners and smart gates have been installed. We'd like to explore drone technology as well," Bbossa stated.

He brought the policy makers' attention to the issues that the tax collection authority was facing in manning OSBPs.

"If you look at URA, we have little over 3,000 staff. You realize that for us to be more effective and create a quick turnaround for businesses, all of our processes, staff, and technology have to work together. We are probably understaffed, not only the URA but even the sister agencies that we work with. Immigration is lacking staff, and Uganda National Bureau of Standards cannot work 24 hours a day, 7 days a week, which we do. Because we are working

as a team, especially at the one-stop border posts, we need improved staffing for every agency to increase flow of trade," Ibrahim noted.

Committee offer solutions.

The MPs promised to support revenue mobilization and facilitate trade by widening the road to Malaba and Busia, solving the problem of power fluctuations that impact non-intrusive scanners negatively, and increasing staffing for all government agencies operating under the one-stop border arrangement.

"As we entered Busia, you could vividly find that there was huge traffic of trucks that were ferrying in goods, exports, or empties. Our roads are narrow. As a committee, we shall be able to have a meeting with other committees such as infrastructure, health, trade, and tourism together with the minister of works so that we hear the government plan to broaden this road to enable trucks easily move in and out of the border post," Hon. Avul said.

URA has more than eight OSBPs. They are Mpondwe, Elengu, Busia, Malaba, Mutukula, Katuna, Lwakhakha, and Mirama Hills. Of these, the legislators visited Malaba, Busia, Mirama Hills, Katuna, and Masaka regional service centre.

WHAT YOU NEED TO KNOW ABOUT RENTAL INCOME TAX

By Immaculate Wanyenze

The Real estate is one of the fastest growing sectors yet less taxed. However, in the recent past, Kampala traders have continued to petition government on landlords increasing rental fees implying that the owners of the commercial buildings are earning abnormal profits yet not complying. In order to ensure their compliance, Paddy Ocheng, the Manager in the Rental unit, Domestic Taxes Department shares all the nitty-gritty in the sector.

What is Rental Income Tax and how is it operating in Uganda?

Rental income is income that is generated by a person for leasing or renting out immovable property, now this immovable property could be land or buildings for a consideration.

Rental income is also tax that is levied on any person who generates rental income; that person could be an individual that is owning property from where they generate rental income or it could be a company or a retirement fund, estate, partnership as long as one generates rental income from that property owned through leasing or renting.

How is URA handling the issue of revenue leakages in the Rental sector?

Rental income tax admittedly has had some gaps over the years and notably URA has invested in different initiatives to ensure that these gaps are plugged. Some of these include; wide spread sensitization campaigns that we are conducting. We have observed over the years that many of our taxpayers are not fully aware of rental income tax and the requirements to comply, so we have rolled out tailor

made sensitization campaigns that include tax literature which has been translated in a variety of local languages to ensure that different players in the rental tax sector understand their tax obligations.

We have also carried out sensitizations through media like on television and radios to reach out to a wider mass. We conduct weekly webinars and utilize the mobile outreach services through the Tujenge bus.

As URA, we have realized that some of our taxpayers are not able to come to seminars and workshops so we have tax katalas where we go to the market place and set up tax hubs.

The other initiatives include collaborations with other Government agencies. We have had exchange of information with MDAs such as Kampala Capital City Authority, Ministry of Lands, UMEME, National Water & Sewerage Corporation National Identification & Registration Authority. Most of the information that we have gathered from these MDAs, since we are leveraging on technology, has been put together in a system called the Rental tax compliance system that matches data from the different MDAs and helps us to identify taxpayers and landlords who are not registered and those who are under declaring.

The other initiatives to ensure that we bridge the gaps in the rental income tax have been our systematic and targeted compliance reviews and audits. These especially target the gaps around taxpayers that have engaged in aggressive tax evasion schemes. So we carry out data driven and systematic audits to help them comply.

We have also intensified our field inspection visits in addition to collaborations with local council one chairpersons to ensure that we leverage the data that is resident with them to be able to sensitize and also reach out to different landlords for purposes of compliance.

