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**BILLS**

**SUPPLEMENT No. 5**

**30th March, 2023**

**BILLS SUPPLEMENT**

*to The Uganda Gazette No. 22, Volume CXVI, dated 30th March, 2023*

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**Bill No. 6**

*Excise Duty (Amendment) Bill*

**2023**

**THE EXCISE DUTY (AMENDMENT) BILL, 2023**

**MEMORANDUM**

The object of this Bill is to amend the Excise Duty Act, 2014 to provide for the definition of “fruit juice”, “un-denatured spirits” and “vegetable juice”; to provide for the amendment of Schedule 2 to the Act and for related matters.

**MATIA KASAIJA (MP)**

*Minister of Finance, Planning and Economic Development.*



A Bill for an Act

ENTITLED

**THE EXCISE DUTY (AMENDMENT) ACT, 2023**

An Act to amend the Excise Duty Act, 2014 to provide for the definition of “fruit juice”, “un-denatured spirits” and “vegetable juice”; to provide for the amendment of Schedule 2 to the Act and for related matters.

BE IT ENACTED by Parliament as follows:

**1. Commencement**

This Act shall come into force on 1<sup>st</sup> July, 2023.

**2. Amendment of the Excise Duty Act, 2014**

The Excise Duty Act 2014, in this Act referred to as the principal Act is amended in section 2—

- (a) by inserting immediately after the definition of “export” the following—

““fruit juice” means unfermented liquid extracted from the edible part of a fresh fruit, whether the extracted liquid is diluted or not;”;

- (b) by inserting immediately after the definition of “tribunal” the following—

““un-denatured spirits” means spirits that are not mixed with any substance so as to render the spirit unfit for human consumption or capable of being rendered unfit for human consumption and includes neutral spirits or alcoholic beverages made from neutral spirits that are fit for human consumption;” and

- (c) by inserting immediately after the definition of “value added tax” the following—

““vegetable juice” means unfermented liquid extracted from the edible part of a vegetable, whether the extracted liquid is diluted or not;”.

**3. Amendment of Schedule 2 to the principal Act**

Schedule 2 to the principal Act is amended—

- (a) by substituting for item 2 (d) the following—

“(d)	Opaque beer	12% or shs 150/= per litre, whichever is higher.”
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- (b) by substituting for item 3 the following—

(a)	Un-denatured spirits, of alcoholic strength by volume of 80% or more made from locally produced raw materials;	60% or Shs. 1500 per litre, whichever is higher;
(b)	Un-denatured spirits, of alcoholic strength by volume of 80% or more made from imported raw materials;	100% or Shs. 2500/= per litre, whichever is higher;

(c)	any other un-denatured spirits—  (i) that are locally produced, of alcoholic strength by volume of less than 80%; or	80% or Shs. 1700/= per litre, whichever is higher;
	(ii) that are imported of, alcoholic strength by volume of less than 80%.	100% or Shs. 2500/= per litre, whichever is higher;
(d)	Un-denatured spirits made from locally produced raw materials that is used in the production of disinfectants and sanitizers for the prevention of the spread of COVID-19, of alcoholic content by volume not less than 70%.	Nil

(c) by substituting for items 5 (b) and (d) the following—

“(b)	fruit juice and vegetable juice, except juice made from at least 30% pulp or at least 30% juice by weight or volume of the total composition of the drink from fruits and vegetables grown locally.	12% or shs. 250 per litre, whichever is higher;
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(d)	any other non-alcoholic beverage locally produced other than a beverage referred to in paragraph (a) made out of fermented sugary tea solution with a combination of yeast and bacteria.	12% or 150/= per litre, whichever is higher;”
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(d) in item 13 (g), by inserting the words “the United Republic of Tanzania” immediately after the word “Kenya”;

(e) in item 25 by substituting for paragraph (b) the following—

(b)	any other fermented beverages including cider, perry, mead or near beer produced from locally grown or locally produced raw materials;	30% or shs 550 per litre, whichever is higher;
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(f) by substituting for item 26 the following—

“26	construction materials of a manufacturer, other than a manufacturer referred to in item 21, whose investment capital is at least thirty five million United States Dollars in the case of a foreigner or five million United States Dollars in the case of a citizen;	Nil”
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