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URA NewsLetter

Uganda Revenue Authority
DEVELOPING UGANDA TOGETHER

Educating to Empower, Taxing to Transform

URA ’s Buuza Kamisona expands to new media platforms

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FOREWORD FROM THE
COMMISSIONER GENERAL

Fellow Country Men, I take this opportunity to welcome you to our end of financial year 2024/2025 newsletter where we share with you the progress of our nation in revenue mobilisation, and economic growth.

In fiscal 2024/25, the Uganda Revenue Authority adopted a new strategy of engaging and training our taxpayers to achieve total voluntary tax compliance that will lead Uganda to Economic Independence.

To achieve this, URA put in place mechanisms to become a better partner to, the private sector, religious leaders, the media and, ultimately, the taxpayers. Rarely in our 34-year history has our work been more urgent: We face decline in external funding, and mounting public debt that pause a threat to the independence of our nation. More so, our Tax to GDP ratio still remains stagnant at 13.5% yet for a nation develop at least 20% of the GDP has to be collected in tax. We therefore shifted our focus from not only collecting the 32 trillion Uganda shillings target but to also raise our Tax to GDP.

We are confronting these challenges not by enforcement but rather empowering the taxpayer through education, and enforcement.

Through Buuza Kamisona partnership with Vision Group and Uganda Broadcasting Services (UBC). We are responding to taxpayer queries raised via Bukedde, and New Vision, and UBC Television. This has also informed our areas of focus in Tax Education engagements held throughout the country either using the Tujenge Mobile Tax Office or regular sector-based trainings.

Additionally, over 1200 staff were recruited by the revenue body to cover the staffing gaps. These aid in closing the revenue gaps that would arise due low staff taxpayer ratio. I would like to appreciate our Supervisors in the Ministry of Finance Planning and Economic Development for hiding our call, and providing funding for the same. These staff are being empowered via the Tax Academy to have a well skilled work force that will better serve Uganda.

Recognizing that integrity is a core for revenue mobilisation we established a division headed by an Assistsant Commissioner to fight corruption. As of this Publication over 180 staff found in lack of integrity had been chased from the organisation, and more shall be dealt with in case they do the same.

Other key initiatives include building and enhancing digital systems and data infrastructure. Most of our services have been mainstreamed into our revamped web portal. They include web pre-filled returns, e-payments using mobile money and the harmonised system.

But we cannot enable development on our own. We need partners from both the public and private sectors to join our efforts. That's why we are working closely with other government agencies to create harmonised revenue collection systems.

Our deepening relationship with the private sector is evidenced by our engagements held with the Interreligious council of Uganda, traders' associations like the Kampala Capital City Traders Association- a body that unites traders across the country. This is meant to address gaps between URA and the taxpayer.

URA is supporting taxpayers in filing their returns by giving them practical sessions on the usage of our systems.

The greatest challenge of our generation is transforming our nation from economically dependent to an economically independent nation. I am sure together we can achieve this. As you read this Newsletter reflect on the word of God from Isaiah 55:11 that says:

"So is my word that goes out from my mouth: It will not return to me empty, but will accomplish what I desire and achieve the purpose for which I sent it."

John Rujoki Musinguzi,
Commissioner General

Editor's Note

ROBERT KALUMBA

AG. ASSISTANT COMMISSIONER, PUBLIC & CORPORATE AFFAIRS, URA

Dear Taxpayers,

As we reflect on the past financial year, the Uganda Revenue Authority (URA) extends its deepest gratitude for your commitment to fulfilling your tax obligations. Your contributions have been instrumental in funding vital public services, driving inclusive growth, and transforming communities across Uganda.

I'm also thankful to you, our taxpayers, who treat us as true partners where "mutual" is the keyword in our success. Your trust and compliance have enabled us to achieve significant milestones in revenue collection, propelling our country's progress.

As we begin the new financial year, we seek your continued partnership in realizing our shared vision for a prosperous Uganda.

To make tax compliance seamless, we invite you to leverage our user-friendly digital platforms and engage with us through Buuza Kamisona – our innovative platform designed to enhance tax knowledge and promote citizen participation. Through Buuza Kamisona, you can directly interact with the Commissioner General and access valuable resources.

URA also pledges to simplify tax processes through targeted education, improved service delivery, and collaborative stakeholder engagements, empowering taxpayers with the knowledge and tools necessary for business growth and seamless tax payments.

As we strive to foster a culture of tax compliance, we commit to continuing to work closely with you through targeted initiatives.

Good Reading!

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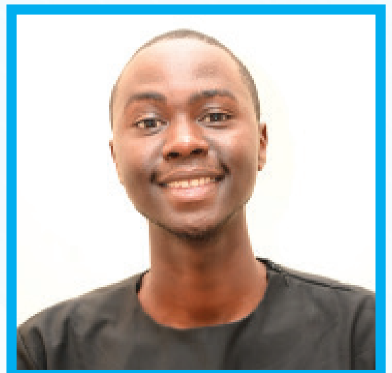

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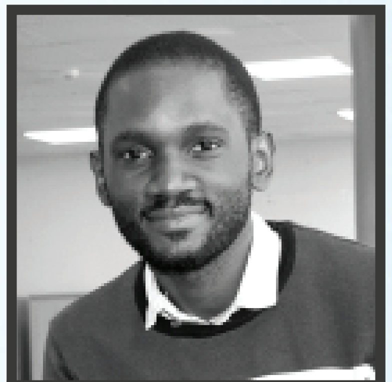

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URA ’s Buuza Kamisona expands to new media platforms

By Annet Nantongo

URA has enhanced efforts to bridge the information gap between taxpayers and itself through expanding the Buuza Kamisona campaign to two newspapers and a television station.

The weekly campaign, which was initially launched with Bukedde newspaper in September 2024, has since expanded to New Vision newspaper and UBC TV. The New Vision segment runs as Ask the URA CG while UBC TV runs the Buuza Kamisona in a televised version.

The campaign partnerships with New Vision and UBC were launched in April 2025 to further extend tax information closer to the grassroots.

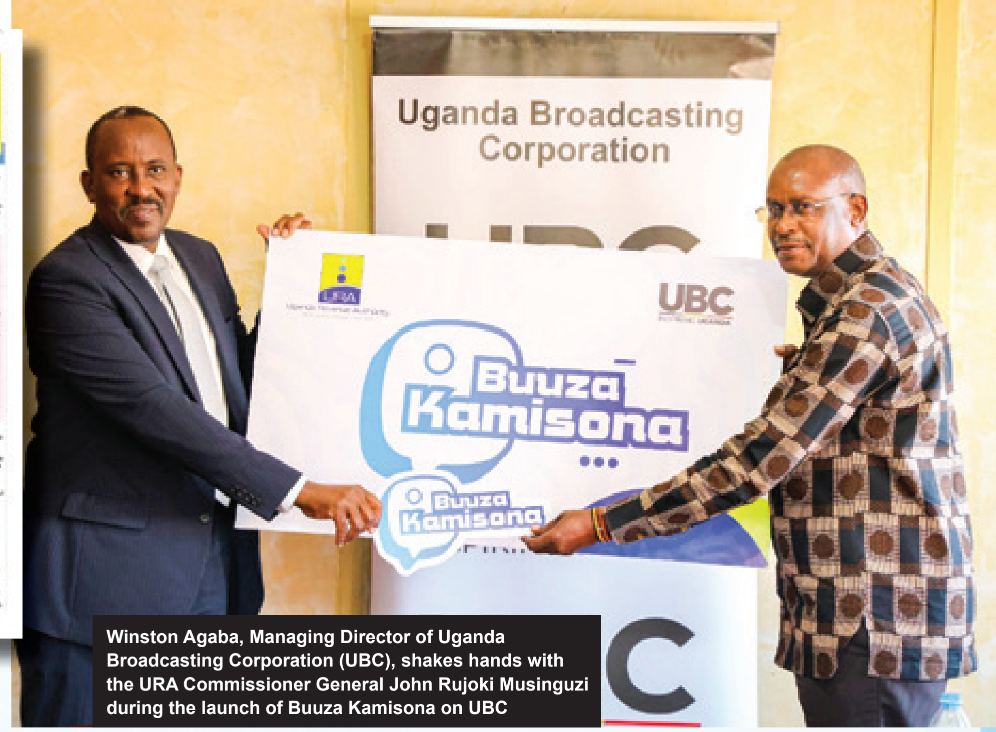
The Ask URA CG segment in New Vision was created to cater for the English-speaking audience and reach more people across the country in a language that is more universally understood.