All these initiatives have helped grow our collections in rental tax. For example, over the past five years, we had an average of 27% growth comparing our collections year on year. Every year through the initiatives we have undertaken, we have been able to grow. We had a bit of a slow down during the COVID period but this financial year, we are headed for the best. The collections of July 2022 to March 2023 were UGX131.4 billion compared to UGX 97 billion that had been collected around the same period the previous financial year.

In terms of growth of the register, at the beginning of last financial year, we had about 80,000 landlords registered for rental tax but as at end of April 2023, we have 152,000 landlords spread across the country. It is an 89% growth. So, whereas there are gaps, these interventions have helped us achieve tremendous results.

How does URA determine who pays rental tax and what measures does URA use to collect the tax?

In rental income tax, there is what we call chargeable income which we apply to a prescribed rate of tax. In chargeable income, we look at your gross rental incomes and for individuals, we reduce that gross rental income with what we call a tax free threshold below a certain level of your



gross rental income. Currently, the rental tax threshold is UGX 2,820,000. So if your gross annual rental income is below UGX2,820,000 and you are an individual, then you are not required to pay rental income tax. However, if your rental gross income exceeds 2,820,000, the rental income tax that you pay is at a rate of 12% on the difference between your gross rental income and the tax-free threshold of UGX2,820,000.

Now for non-individuals like companies, retirement benefit schemes, the formula differs. Here, an allowance of 50% of what they earned is given to them and then a tax of 30% applied on the difference of 50%.

Are the conditions favorable to pay rental income tax since there is continuous conflict between tenants and their landlords on payments?

The effects of premises being vacant are taken care of in arriving at what is called the gross rental income. For example, if someone has five rental units in Banda and from each unit they charge rent of UGX 500,000 per month, so if these units are fully occupied throughout the 12 months' period, it means that every month they are generating UGX 2.5 million from the five units. And in a year, they will have generated UGX2.5 million multiply by 12 which is UGX 30 million so that will be the gross rental income.

There are also instances where some

of the units are not occupied during the 12 months' period. Now that will be taken into account in arriving at the gross rental income. For instance, if one of the units was occupied for only 6 months, we will get the UGX 500,000 multiply by 12, for the four units and then for the 5th unit that was occupied for only 6 months, the gross rental income from it will be the UGX 500,000 multiply by the 6 months. So you will find that the gross rental income for the landlord whose units were not fully occupied will be lower.

How does URA ensure that every landlord is compliant?

The system of payment of taxes runs a self-declaration regime, so the landlords are expected to make these declarations themselves at the end of the year indicating the rental income that they have earned or generated during that year of income.

We know that sometimes these declarations are made dishonestly that is why we go and do field inspections to verify some of these facts. Sometimes we use data from our third-party partners to establish occupancy and the rates that were paid during the year but in essence, it is the landlord that is supposed to honestly make these declarations and indicate clearly how much they earned.

Does someone have to move to URA offices to file for returns?

No, as URA, we have made significant

strides in making compliance for the taxpayers easy and seamless. These returns can be filed in the comfort of one's home because they are web-based returns. Reason: With internet, one can still access the URA web portal even when out of Uganda.

In addition to our online service platforms, we also have URA touch points spread across the country. We have over 40 URA touch points where a taxpayer is not able to access internet, they have the opportunity to walk to the nearest URA office.

We have other options like the Tujenge buses that move to places where we do not have offices and offers tax services on the go in far to reach places to allow taxpayers comply with their obligations of filing returns and making payment of the resultant tax.

We believe that with these options, depending on what is convenient for a taxpayer, they are able to go online or walk to a URA office. During peak times, we also have extended work hours for our staff to support taxpayers. URA also has an active call Centre which works almost 24 hours and anyone can reach out.

We believe with these variety of channels, compliance should be a much easier job because we are committed as URA to walk this compliance journey with our taxpayers.



