

BILLS SUPPLEMENT

to the Uganda Gazette No. 33 Volume CVI dated 28th June, 2013.

Printed by UPPC, Entebbe by Order of the Government.

Bill No. 6

Value Added Tax (Amendment) Bill

2013

THE VALUE ADDED TAX (AMENDMENT) BILL 2013.

MEMORANDUM.

The object of this Bill is to amend the Value Added Tax Act, Cap. 349 to remove from the exempt supplies, the supply of accommodation in tourist lodges and hotels outside Kampala Capital City, the supply of goods and services to the contractors of Bujagali and other hydroelectric power projects and water for domestic use; to repeal the zero rating for wheat flour and for related matters.

MATIA KASAIJA, (MP),
*Minister of State for Finance, Planning and
Economic Development (Planning),
Also Holding the Portfolio of
Minister of Finance, Planning and Economic Development.*

THE VALUE ADDED TAX (AMENDMENT) BILL, 2013.**ARRANGEMENT OF CLAUSES.***Clause*

1. Commencement.
2. Amendment of Cap. 349.
3. Amendment of the First Schedule to principal Act.
4. Amendment of the Second Schedule to principal Act.
5. Amendment of the Third Schedule to principal Act.

A BILL for an Act

ENTITLED

THE VALUE ADDED TAX (AMENDMENT) ACT, 2013.

An Act to amend the Value Added Tax Act Cap. 349 to remove from the exempt supplies, the supply of accommodation in tourist lodges and hotels outside Kampala Capital City, goods and services to the contractors of Bujagali and other hydro electric power projects, water for domestic use; to repeal zero rating for wheat flour and for related matters.

BE IT ENACTED by Parliament as follows:

1. Commencement.

This Act shall be deemed to have come into force on 1st July 2013.

2. Amendment of Cap. 349.

The Value Added Tax Act, Cap. 349, in this Act referred to as the principal Act, is amended by substituting for section 42(2a) the following—

“(2a) If for any tax period taxable supplies in stock are lost due to theft, fire, accident, or natural causes and input tax has been paid on those goods, the Commissioner General may grant a refund or allow credit for the input tax paid on those goods if there is evidence that the goods are destroyed or lost and cannot be recovered.”

3. Amendment of First Schedule to principal Act.

The First Schedule to the principal Act is amended—

- (a) by substituting for “East African Community and its agencies” the following—

“East African Community, its Organs and Institutions”; and

- (b) by substituting for “French Development Agency (FDA)” the following—

“French Development Agency (Agence Française de Development) (AFD)”.

4. Amendment of Second Schedule to principal Act.

(1) The Second Schedule to the principal Act is amended—

- (a) by substituting for paragraph 1(a) the following—

“(a) the supply of livestock, unprocessed foodstuffs and unprocessed agricultural products except wheat grain;”;

- (b) by substituting for paragraph 1(q) the following—

“(q) the supply of dental, medical, and veterinary goods and for the purposes of this subparagraph “goods” means;

(i) dental, medical and veterinary equipment;

(ii) ambulances;

(iii) contraceptives of all forms;

- (iv) maternity kits (mama kits);
- (v) medical examination gloves;
- (vi) medicated cotton wool;
- (vii) mosquito nets, acaricides, insecticides and mosquito repellent devices; and
- (viii) diapers”; and
- (c) by repealing paragraphs 1(u), 1(z), 1(bb), 1(dd), 1(dda), 1(ee) and 1(kk).

5. Amendment of Third Schedule to principal Act.

The Third Schedule to the principal Act is amended—

- (a) by substituting for paragraph(1)(f) the following—
 - “(f) the supply of cereals where the cereals are grown and milled in Uganda;”
- (b) in paragraph 4(a) by inserting immediately after the word “materials”, second occurring, the words “whether printed or audio”.