UBC TV’s Buuza Kamisona was also crafted to amplify tax education efforts nationwide by delivering real-time, interactive discussions to millions of Ugandans through the station’s broadcast network.

“The New Vision’s wide readership means more Ugandans will now get clear answers to their tax concerns. Our goal is to promote tax education and encourage compliance and this partnership is already producing results,” said John Musinguzi, URA’s Commissioner General at the Vision Group Headquarters.

An excerpt of Buuza Kamisona Luganda version

Vision Group and URA top leadership after signing an MOU on taxpayer education.



Winston Agaba, Managing Director of Uganda Broadcasting Corporation (UBC), shakes hands with the URA Commissioner General John Rujoki Musinguzi during the launch of Buuza Kamisona on UBC

URA C.G promoting the Buuza Kamisona program on UBC TV

So far, Bukedde has published 40 editions while New Vision has published 11 editions and UBC is also in the 11th week running strong with the campaign.

Musinguzi says the campaign is informed by the URA’s desire to close the information gap by allowing Ugandans to directly ask questions about tax issues and get clear, accurate answers, broadcast live through UBC’s extensive media network.

“We want people to know they can count on regular and reliable tax education. This way, we can address areas that confuse them, ease their pain points, and explain complex tax matters in simple terms,” Musinguzi said.

Don Wanyama, Managing Director of Vision Group, revealed that since the campaign began, over 700 questions from taxpayers have been received, with the Central region contributing about 40%, followed by 25% from the East, and the remaining 35% from the North and West. He added that with the entrance of New Vision, they’ll reach a wider audience at countrywide level.

Winston Agaba David, the Managing Director of UBC assured URA that UBC’s 27 media platform network will ensure that people hear and understand tax messages in the languages they know best.

“This initiative has equipped our taxpayers with comprehensive tax knowledge across both the Luganda and English audience. Like the Bukedde product, New Vision and UBC TV are doing well to help us reach diverse audiences,” explained Robert Kalumba, the Ag. Assistant Commissioner Public & Corporate Affairs.

He disclosed expansion plans.
“We plan to expand the project to regional FM stations and televisions,” Kalumba said. “This will help close the gap for people who do not understand English or Luganda, and allow regional managers to respond to local concerns.”

Since its launch, in the first half of the financial year, the URA Boss notes that the taxman is already experiencing a rise in tax registrations, EFRIS onboarding, and overall tax compliance.

Some of the audience have appreciated the expansion of the campaign.

“Thank you for making us own responsibility for the development of our economy. Yes, knowledge is important and I hope all members will benefit from the shared write-up,” commented George Mulunganа on URA’s X after the first edition of Ask URA CG was posted.

Another user on X by the name Woofy Matt said, “big step on the right direction, keep it up, bridge that gap.”

“I saw the Commissioner General of URA on UBC TV teaching about excise duty through a program called Buuza Kamisona. It was good and I understood something,” said trader Richard Chemutai during a taxpayer engagement in Kapchorwa.

On a weekly average, Bukedde answers 8 questions every Wednesday, New Vision answers 6 questions every Thursday while UBC runs the episodes every Monday, Wednesday and Sunday.

For the newspapers, Bukedde readers can send questions to 0701625460 New vision audience has an email AskCG@newvision.co.ug and an SMS or WhatsApp option to phone number 0703409710, while viewers can send tax-related questions via WhatsApp or SMS to 0790141887.

From third left, the Archbishop of Church of Uganda Stephen Kazimba Mugalu, and John Rujoki Musinguzi with other religious leaders after URA's engagement with the Inter-religious council of Uganda.

URA and Religious leaders unite to boost citizen engagement through tax education

By Dismas Nuwaine and Kamugisha Kabahweza Allan

The Inter-Religious Council of Uganda (IRCU) has reiterated readiness to leverage their collective influence across various faith communities to promote a more responsive and informed citizenry that honour their civic duties of meeting all tax obligations.

Addressing the IRCU Council of Presidents at Lake Victoria Serena Hotel Kigo on the 17th April, 2025, Musinguzi pointed out that faith leaders have a unique position of influence and trust within communities, making them consequential partners in the struggle to liberate Uganda from economic dependence.

"If faith leaders consistently remind their congregants about the importance of paying taxes, we could greatly increase awareness and improve compliance," Musinguzi said. "You've been entrusted with mentoring generations; now we request that you also champion this national cause."

Bishop Joshua Lwere, the co-chair of the IRCU acknowledged this truth citing that the entire IRCU, represents well about 95% of the entire population of Uganda.

"This is a unique platform and with the right partnership framework, we can accelerate the public awareness about their tax obligations in the places of worship," Said Lwere, who doubles as the General Overseer of the Association of Pentecostals and Evangelicals in Uganda.

The meeting follows a formal request from the IRCU to discuss the 'National Mobilisation for Peaceful, Credible 2026 Elections, Stability and Social Cohesion,' a nationwide initiative that seeks to integrate political, religious, cultural and civic actors promote peace and national unity ahead of the upcoming elections,

They also aim to ensure inclusive economic empowerment, and boosting household incomes through responsible tax practices.

The Archbishop of the Church of Uganda, The Most Reverend Dr. Stephen Kaziimba Mugalu, backed the collaboration, citing biblical teachings on tax. "Jesus taught us to give to Caesar what belongs to Caesar. It's a duty we must remind our people of," he said.

Apostle Dr. Joseph Serwadda, the Presiding Apostle of the Born-Again Faith in Uganda, echoed the sentiment, referencing the role of churches during Europe's reformation in shaping a tax-compliant culture, a model Uganda could adopt. Musinguzi thanked religious leaders for their ongoing support, noting that previous collaborations have led to noticeable improvements in tax compliance among congregants. He also praised IRCU's plan to establish an "Elders' Forum," where retired professionals can mentor younger generations and hold public officials accountable.

Archbishop Kazimba Mugalu makes remarks during the URA-IRCU engagement at Serena Kigo

> **Faith leaders have a unique position of trust — you mentor generations; now champion this national cause." – Musinguzi**

"We welcome this initiative. It complements our efforts to build a culture of integrity and transparency," Musinguzi said.

He acknowledged that corruption remains a challenge within URA, revealing that hundreds of staff members have been dismissed over the past five years due to misconduct. However, he noted that domestic revenue has continued to grow due to increased efficiency and reduced leakage.

Musinguzi called on all religious institutions to honor their statutory obligations, particularly the mandatory payment of Pay As You Earn (PAYE) tax for employees on their payroll.