HOW STELLA GOT HER GROOVE IN TAX AND LAW, A "WOMEN IN TAX" SPECIAL

By Elizabeth Nakiru

"My grandfather had land wrangles in the village because of religious differences within the community. He tried to fight them but after an elongated court skirmish, he lost his land subsequently ending up in prison cells. What stood out for my father was the way grandfather lamented about it saying he wished he had had a lawyer in the family to fight for him legally. He urged

anyone of us who could do law and protect the welfare of the family and many of us obliged. That is how I ended up in Legal practice".

This is an excerpt from the story of Stella Nyapendi, the URA Ag. Commissioner Legal Services and Board Affairs. She comes from a family of five children, three of whom are legal practitioners. Growing up, she was courted to do law by her father who

nonchalantly left books laying around, well aware of his daughter's reading sabbaticals during the holidays.

URA and Uganda would benefit profoundly years later as Stella was part of the team that put together the country's Oil and Gas Legal infrastructure which Uganda would leverage to win a major oil and gas case with a multinational, recovering millions of dollars that would have hitherto been

lost.

The young Stella was committed and set her mind to excelling at school with a dream to make her father and grandfather proud upon becoming the first lawyer of the family graduating with a bachelor's degree in law. She went on to pursue her license at Law Development Centre (LDC).

Starting out as a young, passionate lawyer was exciting for Stella because she had achieved her childhood dream despite the tussles she faced to get the law degree. Due to her outstanding results, her former lecturer from LDC offered her a clerkship at a law firm. It was during her internship that an opportunity to work with URA came knocking.

She applied for the position of Legal officer and went through the interviews seamlessly getting a slot out of the five that had been advertised. She was the only woman to be recruited alongside four men at the time.

She began her career in URA in 2005 as an officer, became supervisor in 2009, and manager two years later in 2011 leading up to her becoming an Assistant Commissioner in 2015 and currently the Ag. Commissioner Legal Services and Board Affairs.

Her career journey may seem glossy but it did not align flawlessly. She struggled with stereotypes of being a woman in the taxation industry that is branded a man's world and finding a balance between work and her family. Also, being a mother of four sons and a wife who needed to have a work-life balance. She however prevailed due to the extensive personal support she received at home from her husband and family. At work, she was being mentored by seasoned women who have equally thrived in growing their careers.

Stella was mentored by powerful career women including former Commissioners General Allen Kagina and Doris Akol, the former Commissioner Legal Services and Board Affairs - Patience T. Rubagumya and the pioneer KCCA ED - Jennifer Musisi who encouraged

her to aim for greater career heights regardless of the constraints that come with it.

She equally has commitments outside URA including being the coordinator for Uganda at the African Tax Administration Forum (ATAF). ATAF is an organization that brings together African revenue bodies all over Africa for the benefit of improving tax administration systems in Africa.

"As women, we cannot afford to be middling, yes, sometimes we are tied down by child bearing, marriage, and running a home but that should not be an excuse for us not to achieve career excellence. We need to be positive, versatile and purpose driven. We are not the first to do it all, there are women who have been there before us, they have shown and paved the way for us. We should be inspired by them as we strive to excel," says Stella.

Away from the URA Tower, her heart beats for the underprivileged children in society. She is the founder of God's Grace Children's Home which takes care of orphans and needy children where she breaks bread and shares with them. She has supported the home since 2014 to date and also has one child she adopted into her family.

The founding of this home came from Stella's deep-seated love for humanity and desire to share it with those within her vicinity. She believes that love overcomes everything and just like the Bible tells us in 1 Corinthians 13: "Love is patient, love is kind. It does not envy, it does not boast, it is not proud. It does not dishonour others, it is not self-seeking, it is not easily angered, it keeps no record of wrongs. Love does not delight in evil but rejoices with the truth. It always protects, always trusts, always hopes, always perseveres. Love never fails."

Stella supports the home as a board member, a well-wisher and advocate for their rights and wellbeing. She has been instrumental in making sure the children have basic needs like food, clothes and shelter over the years.



Besides her charity endeavours, Stella also mentors young women and men with a special focus on young girls who are looking to build a career and seek advice from established career women. She has a walk-in policy to her office where she interfaces with them to emotionally and psychologically support them.

