



THE REPUBLIC OF UGANDA

**THE FINANCE ACT, 2014.**



THE REPUBLIC OF UGANDA

I SIGNIFY my assent to the bill.

*Yoweri Museveni*

President

Date of assent: *19<sup>th</sup> of October, 2014,*

**Act**

*Finance Act*

**2014**

THE FINANCE ACT, 2014

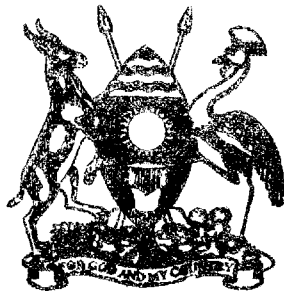
ARRANGEMENT OF SECTIONS

*Section.*

1. Commencement.
2. Amendment of Section 68 of the Uganda Communications Act, 2013.
3. Tariff treatment of goods from COMESA.
4. Amendment of Schedule 1 of the Finance Act, 2013.
5. Environmental levy on used clothing, shoes and other articles.
6. Remission of Government arrears of taxes.
7. Levy on unprocessed tobacco leaf consigned out of Uganda.
8. Payment to informers.
9. Repeal of fees chargeable for the sale of hydrocarbon potential data in Schedule 1 to the Finance Act, 2013.

**SCHEDULE**

Schedule	Application of import duty on goods from COMESA member States.
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THE REPUBLIC OF UGANDA

### THE FINANCE ACT, 2014.

An Act to provide for the alteration of certain taxes and duties, to provide for tariff treatment of goods from COMESA, to provide for remission of Government arrears of taxes, to repeal fees chargeable for the sale of hydrocarbon potential data, to amend certain enactments relating to taxes; to revise the non tax revenue in various enactments and for related matters.

DATE OF ASSENT:

*Date of Commencement:*

BE IT ENACTED by Parliament as follows:

**1. Commencement.**

This Act shall be deemed to have come into force on 1st July, 2014.

**2. Amendment of Section 68 of the Uganda Communications Act, 2013.**

Section 68 of the Uganda Communications Act, 2013 is amended by —

(a) inserting after subsection (3) the following—

“(3a) The Commission shall remit a half of the levy charged under this section to the Consolidated Fund;” and

(b) substituting for subsection (4) the following—

“(4) The balance of the levy, after the remittance referred to in subsection (3a), shall be shared between information and communication technology development and rural communication in the ratio of one to one.”

### **3. Tariff treatment of goods from COMESA.**

(1) Subject to this section, import duty shall not be charged on goods produced or manufactured in the territory of a COMESA member State, where the goods comply with the requirements of Article 48 of the COMESA Treaty and the rules of origin in ANNEX IV of the COMESA Treaty.

(2) Subsection (1) shall only apply to goods from a COMESA member State that grants the same level of preference to qualifying Uganda exports.

(3) Subsection(1) shall not apply to—

- (a) goods specified in the Schedule to this Act; and
- (b) goods originating from a Partner State of the East African Community that are not accorded Community tariff treatment and which do not qualify as East African Community goods.

(4) In this section—

“COMESA Treaty” means the Treaty establishing the Common Market for Eastern and Southern Africa States 1994;

“import duty” means any customs duties and other charges of equivalent effect levied on imported goods under the East African Community Customs Management Act, 2004.

### **4. Amendment of Schedule 1 of the Finance Act, 2013.**

Schedule 1 of the Finance Act, 2013 is amended—

- (a) by substituting for the fees chargeable under the Mining Act, 2003, the following—

<b>MINING ACT, 2003</b>		
		<b>Fees payable in Uganda Shillings</b>
	<b>Retention license</b>	
4.	Registration	500,000
5.	Preparation	800,000
6.	Renewal	1,000,000
7.	Annual mineral rent	50000 p.a/sq.Km
8.	Transfer	10,000,000
9.	Extract	100,000/page of registered document
	<b>Location license</b>	
10.	Preparation fees	500,000
11.	Renewal fees	800,000
	<b>Exploration license</b>	
11. (a)	Registration	500,000
11. (b)	Preparation fees	1,000,000
11. (c)	Renewal	1,000,000
11. (d)	Annual mineral rent	50,000 p.a/Sq.Km
11. (e)	Transfer	10,000,000
11. (f)	Prospecting	5,000,000
11. (g)	Surrender	500,000
11. (h)	Suspension certificate	400,000
11. (i)	Extract	100,000