He emphasized that religious leaders with multiple sources of income are required to file income tax returns and remit any resultant taxes. In cases where a religious leader owns a company, he noted that the company is considered a separate legal entity and must comply with all applicable tax obligations.

Additionally, Musinguzi reiterated that any property owned by a religious institution but used for commercial purposes is liable for taxation. For example, rental income earned from commercial properties owned by religious institutions is subject to rental income tax.

Business as usual not going to change the Future of our Nation says Musinguzi

URA Commissioner General John Rujoki Musinguzi addressing URA's top leadership during a strategy review and validation meeting.

By Joshua Niyonshima

The Uganda Revenue Authority (URA) is preparing for a transformative phase with the unveiling of its new 2025/26 - 2029/30 Corporate Strategy, which was submitted to the National Planning Authority (NPA) on March 31, 2025. This new roadmap for Uganda's economic future focuses on strengthening revenue mobilisation, reducing corruption, and accelerating national economic growth.

Central to the new strategy is a significant push to increase Uganda's Gross Domestic Product (GDP) from its current rate of 13.5% to 20% over the next five years.

Commissioner General of URA, John Musinguzi, delivered an urgent call to action during the review and validation of the strategic plan by members of senior management at Mestil Hotel Kampala, emphasizing that the target of 20% is non-negotiable.

"We must move drastically as a nation," Musinguzi asserted. He underscored the critical role URA staff and leadership must play in achieving this goal, noting that both internal improvements and external advisory roles are integral to the nation's economic success.

Tackling Revenue Leakages and Corruption

A key component of the strategy is tackling revenue leakages, which has been a persistent challenge for the authority. In particular, Musinguzi identified the role of Customs Clearing Agents, Domestic Tax agents, and container leaders as significant obstacles that often obstruct communication and transparency between URA and taxpayers.

With reports of corrupt practices in the system, Musinguzi called for stricter vigilance and fairness in tax administration, stressing the need for a more streamlined process that encourages self-declaration and self-clearance among taxpayers.

"One such case involved a taxpayer who was forcefully assigned a container leader despite preferring self-clearance, only to face fines and penalties," Musinguzi recounted.

He emphasized that simplifying customs procedures and educating taxpayers on their responsibilities could foster greater cooperation and compliance, ultimately benefiting Uganda's economic landscape.

The new strategy also places great importance on unity within URA, particularly in the face of ongoing challenges in revenue mobilisation.

Acting Commissioner of Strategy and Risk Management, Allen Nassanga, addressed the gathering, urging all URA staff to come together and work towards the same goal. She reminded the team that the taxpayer is the common client that the authority serves.


URA's top leadership during the strategy review and validation workshop.

"Remember, the client we serve is one, the taxpayer. That means we all need to be moving in a particular direction to serve our purpose of meeting targets and mandates," she said.

A critical area of focus in the new strategy is addressing the selective enforcement of tax laws, a practice that has hindered Uganda's ability to raise sufficient revenue.

Nassanga pointed out the need for dynamic strategies to counteract this issue, stressing that the work environment is constantly changing and requires adaptable solutions. The strategy aims to introduce systems that will ensure fairness in tax enforcement and compliance.

A Vision for Uganda's Economic Independence

Musinguzi's remarks also touched on the wider vision for Uganda's economic future, drawing inspiration from the late Tanzanian leader Julius Nyerere.

"We can achieve 20% GDP, defeat corruption, and make Uganda economically independent. We have the capacity, the aim, and the will," he said.

His words underscored a deep belief in Uganda's potential to meet these ambitious economic targets, if the country can rally behind the necessary reforms.

With a clear focus on boosting revenue, reducing corruption, and improving efficiency in tax administration, this strategic plan promises to chart a new course for Uganda's economic development.

URA officials share a photo moment with leaders from Ocoko, Dubai village in Arua City

The Northern Region Stakeholder Mobilisation Project:

Building Synergies one Stakeholder at a Time

URA officials share a light moment with pilgrims from Northern Uganda

A URA delegation meets with cultural leaders in West Nile

By Akinyi Winiefred

In its efforts to curb smuggling that is prevalent in the West Nile sub-region, the Uganda Revenue Authority has clashed with locals, with several incidents turning tragic.

Against this background, collaborative efforts were initiated, giving birth to the Northern Region Stakeholder Mobilisation Project (NRSMP) in February 2024. Numerous engagements have since taken place with paving way for improved relations.

We spoke with Clare Sanyu, the Project Supervisor, to gather insights on the project and the strides reached thus far.

1. Why was the project introduced? What are the objectives?
The NRSMP was introduced for various reasons:
i. To interface and improve relations with taxpayers in the region.
ii. To follow up on affected families and conclude with incidents that had led to damage and injury to victims in the region.
iii. To sensitise the community and enforcement teams to desist from violence during lawful operations and exercise restraint respectively.
iv. To sensitise the masses on their obligations.
v. To promote collaboration with respective leaders and get feedback on operations to help address shortfalls, if any.

2. Have the objectives been achieved?
The project has largely been impactful. People are more enlightened and responsive to tax issues.

3. What strides have you reached since its introduction?
There is a notable improvement in the response to tax issues as people are more informed.

Clashes between URA and the Public have also reduced due to continuous sensitisations.

Reduced Taxpayer gaps: Taxpayers are more confident in approaching URA, which has led to receiving more walk-in clients.

Increase in registered Motorcycles: The promotional offer for the registration of numberless motorcycles was well embraced, and to date, over 5,000 motorcycles have been registered.

Improved relations and collaboration, which have allowed the sharing of intelligence information and joint interventions. Additionally, local groups including Bodaboda leaders, the press, pressure leaders and artists have been integrated into the URA mobilisation team. This has increased awareness and relationships

Through the project, Corporate Social Responsibility initiatives have been held in the region, including counselling sessions at Madi-Okollo Primary School and procurement of a public address system at Emmanuel Cathedral, Arua.

4. Apart from this project, what other initiatives has URA put in place to make amends with taxpayers in the West Nile sub-region?
URA is part of a consortium of institutions that conduct youth mindset change programs in institutions and secondary schools under the West Nile Youth Forum.

Such programs have provided inroads for URA to engage young people who always end up caught in illicit activities.

5. How best can URA manage its relations with taxpayers in volatile regions?
Through increased and continuous collaboration with the community, working with local influencers and supporting community programs through Corporate Social Responsibility activities.

6. URA Officers have been accused of being high-handed and applying force unnecessarily. What steps have you taken to address this concern?
i. Verification of allegations: Reporting channels were established and shared with the public.
ii. Staff are more involved in field activities to promote direct feedback and responses.
iii. Engaging the respective leaders: URA participates in different meetings for example the District Executive Security Committee, Airport Security, West Nile Youth Mindset Change Programs and these have become very useful in building partnerships with authorities in the region.

7. What compliance advice do you have for taxpayers?
i. The public should avoid violence during anti-smuggling operations. Instead, come to our offices to follow their goods through the defined processes
ii. Register numberless motorcycles within the promotional period that ends on June 30, 2025.
iii. Attend tax sensitisation programs to understand URA's mandate and your obligations.
iv. Respect the law because ignorance is no defence

URA champions effort to promote responsible journalism

By John R. Musinguzi, Commissioner General, Uganda Revenue Authority

In every progressive society, the media is not a bystander. It is a co-architect of the national agenda. Journalism informs, educates and shapes how a nation understands itself. More critically, it influences how citizens participate in building that nation.

The Uganda Revenue Authority understands this deeply. Our work in revenue mobilization is not only about numbers; it is about trust, transparency and civic responsibility. None of these thrive in silence. They require conversation, scrutiny and a media that connects people to purpose.

