

HOW DOES ONE START?

Q Dear Commissioner, What guidance or support does Uganda Revenue Authority (URA) provide to first-time entrepreneurs to help them understand tax registration, filing obligations and compliance requirements?

A Dear Reader,

As a new taxpayer, you may access any URA service centre for guidance regarding your rights and obligations. At our offices, you will be able to have onboarding sessions that are intended to support taxpayers in complying with their obligations, including how to register, update registration details, file returns and pay taxes.

The URA is pleased to announce the upcoming opening of a taxpayer support centre located on the ground floor of Pearl Towers in Kampala. This centre will provide taxpayers with a dedicated space to resolve tax-related issues with the assistance of our standby officers. We invite all taxpayers to visit the centre for any support needed. Furthermore, URA is planning to establish an additional service centre in Kampala city centre to enhance accessibility and service delivery. In addition, our tax education team is readily available to support all taxpayers through training sessions and the provision of tax literature. Weekly training sessions are conducted at URA Service Centre, Ham Towers – Tuesdays for domestic taxes and Thursdays for customs, from 10.00am to 12.00pm.

Key learning areas for domestic taxes include:

- Keeping proper business records
- Filing returns
- Payment of taxes
- Updating registration details
- Due dates for filing returns and payment of taxes
- How to avoid penalties and interest on late payments

Please note that tax education literature can be accessed on the URA web portal (www.ura.go.ug) under Tax Education. Below the login option, use the language option to choose a language in which you would like to read the material. For further information, do not hesitate to reach out to us via <https://touchpoint.ura.go.ug/> or on our toll-free number 0800217000 or WhatsApp on 0772140000.

Is URA's online system improving?

Q Dear Commissioner, With the increasing use of URA's digital platforms, what upgrades or improvements are planned to make tax filing, payments and account management easier for taxpayers?

A Dear Reader,

URA has continuously made system upgrades to improve service delivery. For instance, the Local Excise Duty, Rental Income Tax and Value Added Tax returns are now web-based. These have been migrated from the previous excel forms, which has simplified the filing process.

URA has diversified its payment platforms to include over-the-counter payments, electronic funds transfer, VISA card services, real time gross settlement and the use of USSD code *285# for MTN.



ASK URA COMMISSIONER GENERAL

Every Thursday, the Uganda Revenue Authority (URA) Commissioner General, John Musinguzi Rujoki, answers your questions.



SEND YOUR QUESTIONS TO

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How do informal businesses go formal?

Q Dear Commissioner, Many small businesses operate informally before formal registration. How does URA encourage these entrepreneurs to formalise while ensuring that compliance requirements remain manageable?

A Dear Reader,

URA collaborates with other government agencies, including the Uganda Registration Services Bureau, Kampala Capital City Authority, Uganda Investment Authority and the Ministry of Local Government, through the Taxpayer Register Expansion Programme) to provide a one-stop centre with the aim of supporting business formalisation.

The law provides for a three-year tax incentive (income tax exemption) for anyone who registers their business after July 1, 2025. URA encourages taxpayers to register their businesses and benefit from this income tax exemption.

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Does NIN replace TIN?

Q Dear Commissioner, What is the role of a National Identification Number (NIN) in tax registration, and can individuals obtain a Tax Identification Number (TIN) even if they are running a small or early-stage business?

A Dear Reader,

The NIN, issued by the National Identification Registration Authority, is a unique identifier that will be used to identify individual taxpayers who are citizens of Uganda. It will replace the Tax Identification Number (TIN), which is currently in use.

Every person liable to pay tax under a tax law is required to apply to the Commissioner General for registration. Upon registration, the Commissioner General shall issue a TIN to each person registered.

Therefore, every person with a business, whether small or at an early stage, is required to register for taxes and will be issued with a unique identifier (TIN).

How does URA handle tax policy?

Q Dear Commissioner, How does URA collaborate with business associations and chambers of commerce to address tax policy concerns and improve compliance within the private sector?

A Dear Reader,

The Ministry of Finance, Planning and Economic Development is the tax policy arm of government, and Parliament is the legislature. URA's mandate in tax policy is advisory in nature. The finance minister may require the Commissioner General to provide input regarding policies that government is introducing or removing, their revenue implications and the impact of the proposed policy changes on tax administration.

During the policy cycle, the ministry receives policy proposals from different associations and government agencies and, in conjunction with URA, engages stakeholders on the proposed policies.

URA also engages stakeholders such as tax consultants and professional associations, and analyses their proposals for further discussion with the finance ministry. In addition, URA participates in various budget breakfasts organised by the private sector, including those held by UMA, the American Chamber of Commerce and audit firms.

What taxes apply on property?

Q Dear Commissioner, When purchasing apartments or other real estate properties, what taxes are applicable in Uganda, and under what circumstances would (VAT) apply?

A Dear Reader,

When purchasing an apartment or other real estate property, different taxes may be applicable, including the following:

- The purchaser will be required to withhold tax at a rate of 6% where the seller is a resident person, or 10% where the seller is a non-resident
- The seller will be required to account for capital gains tax on the disposal
- VAT is applicable where the property is a serviced apartment or a commercial building

In addition, a person who earns rental income is required to account for rental income tax, and where the property is a serviced apartment or a commercial building, VAT shall be applicable where the rental income earned by the person meets the VAT registration threshold of sh750m per annum.