"When I see a young lady with potential, I sit her down and we have a chat putting her into focus while I also give her a different perspective from my experiences as a wife, mother and a career woman," explained Stella.

"As a woman, keep your eyes on the ball, be resilient, and don't let the fact that you are a woman be the thing that is disadvantageous to you."

Let us dispel those negative narratives about women thriving. Women are trained to juggle. Be focused and determined. Plan your time well and pray to God seeking his wisdom" says Stella to young women.

TAKING STOCK OF THE COMPLIANCE JOURNEY WITH AEOs

The Authorized Economic Operator program recently marked 10 years of allowing compliant companies enjoy fast clearance of their goods through simplified procedures and reduced inspection. **Immaculate Wanyenze** had an interview with **James Malinzi**, the Assistant Commissioner Customs Audit on the progress and new innovations of the project since inception in 2013

Tell us about the AEO program?

The Authorized Economic Operator (AEO) program is about facilitation and the security of global trade. It is an international program based on the World Customs Organization instrument known as the WCO SAFE Framework of Standards. The program works on the principles of voluntary compliance and the rewards that come with it. The program requires Customs and other trade regulators to identify low risk and reliable traders/operators, form partnership with them and provide benefits which will allow them move their cargo through the supply chain faster and more easily. The program is also voluntary.

What are the direct benefits to the taxpayers?

The taxpayer benefits in having fast clearance which in turn reduces on the cost of doing business. There is improved coordination and working relationship between Taxpayer and the Revenue Authority. Self-management of warehouses and choice of area to physically verify their goods. The corporate image is enhanced among the business community.

However, there can be more benefits for clients under the AEO status.

How many companies do we have currently and how does one qualify to be a member?

Currently as at 31st October 2023, there are 131 AEOs of which 39 are also accredited as the East African Community (EAC) Regional AEOs. In order to become an AEO, one has to submit a letter of expression of interest to the Commissioner Customs. After that, the applicants will be provided with self-assessment. An officer is assigned to support the company until the application process is completed. This officer acts as an expert advisor to the company during this period.

How is URA supporting local companies to enrol on the program?

URA is encouraging local companies that are eligible by providing as much information as possible on what is required to be compliant and meet the requirement of the program through its taxpayer education programs, including webinars, workshops, trainings, media awareness programs among others.

Is the program for small companies too?

The AEO program is open to any size of operator, big or small and joining is voluntary and free. The only qualification parameters are; 1- The ap-

plicants' operations must be along the International Trade Supply Chain, and regulated by Customs. 2- The applicant should have appropriate record of compliance over the last 3 years.

What entails the status that an AEO acquires?

The AEO status bestows trust. An AEO is considered a trusted and reliable partner of URA and for that matter, URA provides a number of benefits that allows the AEO to conduct his/her business faster without hustles. This is mainly because URA subjects such an operator to less checks and there are some privileges that accompany the status. When doing business with other operators within the country or internationally, other business partners will look at the AEO as a trusted and reliable partner. In case the AEO is doing business outside Uganda but in a country where we

have a Mutual Recognition Arrangement for example; China or South Africa, the AEO will be accorded some benefits by those Customs Administration to facilitate his/her business.

How much access of self-assessment does an AEO have, is it 100% or partial?

The AEO does 100% self-assessment. The Customs Officers who carry out the vetting process only validates if the self-assessment that has been done by the AEO is correct.

Please share a breakdown of what is involved before a company/individual qualifies as an AEO?

The process involved in one becoming an AEO is referred to as the Authorization process; There is a set of criteria against which an applicant is assessed.

Currently this includes;

Application -

through submission of letter of expression of interest to the Com-

missioner Customs

The applicant is taken through the process of preliminary consultation by URA AEO experts who explain the concept and the requirement for eligibility in detail.

The applicant conducts a Self-Assessment against the criteria.

A validation team from URA and other government agencies conduct validation of the information provided in the Self-Assessment form and the application to ascertain accuracy. This exercise involves visiting the physical location of the applicant and conducting assessment of some for the criteria. If the application passes, then the application is approved for authorization (certificate).

After approval, the applicant signs a memorandum of understanding with URA and is issued a certificate.

