

Telephone: 256 41 707000/232095
Fax : 256 41 4233524
Email: finance@finance.go.ug
treasury@finance.go.ug
Website : www.finance.go.ug
Plot No. 2-8 Sir Apollo Kaggwa Road
In any correspondence on
This subject please quote No. TPD 100/280/03



Ministry of Finance, Planning &
Economic Development,
P.O. Box, 8147
Kampala, Uganda

February 10, 2026

The Rt. Hon. Speaker
Parliament of Uganda
KAMPALA

I FLS
Be placed on the
order paper
B. B. B.

WAIVER OF OUTSTANDING TAX ARREARS FOR FRESH CUTS UGANDA LIMITED AMOUNTING TO UGX 8,924,780,601.

Pursuant to Section 43(1) of the Tax Procedures Code Act Cap 343, Uganda Revenue Authority (URA), vide letter Ref: URA/CG/10.0 dated 14th May 2025 (copy attached), recommended waiver of Income tax, withholding tax, Value Added Tax and Pay As You Earn (PAYE) liabilities amounting to UGX. 8,924,780,601 owed by Fresh Cuts Uganda Limited.

Section 43(2) of the Tax Procedures Code Act Cap 343, provides that where a taxpayer's case is referred to the Minister by Uganda Revenue Authority and the Minister is satisfied that the tax due cannot be effectively recovered, the Minister shall, with the approval of Parliament, remit the tax owed by the taxpayer. Accordingly, this Ministry is satisfied with Uganda Revenue Authority's submission that the above-mentioned tax liability cannot be effectively recovered.

The purpose of this letter is to seek Parliament's approval to waive the aforementioned tax liability, in accordance with the law.

Henry Musasizi (MP)
MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) ALSO HOLDING THE PORTFOLIO OF MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

II

- c.c. The Clerk to Parliament, The Parliament of Uganda
- c.c. Managing Director, Fresh Cuts Uganda Limited
- c.c. The Commissioner General, Uganda Revenue Authority

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"



Uganda Revenue Authority
P.O. Box 7010 Kampala

Tel: 0323 442 097
Toll Free: 0800 217 000
0800 117 000
Email: info@ura.go.ug
Web: www.ura.go.ug

URA/CG/10.0

May 14, 2025

The Honourable Minister
Ministry of Finance, Planning and Economic Development
P O Box 8147
KAMPALA

RECOMMENDATION FOR WAIVER OF TAX FOR FRESH CUTS (U) LTD

Reference is made to your letter dated April 28, 2025 on the above subject in which we recommended a waiver of **UGX 607,931,933** being tax arrears for Fresh Cut (U) Ltd's Income tax and WHT in accordance with the Presidential directive.

Having evaluated the taxpayer's financial capacity, we established that indeed the taxpayer was facing financial hardship, the basis for which our recommendation was premised.

However, following our further engagements with the taxpayer, we believe that the same financial hardship has hindered the taxpayer from clearing the tax arrears for PAYE and VAT.

Find below the company's tax arrears as at March 28, 2025.

Tax type	Principal tax	Penalty	Interest	Total Outstanding tax
VAT	2,916,922,531	25,200,000	2,523,885,289	5,466,007,820
Income Tax	244,589,214	-	75,331,893	319,921,107
IT-WHT	107,375,217	-	107,124,826	214,500,043
PAYE	1,862,648,012	-	1,061,703,619	2,924,351,631
Total	5,131,534,974	25,200,000	3,768,045,627	8,924,780,601

The company has informed us that a waiver of the total outstanding taxes would enable it invest into strategic business growth by implementing a beef fattening project.

Recommendation

On the basis of the taxpayer's financial hardship, we hereby recommend the total tax arrears of **UGX 8,924,780,601** indicated in the table above in accordance with Section 43(1) of the Tax Procedures Code, 2024.

John R. Musinguzi

Copy: Permanent Secretary/Secretary to the Treasury,
Ministry of Finance, Planning and Economic Development

Commissioner Domestic Taxes,
Uganda Revenue Authority

Commissioner Legal Services and Board Affairs,
Uganda Revenue Authority

The Managing Director,
Fresh Cuts (U) Ltd