

STATEMENT TO PARLIAMENT BY THE RT.HON PRIME MINISTER ON THE RECENTLY INTRODUCED TAXES ON MOBILE MONEY TRANSACTIONS AND OVER THE TOP SERVICES (OTT)

Rt.Hon. Speaker I present this statement under rule 51 (1) of our rules of procedure.

Rt.Hon. Speaker and Hon.Colleagues, as you are all aware; there has been a lot of public discussion about the recently introduced taxes on Mobile Money transactions and Over the Top Services (OTT) commonly known as social media.

Rt.Hon. Speaker and Hon. Colleagues, the Excise Duty (Amendment) Bill 2018 was presented to this August House, debated and passed by this Parliament. It was subsequently assented to by His Excellency the President and consequently became an Act of Parliament.

The Act imposes a 1% Levy on receiving, payments and withdraws through mobile money platforms. In addition, it imposes a specific charge of Uganda Shillings (shs.) 200 on over the top (OTT) services per day of access.

Rt.Hon.Speaker and Hon.Colleagues, since the Act came into force on 1st July 2018; Government has noted public concerns regarding some of the elements in implementation of especially tax on mobile money transactions and OTT.

H.E. the President has provided guidance on the matter and encouraged further discussion with a view to reaching consensus on how we should raise the much-needed revenue to finance our budget and undertake the development agenda we have set for ourselves without causing unbearable burden to the citizens.

Rt.Hon. Speaker and Hon. Colleagues,

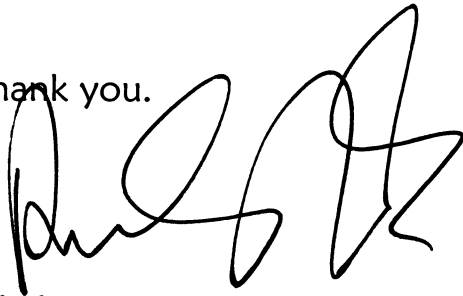
Government is now reviewing the taxes taking into consideration the concerns of the public and its implications on the budget.

The review is being expedited to ensure that Government presents an Amendment of the Excise Duty (Amendment) Act 2018 to this House for debate on Thursday next week (**19th July 2018**) Hon. Members will, therefore, have the opportunity to debate and consult widely so as to make an appropriate decision during the consideration and debate of the Amendment Bill.

Rt Hon. Speaker and Hon Colleagues,

I would like to assure Parliament that Government is committed to ensuring that tax on mobile money and OTT are designed taking into account the public concerns and balancing the need to raise revenue to finance our development priorities.

I thank you.

A handwritten signature in black ink, appearing to be 'Ruhakana Rugunda', written in a cursive style.

Ruhakana Rugunda (Dr)

Prime Minister/ Leader of Government Business

11th July 2018