- (b) by substituting for the fees chargeable under the Uganda Citizenship and Immigration Control, Act, Cap. 66 in Part II, the following—

<b>PART II – Work Permits</b>	<b>Rate in US Dollars</b>
<b>33. (1) Work Permit (6 months)</b>	
(a) Class B (Agriculture)	800
(b) Class C (Mining)	800
(c) Class E (Manufacturing)	800
(d) Class F (Professional)	800
(e) Class G (Expatriate employment)	800
<b>(2) Work Permit (12 months)</b>	
(a) Class B (Agriculture)	2,500
(b) Class C (Mining)	2,500
(c) Class E (Manufacturing)	2,500
(d) Class F (Professional)	2,500
(e) Class G (Expatriate employment)	2,500
<b>(3) Work Permit (24 months)</b>	
(a) Class B (Agriculture)	4,000
(b) Class C (Mining)	4,000
(c) Class E (Manufacturing)	4,000
(d) Class F (Professional)	4,000
(e) Class G (Expatriate employment)	4,000
<b>(4) Work Permit (36 months)</b>	
(a) Class B (Agriculture)	5,000
(b) Class C (Mining)	5,000
(c) Class E (Manufacturing)	5,000
(d) Class F (Professional)	5,000
(e) Class G (Expatriate employment)	5,000

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**SCHEDULE**

s.3

**Application of import duty on goods from COMESA  
member States.**

1. The items in Schedule 2 of the East African Community Common External Tariff to the Protocol on the Establishment of the East African Community Customs Union.
2. Organic surface active agents preparations.
3. Fruits and ready to drink juices.
4. Soap and organic surface active products.



**5. Environmental levy on used clothing, shoes and other articles**

The Finance Act, 2009 is amended in the Second Schedule by substituting for item (f) the following—

“(f) used clothing, used shoes and other used articles – 15% of the CIF value;”.

**6. Remission of Government arrears of taxes.**

All tax arrears owed by the Government to Uganda Revenue Authority, excluding Pay As You Earn and Withholding Tax, as at 30th June, 2014 are remitted.

**7. Levy on unprocessed tobacco leaf consigned out of Uganda.**

(1) There shall be charged a levy, on unprocessed tobacco leaf at the rate of US \$ 0.2 per kilogramme of unprocessed tobacco leaf which is consigned out of Uganda.

(2) The levy shall be paid by the consigner to Uganda Revenue Authority at the time, the unprocessed tobacco leaf is consigned out of Uganda.

**8. Payment to informers.**

The Commissioner General shall pay to a person who provides information leading to the recovery of a tax or duty, the equivalent of ten percent (10%) of the principal tax or duty recovered.

**9. Repeal of fees chargeable for the sale of hydrocarbon potential data in Schedule 1 to the Finance Act 2013.**

The provisions on the fees chargeable for the sale of hydrocarbon potential data under the Petroleum (Exploration, Development and Production) Act, 2013 appearing in Schedule 1 to the Finance Act, 2013 are repealed.

**Act**

*Finance Act*

**2014**

**Cross References**

1. East African Community Customs Management Act, 2004, Act No. 1 of 2005.
2. Finance Act, 2009, Act No. 14 of 2009.
3. Mining Act, 2003, Act No. 9 of 2003.
4. Petroleum (Exploration, Development and Production) Act, 2013, Act No. 3 of 2013.
5. Protocol on the Establishment of the East African Community Customs Union, 2004.
6. Treaty establishing the Common Market for Eastern and Southern Africa States, 1994.
7. Uganda Citizenship and Immigration Control Act, Cap.66.



THE REPUBLIC OF UGANDA

This printed impression has been carefully compared by me with the bill which was passed by Parliament and found by me to be a true copy of the bill.

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*for Clerk to Parliament*

Date of authentication: 14<sup>th</sup> OCTOBER, 2014