A. VALUE ADDED TAX REFUND

Introduction

A refund of Value Added Tax (VAT) is provided for under the VAT Act for tax paid by Diplomats, Diplomatic Missions, Consular Missions and Public International Organisations (section 45).

1. Who qualifies?
   - Any person enjoying full or limited immunity, rights or privileges under any local or international laws applicable in Uganda or under recognized principles of international law; or
   - Any Diplomatic or Consular mission of a foreign country or any public international organization established in Uganda or listed in the first schedule to the VAT Act relating to transactions concluded for its official purposes.

2. Requirements for processing the refund:
   i. Evidence of purchase and payment of tax including a tax invoice
   ii. Accreditation by Ministry of Foreign Affairs (i.e., Official diplomatic or accreditation card issued by the Ministry responsible for Foreign Affairs)
   iii. Completed and filed Diplomatic VAT return
   iv. Tax Identification Number (TIN)
   v. Any other relevant documents to support the claim, for example, copy of the tenancy agreement or motor vehicle log book

Note that:
   - Individual transactions of less than UGX 50,000/=, excluding tax, shall not be eligible for a refund
   - The total value of transactions for any claim period shall not be less than UGX 200,000/=, excluding tax
   - Applications for refund shall be made not more than once in the month
   - The claim submitted will be validated against the supplier’s declaration
   - The system automatically send an e-mail notification to the applicant, once the refund is ready
   - Where a refund claim is rejected, the applicant will be notified on Form 118
   - Approved refunds will be paid to the bank account number provided
   - All tax invoices must bear the official stamp of the diplomatic or consular mission or public internal organisation
   - All claims must be signed by the claimant or authorised signatory
2. What is a tax invoice?
This is a document prepared by the supplier of a good or service indicating details of goods that have been sold; services that have been provided or work that has been done etc.

Unless the Commissioner General provides otherwise, a tax invoice should have the following particulars:

- The words tax invoice written in a prominent place
- The commercial name, address, place of business and the taxpayer identification number of the taxable person making the supply
- The individualised serial number and the date on which the tax invoice is issued
- The description of the goods or services supplied and the date on which the supply is made
- The quantity or volume of the goods or services supplied
- The rate of tax for each category of goods and services described in the invoice
- The total amount of tax charged, the consideration for the supply exclusive or inclusive of tax
- The tax invoice should be written in English.

4. How to submit a VAT refund claim to URA?
1. Log onto the Uganda Revenue Authority (URA) web portal http://ura.go.ug
2. Fill the online Diplomatic VAT return
3. Submit the completed return online (the law requires that this is done within 15 days after the end of the month)
4. Present to URA the documents in (3) above

B. CUSTOMS TAX REFUND

Diplomats' privileges
According to the East African Community Customs Management Act (EACCMA),
2004, duty shall not be charged on goods listed in Part A of the fifth schedule of this law.

This applies to goods when imported, or purchased before clearance through customs for use by an entitled person in accordance with conditions specified in the fifth schedule.

Goods catered for under Section 114 part A of the fifth schedule include;

Specific Exemptions (Part A) - Goods imported or purchased before clearance through Customs by or on behalf of privileged persons and institutions
- Household and personal effects of any kind imported by an entitled person or their dependant
- A motor vehicle imported or purchased by an entitled person or their dependant prior to clearance through customs with in ninety days of their first arrival in a partner state
- One vehicle which the Foreign Affairs Ministry is satisfied has been imported as a replacement for a vehicle originally imported but written off due to accident, fire or theft
- Goods for official use of the United Nations or its specialized agencies or any commonwealth high commission or any foreign embassy, consulate or diplomatic mission in a partner state

General Exemptions (Part B) - Goods imported or purchased before clearance through Customs.
Specific exemptions majorly cover exemptions for;
- Commonwealth & other Governments
- Diplomatic and First Arrival privileges
- Donor Agencies with Bilateral or Multilateral Agreements with Partner States
- International and Regional Organizations

Specific diplomatic privileges
- Household & personal effects of any kind Including one motor vehicle
- Imported or purchased by entitled personnel or dependants

In special cases, A car can be imported or purchased by entitled person-
- after 90 days but not exceeding 360 days from the date of arrival
- with the approval of the Commissioner
If one has not been granted exemption under item 4 (4) of Part A or item 5 (3) of Part B.

Privileges apply to entitled personnel who arrive for new contracts not withstanding their previous residential status while in execution of another assignment, provided each contract is for a term not less than two years.

Exemption: Procedure
Application for the release of imported goods is made on MFA/DIP/FORM 3 and submitted to URA through the Protocol Department of Ministry of Foreign Affairs.

Customs Refund Process
Refund of Excise duty on fuel consumed by persons with diplomatic accreditation to Uganda (**EACCMA Fifth Schedule Part 1 ref. s114**).

1. Authorization from Ministry of Foreign Affairs
2. Fill refund claim Form C34
3. Attach and submit supporting documents to Customs Audit Division

Requirements/Documentation
- Authorization Form (MFA/DP Form 3)
- Computation of Claimed amount
- Receipts and Invoices
- Submission Of Claims within 12 months
- Consumption by Authorized Persons and within limits stipulated in the MFA Form
- Correct Excise Duty rates applied
- Type of fuel details
- Report recommending refund is generated when all requirements fulfilled.
- Additional Information required once documents are inadequate from Mission Liaison Officer.
- Memo generated by Refunds approving claim and forwarded to Finance Division for payment.

What is a TIN?
- Taxpayer Identification Number in Uganda is a unique identifying number assigned to every taxpayer by Uganda Revenue Authority (URA) for tax administration purposes.
Tax Refund For Diplomats

- Any person who is likely to transact in any tax related business with URA, shall be required to apply for a TIN.
- The TIN is an administrative requirement and applies to all taxpayers regardless of the tax transaction.

What is the importance of a TIN?
- Correspondences with URA
- Management of your account on the URA web portal.
- Filing VAT Refunds
- Payments of tax and non-tax revenue
- For customs transactions (imports and exports)
- To interface with other clients

Identification documents Individuals
- Diplomatic ID
- Any one of the following; Passport, Visa, Driving permit.

Diplomatic Mission/Embassy
- Letter from the current respective Head of Mission.
- Letter from the Permanent Secretary Ministry of foreign affairs.

How to register on line
- Logon to an internet enabled computer and open the URA web portal - http://ura.go.ug
- Download Tin registration template, fill it together with the VAT Annexure.
- Select diplomatic VAT registration and choose VAT relief entitlement.

Creation of an account
- After approval of TIN, a notification e-mail containing: - TIN, effective date of registration and pass code is sent to the client’s e-mail
- Go to the Web Portal http://ura.go.ug and click create account
- Follow the prompts.
- Once you have created an account, you shall receive an e-mail with your login credentials. Use this information to login and create your password (Please read the Password Policy).

Management of the account
- Password should be changed every fifty (50) days
- In case you forget the password, use your security question
• services@ura.go.ug should be placed on your safe senders list or trusted sender list or organisation white list since most of the e-mails are auto generated

Support services
• Toll free line: 0800117000
• Service desk: services@ura.go.ug
• Face to face: Central Service Office, Ground & 1st floor, Crested Towers
• Facebook: www.facebook.com/URApge
This information is strictly for purposes of guidance to our clientele and is subject to change on the amendment of the Tax Laws and any other regulations governing tax administration.