When a journalist traces how tax resources translate into hospitals, roads or public services, they are not simply reporting. They are connecting Ugandans to their role in financing the state. That is development communication at its finest.

And when the media holds institutions accountable, it strengthens the social contract. It ensures that public confidence is not blind, but earned. This is essential in building a taxpaying culture, which remains a central pillar of Uganda's journey toward self-reliance. Today, Uganda's tax to GDP ratio stands at 13.9 percent, well below the continental average. We can and must do better. But we cannot do it alone.

We need the media to help demystify taxation, to reframe compliance as patriotism, and to keep the dialogue between citizens and the state alive and constructive. But this influence must be matched with responsibility. Sensationalism and misinformation do not only distort public opinion; they weaken public confidence in institutions, erode tax morale, and ultimately undermine compliance. When facts are sacrificed for headlines, we do not just lose truth, we lose the trust that fuels national progress. Excellence in journalism must mean more than reach; it must mean relevance, thoroughness and responsibility.

As we celebrate Uganda's finest in journalism tonight, let us also recommit to our shared responsibility of building a nation where the media is not only a witness to change, but a driver of it, a nation where accountability is culture, development is inclusive, and every voice matters.

This article was first published in the 2025 African Centre for Media Excellence Magazine during their awards ceremony, where Mr. Musinguzi was Guest of Honour and delivered a keynote address on "Strengthening National Accountability through Responsible Journalism and Inclusive Tax Dialogue". It is republished here for the benefit of our wider readership.

Second right, URA's CG John Musinguzi sharing a light moment with awardees during media excellence awards 2025

Manager PR and Comms Rytter Muzira, Ag. Supervisor International Relations Josephine Nandutu, and Ag. Supervisor External Communications Immaculate Wanyenze during the Media Excellence awards 2025.

J.R Musinguzi awarding excellent journalists.

How URA is supporting Businesses to formalise

By Immaculate Wanyenze

As a tax collection agency, we recognize our role as a provider of services and information that should make compliance as easy as possible. It also involves making tax administrations "customer-friendly", with taxpayers treated as clients rather than potential criminals so that they pay their fair share of tax. And this is premised on our vision of mobilizing revenue for our nation's development in a transparent and efficient manner. This includes a delightful service and facilitating tax payment at the lowest cost possible to the taxpayer.

Cognizant of this crucial role, we have devised a number of ways as an institution in supporting businesses to formalize or register thus allowing them comply with tax obligations and gain access to various business services.

But what is a Formal Business?
A formal business is one that has registered with Uganda Registration Services Bureau (URBS) and obtained a business or Company name, registered for taxes with URA and obtained a Tax Identification Number (TIN) and has secured permission to trade in any desired area/place through obtaining a trading license.

How then is URA supporting businesses to formalize;
Through the Taxpayer Register Expansion Program (TREP) program; Uganda Revenue Authority (URA) together with the Uganda Registration Services Bureau (URSB), Kampala Capital City Authority (KCCA) and Local Government created one stop centers where all the business registration processes can be handled. This is intended to simplify the registration process for prospective business owners. The process begins with the URSB where one will acquire a Certificate of Registration or a Certificate of Incorporation. These can be registered as single member company, a company limited by shares, limited by guarantee without a share capital, limited by guarantee with a share capital, an unlimited liability company, public or foreign company. The business types vary from partnerships, sole proprietorships (Registered at ministry of lands) to mention but a few.

Under the TREP program, the URA encourages informal businesses to register and obtain a Tax Identification Number (TIN). This formalization opens access to financial services, government incentives, and credibility in the market, which are vital for business growth.

Samuel Kanakulya from Tax Education illustrates to a taxpayer how to keep records during door to door tax trainings.

Tax Education and Awareness: The URA conducts workshops, seminars, and outreach programs to educate businesses—especially small and medium enterprises (SMEs)—about tax obligations, procedures, and benefits. For example, it has organized events like workshops for women entrepreneurs to enhance their understanding of taxes and simplify compliance, making it easier for them to navigate the tax system. In the regions, URA has staged mobile buses to allow for businesses to register for a Taxpayer Identification Number (TIN) without having to travel to a URA office. This mobile service makes the registration process more accessible for informal businesses.

Business Incubation and Relief for Small Businesses: The URA offers provisions to support emerging businesses, such as exemptions or simplified tax processes for businesses with low sales volumes. This helps new entrepreneurs establish themselves without being overwhelmed by tax burdens during their early stages.

Simplified Digital Tools: The URA has implemented digital platforms like the URA web portal and the Electronic Fiscal Receipting and Invoicing Solution (EFRIS). These tools streamline record-keeping, tax filing, and payment processes, reducing the administrative burden on businesses and improving efficiency.

Customs and Trade Facilitation: The URA works to improve customs processes, such as upgrading data systems for faster cargo clearance at borders. This reduces trade costs and delays, benefiting businesses involved in import and export activities.

Tax Incentives and Compliance Benefits: Formal businesses registered with the URA can access tax clearance certificates, which enhances credibility and facilitate opportunities like bank loans or government contracts. The URA also promotes compliance to help businesses avoid penalties and build trust with clients.

Partnerships and Dialogue: The URA engages with the business community through partnerships, such as with local chambers of commerce or trade associations, to address concerns, gather feedback, and tailor services to their needs. This collaborative approach ensures that tax policies align with the realities of doing business in Uganda.

Why TIN Misuse Under Value Added Tax is A Big Concern

By Irene Kabakama

The Taxpayer Identification Number (TIN) a unique identifier issued by the Uganda Revenue Authority (URA) is central to Uganda's tax administration. It facilitates accurate identification of taxpayers, enables the tracking of tax obligations, simplifies return processing, and is critical in fighting tax evasion.

However, its misuse, particularly among Value Added Tax (VAT) payers, has emerged as a growing threat to effective revenue mobilisation.

Fraudsters and tax evaders are increasingly exploiting TINs to perpetrate VAT fraud, commit identity theft, and engage in other financial crimes. This malpractice not only distorts tax compliance but also undermines trust in the country's financial systems. Worryingly, missing trader schemes and fraudulent VAT refund claims have become all too common.

How TIN Misuse Occurs
Insights gathered from interactions with both victims and perpetrators reveal several disturbing trends. In many cases, company directors unknowingly compromise their TINs by sharing login details with accountants, auditors, or even URA staff, trusting them to manage their tax affairs.

Sadly, this misplaced trust has left many directors accountable for frauds they neither initiated nor approved. In severe cases, compromised TINs are suspended, disrupting legitimate business operations and further eroding URA's revenue base.

Scammers often prey on small business owners and companies unfamiliar with tax procedures.

They pose as helpful tax agents offering to file returns, only to exploit the TINs for fraudulent purposes.

Common tactics include phishing, where unsuspecting individuals are tricked into divulging sensitive information, and social engineering, where criminals manipulate people into compromising their credentials.

Despite URA's digital advancements, system loopholes remain. Weak verification processes continue to allow fraudulent TIN registration and manipulation. Alarmingly, some cases implicate insiders within URA and other public institutions, exposing systemic vulnerabilities that facilitate tax ledger manipulation and VAT fraud.

Consequences of TIN Misuse.
The misuse of TINs has dire consequences for both URA and the national economy. Fraudulent VAT refunds have drained billions from government coffers money that could have been used to improve infrastructure, healthcare, and education. The ripple effect is diminished public services, increased domestic and external borrowing, and mounting national debt.

