



10 Quick Facts about Stamp Duty

1. What is stamp duty?

Stamp Duty is a non- tax revenue levied on every instrument listed in schedule 2 to the Stamps Duty Act Cap. 339 that is executed or received in Uganda. Stamp duty is chargeable on all instruments in the schedule 2 to the stamp duty Act that is executed or received in Uganda. Instruments are defined as "every document by which any right or liability is or purports to be created, transferred, limited, extended, extinguished or recorded".

2. Who pays it?

Stamp Duty is paid by the person drawing, making or executing the instrument. Here the term "executing" means "signing". The following instruments are some of those which pay stamp duty

SN	Instrument	Amount paid
1.	Acknowledgement of a debt exceeding shs.100,000	NIL
2.	a) Administration bond	15,000/=
	b) Customs bonds – of the total value	0.05%
3.	ADOPTION DEED	15,000/=
4.	AFFIDAVIT including an affirmation or declaration	
5.	AGREEMENT or MEMORANDUM of an agreement except a sale-based financing agreement between the vendor or borrower and a person licensed to carry on Islamic financial business	
6.	AGREEMENT relating to deposit of title – deeds, pawn pledge – of the total value	NIL
7.	APPOINTMENT IN EXECUTION of a power, whether of trustees or of property	15,000/=
8.	APPRENTICESHIP DEED	
9.	ARTICLES OF ASSOCIATION OF A COMPANY except the articles of association of a special purpose vehicle incorporated for the purpose of issuing or purchasing an Islamic bond.	
10.	AWARD by arbitrator or umpire	
11.	BILL OF EXCHANGE not being a bond, bank note or currency point	

12.	BILL OF LADING (including a thorough bill of lading)	NIL
13.	BILL OF SALE	15,000/=
14.	BOND(not being a debenture)	
15.	CANCELLATION – instrument of	
16.	CAVEAT(under the Registration of Titles Act or any other law relating to the registration of title to land)	
17.	CERTIFICATE OF SALE (in respect of each property put up as a separate lot and sold)	
18.	CHEQUE	NIL
19.	COUNTERFEIT OR DUPLICATE of an instrument chargeable with duty and in respect of which the property duty has been paid.	15,000/=
20.	DIVORCE- (any instrument by which any person effects the dissolution of marriage)	15,000/=
21.	Bank guarantees, insurance performance bonds, indemnity bonds and similar debt instruments	100,000/=
22.	LEASE – of the total value	1%
23.	POWER OF ATTORNEY	15,000/=
24.	PROMISSORY NOTE	
25.	PROTEST OF BILL OR NOTE – any declaration in writing made by a Notary Public, attesting the dishonor of a bill of exchange or promissory note	
26.	SHIPPING ORDER – for or relating to the conveyance of goods on board any vessel	

Note: For more rates on Stamp duty instruments, please check out schedule 2 of the Stamp Duty Act Cap. 339

3. How easy is it to collect it given that many people who should be paying it are informal (land brokers, landlords, loan sharks, individual contractors, etc.)

Where executed Instruments are to be registered or acted upon by a Public office or officer like the registrar of Titles in Ministry of Lands and Urban Development, and Uganda Registration Services Bureau, these entities require payment of stamp duty before acting on the instruments. However, where instruments are executed between individuals or non-individuals and are for in house use, collection of stamp duty is not easy in this scenario.

4. Who is required to have stamp duty?

Section 3 of the Stamps Duty Act levies stamp duty on the instruments in the schedule 2 of Stamp Duty Act Cap. 2014 that is executed or received in Uganda. The person drawing or making the instruments is required to pay Stamp duty.

5. Who registers for stamp duty?

For one to pay stamp duty, they do not need to be register for it.

Every person who has executed or received any instrument in Schedule 2 of the Stamp Duty Act 2014 as amended is required to declare and pay stamp duty.

6. How much time is given within which to get a stamp duty?

Stamp duty is payable on all the instruments **executed or received in Uganda** within 45 and 30 days respectively as provided for under **sections 13 and 14**.



7. Which transactions or agreements are exempted from stamp duty?

Agreements executed by Government and Public International institutions under the second schedule of the VAT Act and Income Tax Act plus instruments where exemptions are obtained from the Minister of Finance.

8. Does non-payment of the stamp duty make the document null and void?

Non-payment of Stamp does not make an instrument null and void; however, it renders the instrument inadmissible as evidence in Commercial courts of Law.

9. Is there a minimum threshold for stamp duty?

There is no threshold for Stamp Duty since it is charged on every instrument that is executed or received in Uganda.

10. What happens if stamp duty is not paid?

There is a penalty of UGX.2million or 6 months' imprisonment on conviction or both for executing an instrument without payment of proper duty.

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