What are the main trading areas for AEOs and where else do we hope to extend?

AEOs trade all over the world, however, to ensure that AEOs receive extended benefits when trading outside Uganda, URA is engaging its counterparts in some of the main trading partners to get Ugandan AEOs recognized and facilitated while doing business in those countries.

Currently, URA has concluded Mutual Recognition Arrangement with China and South Africa. The China Arrangement was signed in May 2021 and operationalized on the 1st June 2023, meanwhile the South African Arrangement was signed on the 28th February 2023, we hope to operationalize it soon, once the technical issues for operationalization are resolved. URA is also implementing the EAC Regional AEO program that allows the Ugandan AEOs that join the regional program to be recognized in all EAC Countries.

What measures are in place to grow more numbers?

URA has planned a big sensitization drive to reach as many eligible operators as possible. Automation of the processes is also in final stages to ensure efficiency in the management of the processes, both in the pre and post authorization phases. The benefits scheme has been revised and improved and a new AEO benefits manual has been launched to guide the process of ensuring that AEOs are accorded the benefits they deserve. A tier system will also be rolled out with the roll out of the Automated system to give room for growth within the AEO system and to allow the system to accommodate the small companies that require nurturing while they join the AEO program.

How much of revenue do we earn from AEOs annually?

AEOs have contributed about UGX180 billion in Customs Revenue in the last financial year 2021/22.

How is the performance of the AEO program in Uganda compared to that in the region in terms of numbers and revenue?

Uganda has 131 national AEOs and 39 EAC Regional AEOs. The Total number of EAC Regional AEOs is 201 as at the end of October 2023. The Ugandan National AEOs cover about 40% of the International Trade value, while at EAC the 201 cover about 12%.

Any message to companies/individuals that have not yet enrolled?

The AEO program is here to provide you the benefits and facilitation that you need from URA. It is free and voluntary, but has immense value for your business. Joining the program is easy and URA has put in place system to support you.



WHY YOU NEED TO MEET YOUR VAT OBLIGATIONS

By Annet Nantongo

A taxpayer can apply for voluntary Value Added Tax (VAT) registration for various reasons. One of the common incidences is that, business owners apply for voluntary VAT registration in order to compete for certain bids.

This request, once granted, requires the VAT taxpayer to meet a number of obligations. However, many such VAT registered taxpayers tend to abandon their VAT obligations once they lose out on the bid of interest, thus leaving behind a trail of arrears, interests and penalties accrual.

VAT is an indirect consumption tax charged on value added to taxable supplies at different stages in the chain of distribution. In Uganda, VAT is imposed on the supply of goods and services (taxable supplies) made by a taxable person, other than exempt supplies and non-exempt imports.

As a VAT registered taxpayer, whether mandatory or voluntarily registered, they are supposed to have a fixed place of business where they trade in the goods or services they deal in, charge VAT while issuing proper tax invoices which are generated through EFRIS, and keep proper financial records with proper invoices, sales records, and expenses incurred.

In addition, VAT taxpayers must file proper and reliable VAT returns every 15th of the month after the previous month. A taxpayer can file a nil return in case there was no VAT collected, however, they must pay the VAT collected on time every month.

If one has a UGX 37.5m taxable turnover in three consecutive months, or registers UGX 150m annual turnover, or deals in goods or services that have an aspect of value addition

or value derived, then they are mandated to register for VAT.

Failure to register for VAT when one meets the criteria attracts hefty penalties, some of which include a fine not exceeding UGX 3m, or imprisonment not exceeding 6 years or both on conviction if the act was done recklessly. They are also liable to pay a penal tax double the amount of tax payable for the period they remained unregistered.

Failure to file a VAT return by the due date attracts a fine of UGX 2m or imprisonment for not more than 6 years upon conviction. Failure to lodge a return within the required attracts a penal tax amounting to UGX 200,000 or interest at 2% per month compounded for the period the return is outstanding, whichever is higher.

In July 2020, Uganda Revenue Authority (URA) introduced the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) mandating all VAT-registered taxpayers to enrol and issue fiscalised receipts and invoices. As at 31st December 2022, the EFRIS register stood at 57,588 taxpayers out of which 31,890 are VAT-registered taxpayers while the remaining 24,455 not VAT registered.