Additionally, TIN misuse fuels unfair business practices. Tax-evading entities undercut honest businesses by offering lower prices, disrupting fair competition, and potentially leading to monopolistic market structures. These distortions discourage investment and limit opportunities for new businesses to thrive.

Recognising the severity of the issue, URA is stepping up efforts to curb TIN abuse. Through widespread public awareness campaigns, it aims to educate taxpayers on the dangers of TIN misuse and the importance of data security. URA also encourages whistleblowing to expose fraudulent activities.

In parallel, URA has rolled out stricter enforcement measures. Offenders now face higher fines and public exposure, sending a clear message that TIN fraud will not be tolerated. These actions aim not only to punish wrongdoing but also to deter potential fraudsters.

Protecting your TIN starts with vigilance. Financial institutions can contribute by adopting multi-factor authentication and rigorous identity verification procedures. This ensures that only authorised individuals can access sensitive information.

Institutions such as URA, NSSF, and URSB have also invested in robust cybersecurity infrastructure; including encryption, firewalls, and access controls to secure their data environments.

Addressing TIN misuse requires a united front. Individuals, businesses, financial institutions, and government agencies must work together to close the gaps that allow fraud to thrive. With stronger systems, informed taxpayers, and collaborative oversight, Uganda can secure its tax base, create a fairer business environment, and build a more transparent, accountable tax system.

URA, China Chamber of Commerce launch 2nd edition of the Tax Guidebook

By Kamugisha Kabahweza Allan

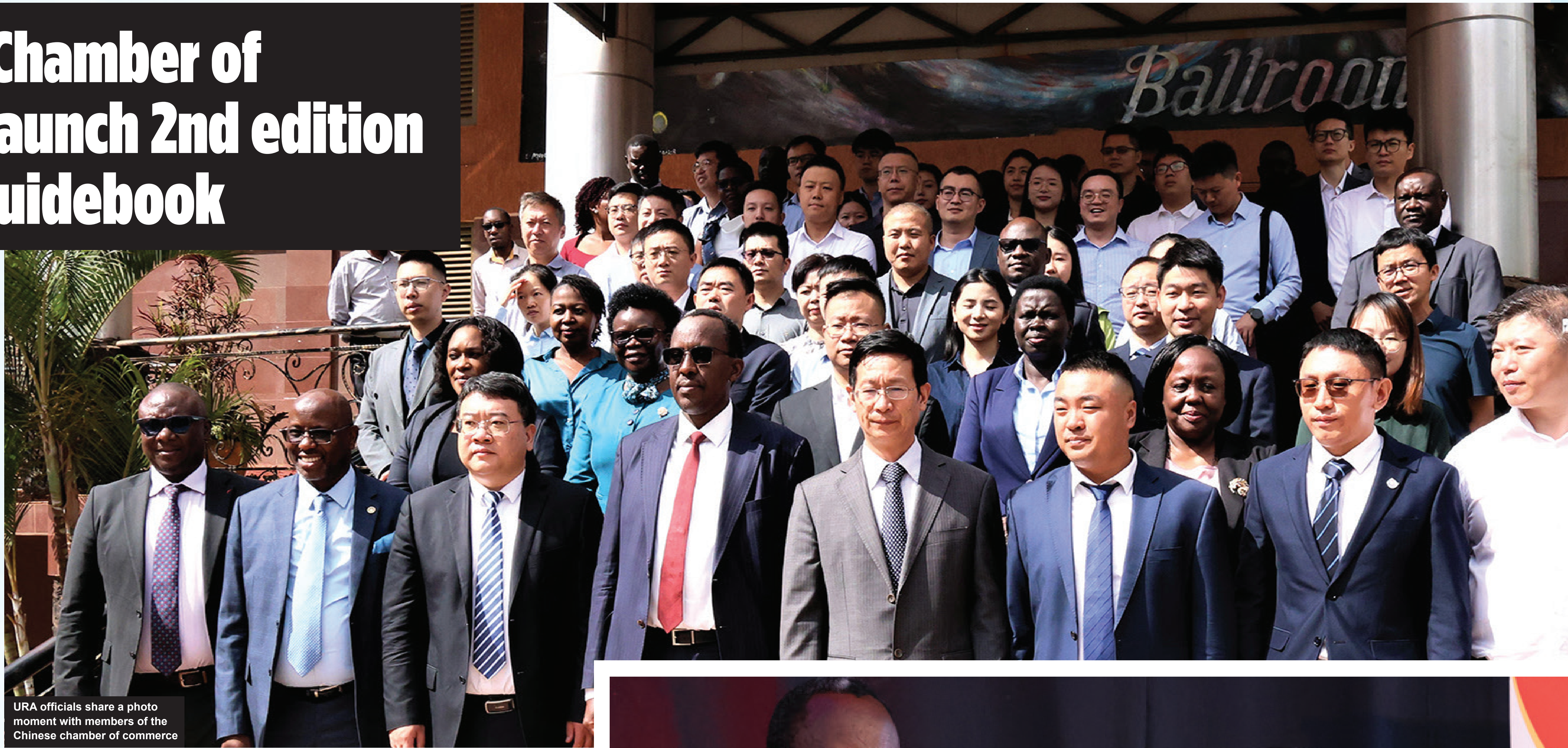
In a move to bridge the communication gap between the Uganda Revenue Authority (URA), and the Chinese business community, the 2nd Edition of the 'Uganda Tax Guidebook – Chinese Translation' was launched in May this year at Silver Springs Hotel, Bugolobi.

During the launch, the Commissioner General URA, John R. Musinguzi, commended the Chinese Ambassador and the China Chamber of Commerce for their role in developing the translated tax guidebook.

"Your leadership has been very instrumental in bridging the communication gap and enhancing cooperation between the Chinese business community and URA. This second edition builds upon that success, offering clear, concise, and updated insights into Uganda's tax regime. It outlines the key tax obligations and incentives available for you, the emerging tax policies, and the compliance procedures that will support you in running your businesses," said Musinguzi.

He emphasized that URA remains committed to simplifying tax education and ensuring accessibility for all taxpayers so as to mobilize revenue that sustains Uganda's development agenda.

Musinguzi promised that URA will provide seamless support, targeted tax education, workshops, and radio programs, all intended to facilitate tax compliance.



URA officials share a photo moment with members of the Chinese chamber of commerce

The Chinese Ambassador to Uganda, H.E. Zhang Lizhong, appreciated URA and the Ministry of Finance's efforts to translate tax content into other languages.

"My sincere appreciation to the URA and the Ministry of Finance for making this initiative continuously to help the Chinese community here in Uganda. It really helps to deepen Chinese enterprises' understanding of Uganda tax policies and enhance their compliance practices," said Ambassador Zhang.

He noted that the publication of the newest version of the Uganda Tax Guidebook reflects the shared commitment and effort by URA and the Chinese to creating an open, fair, and non-discriminatory tax and business environment.

Li Jincheng, a representative of the China Chamber of Commerce, said that the translated Uganda Tax Guidebook will improve their understanding and practice of tax compliance, encouraging Chinese companies in Uganda to use the book as a tool for compliance.

Musinguzi requested the Chinese Business Community to keep filing returns in a timely manner and paying their due taxes, thereby contributing to the development of Uganda.

The First Version of the Uganda Tax Guidebook was launched in January 2024.

