



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 INCOME 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 provide for exception of expenditure incurred during a year of income in acquiring returnable containers as a deductible expense;
2. To empower the Minister to make Regulations for tax accounting for Islamic financial transactions;
3. To provide for taxation of income arising from change of ownership of a business;
4. To redefine immovable property;
5. To provide for restrictions on deductible interest;
6. To provide for a new definition of 'mining exploration rights' and to repeal the definition of 'petroleum exploration rights';
7. To include a transfer or the whole interest of the transferor in a mining right or petroleum agreement;
8. To prescribe a tax rate for a person with assessed losses that are carried forward;
9. To provide for furnishing of a return of income;
10. To provide for the payments for winning of betting and gaming; and
11. To provide for withholding tax on payments for agricultural supplies and commissions paid by telecommunications service providers on airtime distribution and mobile money transactions and for related matters

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

1. To stimulate exports and investments
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 Income Tax Act Cap.340, there is no expenditure plan specifically different the overall allocation of Shs. 331.929 billion for 2018/19 Financial Year to Uganda Revenue Authority.

A handwritten signature in black ink, appearing to be 'JH'.

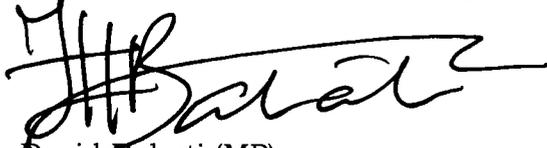
d) That the funding and budgetary implications are the following:

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

e) Expected savings and or revenue to Government:

Revenue of Shs.82.8 billion is projected from the amendment.

Submitted to Parliament under my hand.

A handwritten signature in black ink, appearing to read 'David Bahati', with a stylized flourish at the end.

David Bahati (MP)

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