The system was introduced to address illegalities in VAT which had, over time, posed a threat to efficient revenue collection. The system offers end-to-end trace of the transaction data due to real-time taxpayer records interfacing with URA systems.

Non-usage of EFRIS also attracts penalties which include UGX8m for failure to obtain an e-invoicing device for mandated taxpayers. In addition, failure to issue EFRIS invoices or tampering with an invoice attracts a penalty of UGX6m. a taxpayer who decides to disconnect or refuse to link their electronic fiscal devices or systems to URA could either get imprisoned for 3 years or pay UGX6m, or both.

These penalties are deterrents for taxpayers to avoid engaging in VAT related offences.

"Taxpayers who charge VAT, collect that tax on behalf of URA and are supposed to remit it monthly. Tampering with VAT records to reduce on the tax collectable is a selfish act on the part of the taxpayers because they deny Ugandans access to better services that such taxes would fund," Ibra-

him Bbossa, URA's spokesperson emphasises.

Bbossa urges consumers to always demand for e-receipts when they buy VAT-able goods or services from shops or several outlets.

"When you demand for an e-receipt, you are guaranteed that URA will collect this tax since she (URA) has a direct interface with taxpayers through EFRIS," added Bbossa.

When one does not voluntarily comply with VAT registration and obligations, URA applies several compliance measures such as issuing third party agency notices to bankers of the affected taxpayers so that the taxes due are collected.

In all this, compliance to VAT obligations comes with perks such as ability to supply large and credible businesses which improves profit earnings and growth. The taxpayer also avoids inconveniences like unfair assessments, and side-steps offences related to VAT registration, return filing and failure to pay.



UGANDA ENVISAGES A COMPLAINT RATING ON EOIR IN 2024

By Kamugisha Kabahweza Allan

In 2016, Uganda was rated “Largely Complaint” on the implementation of the Exchange of Information on Request (EOIR) and the 2nd Round Peer Review took place at Sheraton Kampala Hotel on the 19th September 2023 geared to find out if Uganda moves to the “Compliant” status.

Speaking at the opening of the 2nd Round Peer Review on EOIR, URA Commissioner General John R. Musinguzi noted that the tool has numerous benefits namely; - increased voluntary compliance through early detection

and deterrence of tax evasion and fraud, and increased knowledge of taxpayer operations among others.

He said that Uganda is currently rated “Largely Complaint” which is the second-best position in the four-band categories of the international ratings on compliance to exchange of information.

Uganda aims at achieving a rating of “Complaint” in 2024 since a negative rating (“Non-Compliant” or “Partially Complaint”) has bad reputational effects on a country and affects the business climate.

Musinguzi explained that a “Complaint” rating has advantages which include easy flow of goods, finances and investments into the country, low cost of doing business, and a fast-international supply and value chain.

The September peer review covered the period January 2020 – December 2022, and the Organisation for Economic Cooperation and Development (OECD) Global Forum allocated Uganda three assessors from Norway and India, which are member jurisdictions.

Lead Assessor Agnes Rojas noted

that Uganda was last rated in 2016 as “Largely Complaint” and after this peer review, the country will get another rating in 2024 when the final report is presented for debate and approval in Paris, France.

The Peer Review process involves the assessment of the legal and regulatory framework with respect to the EOIR standard as well as the practical aspects of its implementation.

In the assessment of the legal framework and the practical implementation, the Peer Review sought to determine the effectiveness of the

exchange of information through the evaluation of three (03) pillars;

a) Availability of Information on legal ownership and identity information, beneficial ownership information, accounting information and banking information.

This legal framework includes tax law, banking law, laws governing incorporation of companies, partnerships, trusts, cooperative societies;

b) Access to the above information by Uganda Revenue Authority;

c) And Effectiveness of mechanisms in place to exchange the above information with treaty partners.