Commissioner General URA John Rujoki Musinguzi and the Ambassador of China to Uganda H.E Mr. Zhang Lizhong display a translated copy of a taxation hand book

URA Eliminating Smuggling Cartels to Close Revenue Leakages

By Irene Kabakama

In an aggressive crackdown on smuggling cartels, the Uganda Revenue Authority (URA) has intensified its enforcement operations to curb revenue losses caused by tax evasion. The smuggling of high-demand goods such as mobile phones, cosmetics, textiles, and export-only cigarettes has become a sophisticated and growing threat to national revenue. The most notorious smuggling hubs are Entebbe International Airport known for its vast variety of mobile phone accessories, and Butiaba a hotbed for export-intended cigarettes, while Mbale thrives with illicit textile imports.


Smuggled phones intercepted by customs

Recently Enforcement teams at Entebbe International Airport seized 1,172 packets of button phone screens and 22,837 packets of LCD/LED phone screens, with an estimated value of USD 90,000. This operation targeted high-value imports smuggled in response to the booming smartphone repair market, and other goods that entered the country without the required customs declarations or payments.

Central to this operation were so-called "kadamas"; individuals hired under false pretenses and promised quick earnings to transport smuggled goods. These smugglers attempted to use the chaos of peak flight arrivals to slip past customs. However, vigilant officers flagged their suspicious behavior. When asked to comply with verification procedures, the group of three women refused, claiming their luggage only contained household items and second-hand clothes.

Moments later, in a calculated move, the trio fled the terminal, pushing trolleys filled with suitcases. Their escape was thwarted in the airport parking lot, where their getaway vehicle stood ready with its engine running and trunk open. URA officers intercepted them just in time, recovering six suitcases concealing phone screens beneath used clothing.

Surveillance efforts also led to the discovery of additional bags abandoned near the handler's offices presumably by smugglers buying time to make another escape attempt. Another airline handler was caught red-handed attempting to smuggle three overstuffed "rush bags" loaded with electronics.

URA officers also uncovered an elaborate plan involving coordinated item consolidation. Phone screens were broken into smaller batches aboard the plane and discreetly redistributed among cooperating passengers. Once in the parking lot, passengers handed over their concealed cargo to a waiting individual.

The operation culminated in the ambush and arrest of the mastermind behind the smuggling effort. Caught while loading his vehicle, he was found in possession of 3,175 phone screens, four MacBook Airs, and 20 assorted smartphones.

URA reminds all importers that goods such as smartphone screens are subject to the East African Community Customs Management Act (EACCMA), 2004 (as amended). Legally importing these items requires compliance with several obligations such as payment of import duty, 18% VAT, 6% withholding tax, and a 1.5% infrastructure levy.

Smugglers risk heavy penalties. Under Section 202 of the EACCMA, concealing goods for the purpose of evading customs incurs a fine of 50% of the item's value. Non-declaration of goods, per Sections 45 and 46, attracts further penalties as outlined in Section 209.

To combat these smuggling operations more effectively, URA has enhanced its passenger profiling techniques and increased cooperation with other airport stakeholders, including security personnel monitoring CCTV footage. This collaboration ensures better surveillance, especially in customs-limited zones like Departures, the VIP terminal, and the Old Airport.

Tujenge Turbocharges Revenue Collections in Karamoja and Busoga

By Dismas Nuwaine

Deep in the heart of Karamoja is Matany, the main town in Napak District, which lies quietly beyond a vast plateau covered with a thick lush undergrowth that thrives on chocolate dark soils, some 100 kilometers from Kotido, Tujenge's first stop.

This long, and often tedious journey on the bumpy and remote route is no match for Akora Francis, Station Head of the Moroto Domestic Taxes (DT) office. He and his team regularly travel these long distances as part of their daily revenue mobilisation work across the district.

"Matany is a town on the rise, and in many ways, it reflects the promise of Karamoja as a whole," said Akora, speaking aboard the Tujenge Bus, URA's mobile tax office.

Between Monday, May 19th, to the 23rd, the bus made its way across the region, bringing tax services closer to the people, with officers assisting with tax assessments, payment processing, and offering personalised tax education from business to business.

Thanks to improved security in the area, the team is now able to reach more towns and support more businesses. And this, Akora says, has helped spark a rise in the area's local entrepreneurial spirit.

"More people than ever before are joining business," he noted with cautious optimism. "But many still lack basic information about taxes. That's why we need more focused,

The mobile outreach office (Tujenge bus) out in the field.

sector-based tax education. Only then can we effectively guide the business community from the ground up and show them that URA is not just a collector, but a reliable business partner."

It's not just Matany that is experiencing explosive business growth, there's a rising lion in the Eastern region. It's Kamuli.

Kamuli has long lived in the shadow of larger towns like Jinja and Iganga. But things are changing. The district is breaking new ground, rising through the periphery, and steadily carving out its place as a growing economic powerhouse in the heart of Busoga.

At the centre of this transition is the district's shiny-new tarmacked road, built through the government's heavy investment in infrastructure and funded by billions of shillings in taxes paid by responsible, law-abiding citizens.

For Ssajubi Difasi, a 36-year-old father of three and special hire driver of Tippa UAX 833F, this road is a lifeline. He uses it daily for work, driving across Kamuli's main town and its network of connecting roads to serve the respective needs of his clientele.


Patricia Nakayiza of Tax Education enlightening taxpayers on presumptive tax

On one of his trips, he spotted Tujenge, URA's mobile tax office, stationed right in the heart of town. He had always wanted to buy a motorcycle and register it in his name but didn't have a Tax Identification Number (TIN). In just two minutes, Difasi received his TIN and was ready to claim his new vehicle.

In Kotido, Lucy Napeyo, a 40-year-old mother of two and a seasoned commercial farmer in Karamoja, got her TIN in just under 5 minutes, right after her details were verified, thanks to the Tujenge initiative.

Lucy grows sunflower, beans, and maize on a large scale, and dreams of earning more by supplying food through the Karamoja Feed Karamoja program, which aims to benefit locals and grassroot entities in agriculture.

To do this, she has registered her new company called Nannan Constructors and Suppliers Limited. She needed a Tax Identification Number (TIN) to supply big organisations, notably the World Food Program (WFP), which is invested in the region.

Akora lauded Tujenge's efforts for making a real impact in advancing tax education initiatives in the region, noting that there has been demonstrable evidence of this success which lays a strong foundation for both current and future compliance initiatives.

"In the past two years since Tujenge became a regular feature in Karamoja, we've seen real progress," he shared. "Last year, and the year before, we hit our business registration targets before October, something that had never happened before."

During the outreach, the team visited several districts in the greater Karamoja sub-region including Kaabong, Kotido, Napak, Nakapiripirit, and Moroto.

"These outreach efforts are key to breaking down the fear and resistance around taxes, "noted Patricia Nakayiza, who led the Tujenge Kamuli excursion team. "When people understand that paying taxes is part of being a responsible citizen, they're more willing to comply. And that helps widen the tax base for everyone."

Tujenge Mobile Outreach Office an initiative that offers tax services in hard to reach areas without URA physical offices this year helped DT stations hit their monthly presumptive tax targets, and severally reduce the variance of other tax heads.

Export Fiscalisation to Boost Trade Efficiency and Revenue Collection

Domestic Taxes clearing agents pose for a photo with URA staff after a sensitisation on the fiscalisation of exports.

By Joshua Niyonshima

URA is set to launch the Fiscalisation of export processes, aimed at promoting efficiency in trade and enhancing revenue mobilisation. This was revealed during a training session for Domestic Taxes (DT) agents at the URA headquarters, led by Gary Kizito, the Ag. Assistant Commissioner for Compliance Management.

Kizito emphasised the need to streamline URA's internal systems, noting that the lack of integration burdens taxpayers and tax agents with repetitive submissions.

