**WHOLESALE AND RETAIL SECTOR**

**What is wholesale trade?**

Wholesale trade is the buying of goods in large quantities and selling them to the retailer in relatively large quantities.

Wholesalers sometimes sell goods directly to final consumer in small quantities.

**What is retail trade?**

Retail trade is the buying of goods from wholesalers or distributors and selling them to final consumers in small quantities.

*In the wholesale and retail sector, there are two categories of taxpayers.*

* *Small Business taxpayers (Presumptive) with a total annual sales between Ugx 10,000,000 and Ugx 150,000,000*
* *VAT registered taxpayers with total annual sales above Ugx 150,000,000*

**How do I register my wholesale/retail business?**

All businesses in Uganda are required to be registered with

* Uganda Registration Services Bureau (URSB) for business name
* Uganda Revenue Authority (URA) for taxes
* Local council authority e.g. KCCA, municipal council, for a trading license

**Please note:**

***You will not be issued with a trading license unless you have a TIN***

**What do I need to register for taxes?**

Click here for details on requirements for registration of your wholesale/retail business

**How do I register my wholesale/retail business for taxes?**

* You’re required to visit the URA portal on [www.ura.go.ug](http://www.ura.go.ug)
* Click here to register as an individual
* Click here to register as a non-individual

In case you cannot register online, visit the nearest URA office for assistance or call the toll-free line ***0800117000/0800217000*** or WhatsApp: ***0772140000***

**What are my rights and obligations as a taxpayer?**

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| **My rights as a taxpayer** | **My obligations as a taxpayer** |
| Right to equity and fair treatment before the law. | Ensure that you voluntarily register with Uganda Revenue Authority as a taxpayer. |
| Tax laws and procedures shall be applied consistently to you | File correct tax returns, customs entries or any forms relating to taxes and other revenue. |
| All your tax affairs shall be handled with impartiality. | Pay the correct tax at the right time and place as required by the relevant laws. |
| You and your agent(s) shall be presumed honest until proven otherwise. | Be honest when dealing with URA. |
| Your tax affairs shall be kept secret and tax information in our possession shall be used in accordance with the law. | In handling your tax matters, you and or your appointed agent(s) shall be expected to deal and cooperate only with the Authority’s authorized staff. |
| You and your authorized agent(s) shall be provided with clear, precise and timely information | Quote your Tax Identiﬁcation Number (TIN) for all dealings with URA. |
| You shall always pay the correct tax. | Do not involve yourself in any form of tax evasion and other illegal practices. |
| You will receive courteous and professional services at all times | When you are importing or exporting cargo, employ services of a licensed customs agent to complete customs entries and related clearance formalities. |
| You will receive timely, clear and accurate responses to your enquiries, complaints and requests | Make full disclosure of information and correct declaration of all transactions at all times. |
| You will be availed with reasons for any decision taken. | Let URA know if you need an interpreter. |
| You shall be sensitized about your tax obligations. | Beware of and comply with customs quarantine, wildlife, currency and passenger concession. |
| Your tax objections shall be attended to in accordance with the relevant laws & procedures. | When you are travelling, ensure that you have accurately completed all the necessary forms before you reach the arrival/departure processing point. |
| You shall be facilitated to exercise your right (s) of appeal both within the organization and to an independent tax tribunal in accordance with the law. | Declare your goods on arrival and have them ready for inspection |
| You shall be given prior notice whenever your premise(s) are to be subjected to routine inspection or if an audit is to be conducted. | Treat URA staff fairly and with respect |

**What kind of records do I have to keep?**

You need to keep records relating to all transactions in your business. It is important to always have records that are dated so that you can understand which reports relate to what period. These include;

* Income statement records
* List of receipts and payments
* Balance sheet
* Payroll for your employees
* Import schedules
* Contracts
* Bank statements
* Appointment letters
* Utility bills
* Stock records
* Asset registers
* Invoices
* Debtors and Creditors

*Please note that since we now have EFRIS, all VAT registered taxpayers are required to keep records on the EFRIS system and these are relayed to URA directly. These are in electronic format and thus less prone to destruction or loss*.

Click here to learn more about EFRIS

**What do I need to know regarding record keeping in my wholesale/retail business?**

* Keep proper records of all business transactions in the English language.
* If you wish to keep records in a different language or currency, apply in writing with clear reasons to the commissioner for permission.
* Where a record is not in English, you will be required to meet the cost of translation into English by a translator approved by the Commissioner.
* Keep records such that it is easy to determine your tax liability;
* Keep records for five years after the end of the tax period to which they relate for future reference.
* In case a record is necessary for a proceeding that started before the end of the 5-year period, you will be required to keep the record until the end of the proceedings.
* The records kept should contain sufficient transaction information and should be saved in a format that is capable of being recovered and converted to a standard understandable.