President Yoweri Museveni on 23rd June 2023 assented to “the Convention on Mutual Administrative Assistance in Tax Matters (Implementation) bill” which, in section 4(1), specifies that the multilateral competent authority agreement on Automatic Exchange of Financial Account Information specified in the Act shall have the force of law in Uganda.

The Global Forum has 162-member jurisdictions and currently, Uganda can send and receive taxpayer information with over 147 jurisdictions around the world for tax purposes.



TAXPAYER APPRECIATION DAY: RECOGNIZING TAXPAYERS'

By **Akinyi Winiefred, Kamugisha Allan Kabahweza**

Apart from the return filing day, the taxpayer's appreciation day is undoubtedly one of the most anticipated days on a taxpayer's calendar. Commemorated annually, the day was incepted to recognize taxpayers who demonstrate consistent compliance with their tax obligations.

While paying tax is not a quid pro quo affair, the Uganda Revenue Authority thought it wise to set aside a day every financial year to celebrate taxpayers who honor their obligations without coercion from the taxman. It serves in two folds: as URA's way of recognizing and rewarding compliant taxpayers, but also as a way to encourage taxpayer compliance by challenging those that have not made the list.

It is therefore no surprise that the top winner alternates annually. According to URA's Assistant Commissioner for Public and Corporate Affairs Ibrahim Bbossa, the taxpayer appreciation award is like a "blue check" from the tax man—a signal that one's tax

affairs are in order.

This year's ceremony took the usual style of honoring taxpayers in three distinct categories: the Excel award, which goes to the most compliant taxpayers who contribute significant amounts of revenue, the Commissioner General's award, which recognizes stakeholders who support revenue mobilization in various ways; and the Vantage category, which honors small and medium taxpayers from all regions who have continuously improved their tax payments and responded to URA initiatives over the years.

The Coca-Cola Company emerged as the overall winner this year, taking home the coveted Excel award, closely followed by Chop Gaming Limited (Betpawa), the first runner-up in the same category, and Bank of Baroda, which came in second.

Coca-Cola was recognized for paying over Ugx 319 billion in taxes over the previous years and maintaining 100% filing ratios in all tax heads for which they are registered.

In the Vantage Award category, Erianah Glass Matt and Hardware was named the most compliant non-individual taxpayer from the mid-western region, and Khemis Yunus, an Arua landlord, won the vantage individual award from the West Nile region. Uzima Chicken LTD from Kampala metro, Church of Uganda Kisiizi Hospital from the south-west, and Kach-AP Global Forwarders Ltd. from the east were also recognized.

The central region dominated the day, with eight out of the 22 awardees hailing from the region.

In his message to taxpayers that day, Commissioner General John Musinguzi emphasized tax compliance, highlighting Uganda's tax-to-GDP ratio, which is now lagging at 14%. His message was reiterated by Rt. Hon. Robinah Nabbanja, the Prime Minister of the Republic of Uganda, who underscored the relationship between revenue and service delivery.

"I thank every taxpayer who has paid

their due share of taxes. Thank you very much; the government relies on you to finance its service delivery," she said.

Meanwhile, this year's ceremony

attracted several dignitaries, including Hon. Matia Kasajja, the Minister of Finance, Planning, and Economic Development, the State Minister of Finance for Investment, Hon. Evelyn Anite, the Permanent Secretary/

Secretary to the Treasury, Ramathan Ggobi, Members of Parliament, religious leaders, and civil society, among others.

See the full list of winners below.

