



THE REPUBLIC OF UGANDA

**CERTIFICATE  
OF  
FINANCIAL IMPLICATIONS**

(Made under section 76 of the Public Finance Management Act, 2015)

**THIS IS TO CERTIFY** that the Bill entitled, the VALUE ADDED TAX (AMENDMENT) BILL 2018, has been examined as required under Section 76 of the Public Finance Management Act, 2015. I wish to report as follows:

**a) That the Bill has the following objectives:**

1. To amend the Value Added Tax Act, Cap 349 to provide for withholding tax on payment for supplies of goods and services;
2. To empower the Minister to make Regulations for the tax treatment of supplies made in Islamic financial transactions;
3. To provide a new definition of electronic services;
4. To require taxpayers to file tax returns;
5. To provide for the due date for payment of tax;
6. To include the African Trade Insurance Agency on the list of public international organizations;
7. To revise the definition of educational materials;
8. To prescribe the rate of interest chargeable as penalty and other related matters;
9. To provide tax incentives to investors by exempting certain supplies from Value Added Tax.

**b) That it is expected to achieve the following outputs:**

1. To raise revenue
2. Improve compliance and ease tax administration.

**c) That the expenditure plan by major components for the next two years.**

Since this is an amendment to the Value Added Tax Act, Cap 349, there is no expenditure plan specifically different the overall allocation of Shs. 331.929 billion for 2018/19 Financial Year to Uganda Revenue Authority.

**d) That the funding and budgetary implications are the following:**

Funding is going to be through overall Government budgetary allocations to URA.

**e) Expected savings and or revenue to Government:**

Revenue of Shs.85 billion is projected from the amendment.

Submitted to Parliament under my hand.

A handwritten signature in black ink, appearing to read 'David Bahati'.

David Bahati (MP)

**MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC  
DEVELOPMENT (PLANNING)**