"It's a very big pain, internally, that systems don't speak to each other," he said, "we burden the taxpayer and tax agents to give us information which they have submitted in DT, yet Customs asks for the same information. This move will integrate the systems in URA, minimize the fatigue of the taxpayer, and enable URA to make informed decisions."

The new system will integrate the Electronic Fiscal Receipting and Invoicing System (EFRIS) with the ASYCUDA World customs management system and e-Tax, creating a seamless platform where data is shared in real time.

According to Kizito, "You will just transact once in EFRIS, and you will find your information showing in ASYCUDA, e-Tax, and your tax return. Everything will be very easy and simplified for you."

A key feature of the initiative is the requirement that all exports be fiscalised, which involves the issuance of commercial invoices that are digitally authenticated.

"All goods leaving Uganda must be fiscalised," Kizito said, adding that these invoices will be used to ensure accurate declarations and tax compliance.

Bernard Kasoma, Acting Manager DTS and EFRIS, outlined the broader objectives of the initiative.

He said the EFRIS-ASYCUDA World interface is being designed to enhance compliance by improving the accuracy and efficiency of export declarations and fostering seamless data exchange across systems.

"This integration will improve compliance, ease service delivery, and support the ease of doing business in Uganda," Kasoma explained.

Kasoma further noted that the harmonisation of export transactions is crucial for efficient data exchange both within Uganda and with partner states.

The initial rollout will focus on exports from Uganda to non-EAC (East African Community) countries, including direct exports, temporary exports, re-exports, and exports under ST8 classification.

New procedures laid down.

Exporters will be required to generate export invoices from EFRIS and share them with customs clearing agents.

The Fiscal Document Number (FDN) must be inserted into the Single Administrative Document (SAD) in ASYCUDA World for export declarations.

Fiscalisation will be conducted by border staff at the point of exit.

Export data will be exchanged automatically and in real time between ASYCUDA World and EFRIS.

The reforms will also apply to all exports claiming VAT refunds.

Meanwhile, several other engagements have been held with the Uganda Manufacturers Association (UMA), Integrators, exporters, and manufacturers before its rollout rollout in the next financial year.

Unpacking complexities on clearance of Groupage Cargo

By Immaculate Wanyenze

There has been abuse of the clearance process of groupage cargo where, some unscrupulous persons commonly known as "container leaders" that have been taking advantage of unsuspecting traders to defraud importers and undermine government revenue. Groupage/Consolidated cargo is cargo imported into the country in one container belonging to different importers while Container Leader" is an individual who imports cargo belonging to other importers and proceeds to clear the cargo under his/her individual TIN and name. To demystify these complexities, we will explore the challenges and potential solutions in this critical aspect of import operations as per excerpts below;

Is it true that Uganda Revenue Authority banned groupage cargo under container consignment unless accompanied by a house bill of lading?

No, it is not true that URA banned the consolidation of cargo of different importers in one container but rather guided on streamlining the clearance of imported groupage (consolidated) cargo.

URA instead banned container leaders from presenting goods (grouped in one shipment) belonging to multiple traders as though they belong to one importer and proceed to fraudulently clear the entire shipment under their own name and Tax Identification Number (TIN).

Have the values of imported items particularly garments been increased un realistically, with some values being tripled?

The Government of Uganda in her National Development Plan III and IV is purposeful to encourage and promote import substitution as well as export promotion. In that spirit therefore, it is important to extend support to investments that are geared to the achievement of this objective by providing incentives including tax policies that are favorable to nurture industrial growth. Thus, if a trader opts to import goods that are produced and can locally be accessed should expect to pay higher taxes in order to provide the locally produced goods market access.

NOTE: It is also important to note that the primary method of determining the customs value of imported goods is the Transaction Value Method as stipulated in Paragraph 2 with the necessary adjustments as provided for under Paragraph 9 of the Fourth Schedule to the East African Community Customs Management Act (EACCMA) 2004 as amended.

Importers have an obligation to provide genuine trade documents including but not limited to invoices/receipts, packing lists, bill of lading, freight invoices, insurance invoices. It is only upon failure to submit authentic documents as provided for under the law that customs resort to alternative methods of valuation.

This followed extensive consultations from 2023 with the traders, through their various trading associations, like KACITA, United Arcaders' Traders Entrepreneurs Association (UATEA), New Generation Traders Association, Kampala Arcaders Advocacy Forum KAAFO and the manufacturers of jeans and khakis in Uganda.

The said review is implemented progressively to promote business continuity and harmony between the traders and the manufacturers by taking into consideration the interests of both categories of our valuable stakeholders.

Is it true that if one importer files an appeal during the valuation stage on IM7, other importers in the same groupage shipment have to wait for the appeal process to be completed, which could last two weeks?

It is not true, if one of the importers of goods in a grouped shipment raises an appeal against the suggested alternative customs values by URA for his/her goods but fails to provide sufficient justification to support application of his/her declared values, URA grants provisional clearance of the entire warehousing declaration (IM7) to enable logical clearance of rest of the shipments that are not subject to the valuation appeal. The valuation appeal issue on contested items is then settled at individual importer's entry (IM4) declared after transfer of goods to process payment of taxes. This therefore means that importers without any issue for appeal or review proceed to clear their goods out of Customs control accordingly.

Don't the high costs associated with clearing individual house bill entries including agency fees, capturing fees, transfer fees, PVoC inspection fees and warehouse handling fees, make groupage shipments a more affordable option for small scale traders with small consignments?

Revenue collection by URA is fully automated including transfer fees of USD10 depending on reigning exchange rate in Uganda shillings. Thus, the fee of UGX150,000 being charged is outside the provisions of the law and URA is not party to the extortionist tendencies hence the reason to streamline this business.

Cargo under transit

In regards, to Pre-Export Verification of Conformity (PVoC) fees of USD 250 the facts are as follows: The law on standards requires for all goods to be inspected in the country of origin(export) and failure to do so attracts a penalty of 15% of the Cost, Insurance and Freight (CIF).

Uganda is a liberalized economy and in order to promote fairness and fair competition in the trade URA on an annual basis licenses several customs clearing agents among which an importer is at liberty to choose the best suited to offer services of cargo clearance on his/her terms of reference. The fees charged differ from one agent to another and therefore the importer is expected to use business principals to arrive at the service provider that best suits his/her environment.

However, it is recommended that the groupage cargo importers hire the services of a single licensed customs agent to facilitate processing of declarations for each of them using their house bills. This will cut the cost of clearance.

Is it true that the Uganda Revenue Authority has received complaints about unscrupulous traders inflating tax charges and manipulating revenue?

Yes, it is true that URA has received worrying concerns revealing exploitation of especially small traders and tax fraud being perpetuated by container leaders.

The commonest exploitative behaviours by container leaders include the following.

a) Collecting money from importers under the pretext of paying taxes and failing to remit the full amount to URA.
b) Overcharging traders by inflating tax amounts beyond what is assessed by URA thereby pushing so many of the small traders out of business.
c) Clearing cargo under their own name and TIN instead of transferring goods to rightful importers, in order to benefit from their input tax credits.
d) Claiming input tax credits and VAT refunds meant for the actual importers among others
e) Abandon cargo in cases where under declaration and Mis-classification has been detected by URA leading to offenses and penalties, thereby leaving genuine importers stranded with no access to their goods

Is it true that the current tax policies unfairly favour Chinese importers who bring in already made goods tax free disguised as raw materials, while Ugandans dealing in similar products such as garments face high tax burden of between 200m to 300m per 40 feet container?