SN	Category	Selected taxpayer
A Excel Award		
i)	Winner	Coca-Cola Beverages Uganda Limited
ii)	1 st Runner Up	Chop Gaming Ltd
iii)	2 nd Runner Up	Bank of Baroda Uganda Ltd
B Vantage Award		
i)	Metro Non-Individual	Uzima Chicken Limited
ii)	Metro Individual	Mr. Chetan Kumar Dhattani
iii)	Central Non-Individual	Mildmay Uganda Institute of Health Sciences
iv)	Central Individual	Mr. Darshan Mehta Mukesh
v)	Eastern Non-Individual	Kach-AP-Global Forwarders Ltd
vi)	Eastern Individual	Mr. Wilson Mayamba
vii)	Northeastern Non-Individual	Give Directly
viii)	Northeastern Individual	Mr. Ogera Ochabal Wilberd
ix)	Midwestern Non-Individual	Erianah Glass Matt & Hardware - SMC Limited
x)	Midwestern Individual	Mr. Govind Pindoriya Khimji
xi)	Southwestern Non-Individual	Church of Uganda Kisiizi Hospital
xii)	Southwestern Individual	Mr. Bernard Mugarura
xiii)	Northern Non-Individual	Restore Leadership High School Limited
xiv)	Northern Individual	Mr. Richard Canopwonya Lander
xv)	West Nile Non-Individual	Noble Unit (U) Limited
xvi)	West Nile Individual	Mr. Khemis Yunus
xvii)	MTO Non-Individual	Education Development Center Inc.
D Commissioner General's Award		
i)	CG's Award	Grant Thornton Uganda
ii)	CG's Award	Rt. Rev. Assoc. Prof. Fred Sheldon Mwesigwa - Ankole Diocesan Bishop

URA INTRODUCES THE EFRIS MOBILE APPLICATION

By Joshua Niyonshima

To make it easier for taxpayers to comply, Uganda Revenue Authority last month released the Electronic Fiscal Receipting and Invoicing Solution smartphone application.

This follows the launch of the URA digital strategy, which intends to enable tax payers to fulfill their obligations in an easy and faster way.

According to the Commissioner of Information Technology and Innovations, Robert Mutebi, VAT-registered tax payers will directly access the mobile app, whereas non-registered VAT clients will have to first register.

"VAT registered clients can directly access the mobile application, while non-VAT registered clients have to do first-time registration," said Mutebi.

He added that services such as stock management, e-invoicing, and e-receiving are available on the application.

"When the client selects goods, the app will load the goods management module. In this module, the client will be able to configure goods stocking, stock adjustment and stock inquiry," he explained.

Additionally, Mutebi disclosed that using this application in stock management, there are two views, for goods and services. A client can be able to add stock and issue invoices to customers.

The IT boss explained the steps for

accessing the mobile app.

1. Download the app from the Apple Store or Google Play Store.
2. Click install, and you will be able to download the EFRIS Mobile. After downloading, you will be prompted to open the application.
3. A client will be presented with a series of splash screens on the functionalities of the app.
4. Log into the EFRIS mobile application.
5. The client is then required to enter their TIN and password to proceed and login. Note: In case the client does not have a TIN, a TIN can be obtained using this link <https://ura.go.ug/en/domestic-taxes/tin-application/>
6. Register the device. The app will prompt the client to register the device

Mutebi disclosed the new URA agenda: "What we promised is that we are going to make our services instant where we can or near instant. As URA, we do not want delays or bureaucracies; we shall use technology to make sure these services are instant. Another thing we are doing to make filing easy is picking data from EFRIS and auto-filing it; all you have to do is approve it. So, filing is going to be easy."

The EFRIS mobile application comes at a time when URA has widened tax education on value-added tax (VAT). Recently, Commissioner General URA John Rujoki Musinguzi engaged Kikuubo traders on EFRIS usage.



Among the key improvements he promised to the

traders was a mobile application that could be easily accessed by traders.

"We are going to start serious training on EFRIS. Also, we have developed an EFRIS mobile application that is going to be used by every person using a smartphone. After enough sensitization, we can now enroll everyone on EFRIS," said Musinguzi.

What is EFRIS?

Electronic Fiscal Receipting and Invoicing Solution is an initiative under the Domestic Revenue Mobilization Program whose aim is to address the tax administration challenges relating to business transactions and the issuance of receipts. Introduced in 2019, it is key to the collection of value-added tax. Musinguzi said that the users of EFRIS will soon be set free from filing returns since their information will be automatically accessed by the URA, thus easing business and tax payments in the country.



THE BONDED WAREHOUSE INFORMATION MANAGEMENT SYSTEM (BWIMS)

Real-Time cargo Accountability at your convenience.

Key Benefits of BWIMS

- Improved cargo management.
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- Facilitation of speedy cargo clearance.



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