**DIGITAL TRACKING SYSTEM/ STAMPS**

**What is digital tracking solutions (DTS)?**

The Digital Tracking Solution (DTS) is a track & trace platform that sends production and importation data for specific products immediately, to both Uganda Revenue Authority (URA) and Uganda National Bureau of Standards (UNBS).

The Digital Tracking Solution involves the stamping of products with a digital stamp for tax purposes (URA) and conformity Stamps - for safety standards certification (UNBS).

**What are the key terms used in DTS**

1. **A Stamp Applicator:**

This is a device installed on the production line to automatically affix paper stamps to the product. It is mainly used by the spirit and wine manufacturers on their production lines

1. **An Ejection System:**

This system automatically separates and pushes rejected products off the production line to a reject collecting section. It is mainly used to remove product rejects as programmed on the line.

**C) Line Enable:**

This is the term given to the connection between the DTS equipment and the manufacturer’s equipment. It enables the manufacturer’s equipment to feed the DTS equipment with production details.

**What are Digital Tax Stamps**

These are markings applied to goods or their packaging and contain; security features and codes to prevent counterfeiting of goods and enable them to be tracked and traced.

**What is the procedure of acquiring DTS?**

Manufacturers and importers can acquire DTS using the following procedures;

1. Registration - Register for DTS online through the URA portal – Click here to register
2. under e-services (Digital tracking Solution) as an importer or manufacturer.
3. Order and payment of stamp fees - Make forecasts, orders and payment for stamps. When payment is cleared, you will receive confirmation via email notification to collect your stamps. Payment for such stamps is a business expense that is allowed when one is accounting for their taxes.
4. Delivery, affixing and activation of stamps – Digital stamps shall be picked by the company’s authorized person from SICPA (U) office on the address indicated below if you are manually stamping goods or using paper stamps. However, if you are using automated production lines the codes/stamps will be automatically up loaded on to your DTS machine. The designated recipient for the stamps MUST present: -
* National ID
* Passport or Employee ID
* letter from employer or Company Stamp to acknowledge Delivery Notes

Note: Importers may stamp from the good’s country of origin or manually at their registered premises in Uganda.

**Where do I pick my Digital Tax Stamps from?**

**You can pick your digital stamps from**

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| **Provider**  | **Directions**  | Location coordinates |
| SICPA Uganda Limited Henley Business Park, Ntinda Industrial Area P.O. Box 30330 KAMPALA | From Jinja road (Nakawa-Naguru Ntinda junction) take Stretcher Road for about 1km, at Shell stretcher service station, turn right and continue for just about 50m at the turn, Henley business Park in on your right, directly opposite | Henley Business Park Kampala 0.340632, 32.616436 |

**What are the Requirements for use of DTS**

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| **Category of manufacturers/ importer** | **Requirements to use DTS** |
| Manufacturers with automated production lines | 1. Register for DTS.
2. Adjust for or make space for DTS equipment on production line if fully automated.
3. Acquire a stamp applicator, if in production of spirits or wines.
4. Provide for a line ejection functionality, if the system does not already exist on your production line. e) Provide a secure server room, if this does not already exist.
5. Provide network cabling within the factory to enable the DTS equipment on each line to transmit production data to the DTS master server in the entity’s server room.
6. Provide a broadband internet connection with a dedicated IP address to enable the DTS master server to transmit production data to the DTS central database at URA.
7. Provide a clean power source for all DTS elements (on each line and in the server room)
8. Space for secure cabinets for spare parts, tools and consumables that are required for system operation, maintenance and support.
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| Manufacturers with manual production process and importers | 1. Register for DTS.
2. Provide labour to manually affix tax stamps
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**Do Exports require DTS?**

Exports of the gazette products do not require digital tax stamps. Products for export are monitored through:

1. Counting and recording
2. Marking for Export
3. Accompanying with documentary evidence including certified copies of the customs export documents when being transported to point of exit.
4. NOT supposed to be found in the local market

**What are the Benefits of DTS?**

1. Ability to conveniently verify and trace all specified goods throughout the distribution chain
2. Make instant requests for report of one’s daily, weekly, monthly transactions
3. Improved record keeping since one can track their transactions
4. Facilitation to comply through immediate access of details of your production/imports which in turn facilitates easy processing of VAT refunds and quickens return filing
5. For importers, the system quickens customs clearing as the information would have been captured beforehand
6. Reduction in smuggling and dumping of goods hence controlling illicit trade and encouraging fair market competition

**What are the Responsibilities of different parties?**

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| **Category**  | **Responsibilities**  |
| Manufactures/ importers | If dealing in excisable goods, install the DTS on production lines |
| Consumers | Consume ONLY stamped gazetted products. This will protect them from counterfeit or hazardous products. |
| Distributor, agent or stockist | Should distribute, stock or deal in only stamped gazette products |

**What are the Penalties for non-compliance to DTS**

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| **SN** | **Offence** | **Penalty** |
| **1** | Failure to affix a stamp on gazetted goods | Penal tax equivalent to double the tax due on goods or fifty (50) million shillings, whichever is higher |
| **2** | Printing over or defacing a tax stamp affixed on gazetted goods | Penal tax equivalent to double the tax due on goods or twenty (20) million shillings, whichever is higher |
| **3** | Possession of gazetted goods on which a tax stamp is not affixed | Penal tax equivalent to double the tax due on goods or fifty (50) million shillings, whichever is higher |
| **4** | Attempting to acquire or acquire or sell a tax stamp without the authority of the Commissioner | Penalty equivalent to double the tax due on the goods or ten million shillings, whichever is higher |