This is not true! It is the responsibility of every citizen to report any act that is in breach of the law. Therefore, we have a number of channels as URA and Government in general where any citizen with valid and verifiable information can report in confidence for corrective actions to be taken and parties responsible to be brought to book. We in that line call upon the trading community with any information in breach of import laws to come out and submit the same for action by the responsibility centers.

URA is committed to promote free and fair trade and her actions to promote zero tolerance to corruption are very resolute. URA shall continue to execute her mandate in line with existing legal framework to promote fair taxation.

In case of any discrepancy please Email: ignite@ura.go.ug or cim@ura.go.ug or call; +256772141075/323442055.

More questions on cargo consolidation answered on the URA blog, and website.

Understanding VAT Fraud: How It Happens, Why It Matters, and Its Elimination

By Irene Kabakama

Value Added Tax (VAT) is collected at different stages of production and distribution. However, fraudulent activities surrounding VAT have become a significant challenge for tax authorities like the Uganda Revenue Authority.

VAT fraud deprives the government of revenue and distorts fair business competition, frustrating economic development. This article explores how VAT fraud occurs, its impact, and measures to combat it.

VAT fraud has been portrayed in different forms, like False input tax claims happen when businesses inflate their VAT input claims by using fake invoices or reporting non-existent purchases to reduce their tax liability.

Underreporting sales takes place when some businesses deliberately under-declare their sales to reduce the VAT they must remit to URA.

Missing trader fraud occurs when a business collects VAT from customers but disappears before remitting it to the URA.

Fictitious exports take the form of fraudsters who claim VAT refunds for goods they never exported and thus exploiting the zero-rated status of exports.

Failure to register for VAT is one of the common fraud schemes whereby some businesses that meet the VAT registration threshold (currently UGX 150 million annual turnover) fail to register, avoiding VAT obligations while charging customers tax illegally.

However, it cannot go without mentioning that any form of VAT Fraud has severe consequences for tax administration and the economy, including;

Revenue loss: The government loses significant funds that could be used for public services such as infrastructure, healthcare, and education.

Unfair competition: Honest businesses that comply with VAT regulations struggle to compete with fraudsters who avoid tax obligations and lower their prices unfairly. Economic instability affects economic growth and investor confidence.

Increased tax burden on compliant taxpayers when compensating for lost revenue, tax authorities may impose stricter regulations or increase tax rates, affecting compliant taxpayers.

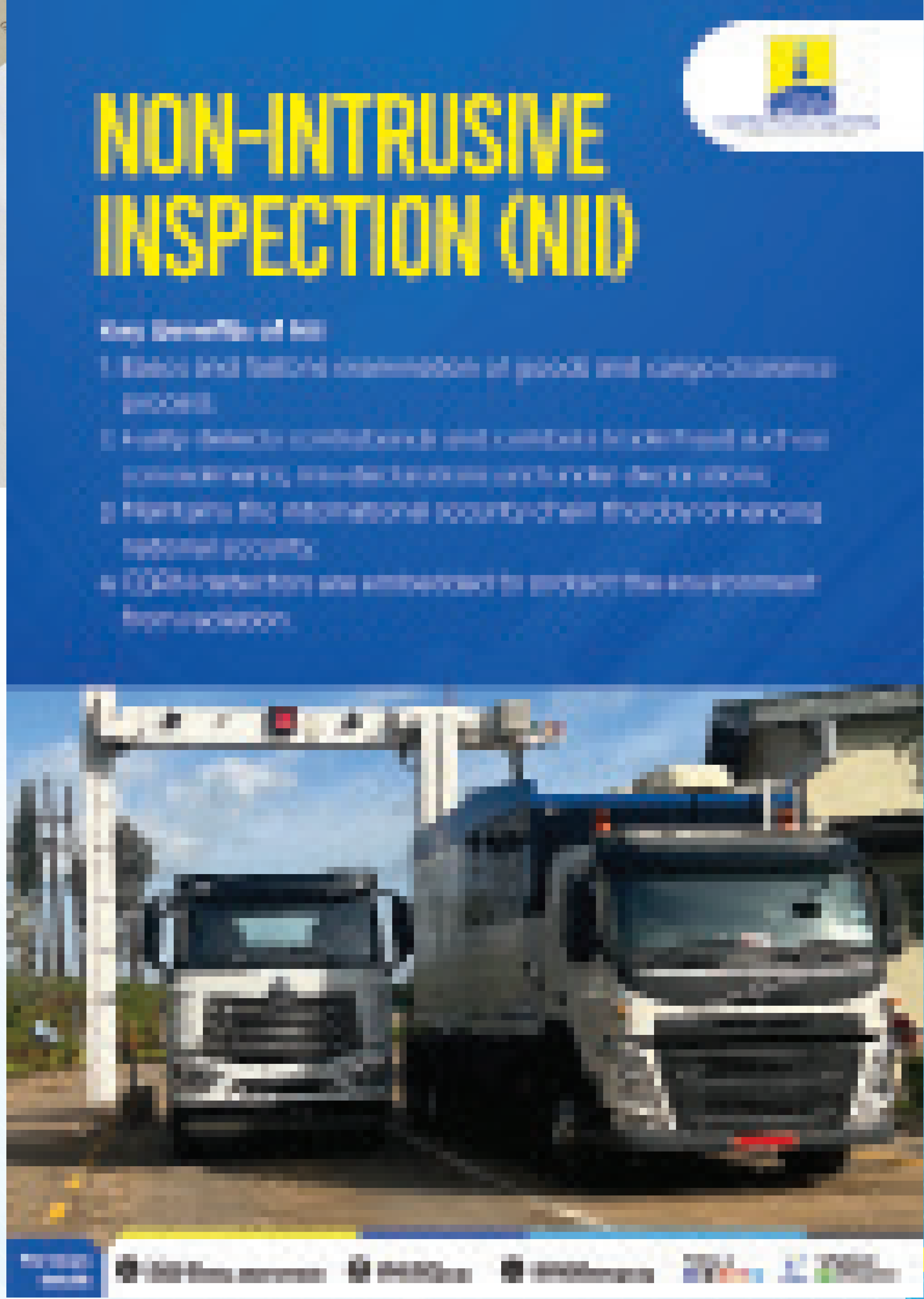
URA has devised measures to curb VAT fraud, such as the Electronic Fiscal Receipting and Invoicing System (EFRIS), which ensures real-time VAT reporting, reduces invoice fraud, and prevents under-declaration of sales.

Digital Tax Stamps (DTS) help track taxable goods, making it difficult for businesses to evade VAT on excisable products.

Taxpayer audits and investigations, which are risk-based, are regularly conducted to detect fraudulent activities.

URA has further set Stronger penalties for offenders caught engaging in VAT fraud face heavy fines, interest, and possible legal action, acting as a deterrent to others.

URA educates businesses and the public on tax compliance to promote voluntary VAT registration and remittance to ensure public awareness and education. Continuous enforcement, technological advancements like EFRIS and DTS, are also fundamental tools for curbing VAT fraud. Businesses and individuals must play their part by complying with VAT regulations to support national development.



THE TIMELINE

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URA Meets Not-for-Profits Organisations assures them support

Nigerian students benchmark on URA processes

Commissioner Executive Office Operations during the launch of the National Budget Month

UGCL Benchmarks URA's Compliance and Quality Assurance Processes.

Contraband and unstamps goods destroyed in Nakasongola

Legal Services and Board Affairs bencmarks on Her Majesty Revenue Service aand Customs

URA holds a community dialogue with traders at Hotel Africana to resolve their issues

Uganda Revenue Authority

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