

**ACTS SUPPLEMENT**

*to The Uganda Gazette No. 71 Volume XCVIX dated 8th December, 2006.*

Printed by UPPC, Entebbe, by Order of the Government.

---

---

**Act 31**                      *Value Added Tax (Amendment) Act*                      **2006**

THE VALUE ADDED TAX (AMENDMENT) ACT, 2006

---

ARRANGEMENT OF SECTIONS

*Section*

1. Commencement.
2. Amendment of section 1 of the principal Act.
3. Amendment of section 18 of the principal Act.
4. Amendment of section 33B of the principal Act.
5. Amendment of section 40 of the principal Act.
6. Amendment of the Second Schedule to the principal Act.
7. Amendment of the Third Schedule to the principal Act.

**THE VALUE ADDED TAX (AMENDMENT) ACT 2006**

**An Act to amend the Value Added Tax Act to vary the period within which a tax payer may lodge an objection to an assessment; to add foreign currency sales and purchases to the list of exempted supplies; to redefine services which are treated as exported from Uganda for the purposes of zero – rated supplies and for related matters.**

DATE OF ASSENT: 2nd December, 2006.

*Date of Commencement:* 1st July, 2006.

BE IT ENACTED by Parliament as follows:

**1. Commencement**

This Act shall come into force on 1st July, 2006.

**2. Amendment of section 1 of the principal Act**

Section 1 of the Value Added Tax Act, in this Act referred to as the principal Act is amended by substituting for paragraph (p) the following—

“(p) “person” includes an individual, a partnership, company, trust, government and any public or local authority.”

**3. Amendment of section 18 of the principal Act**

Section 18 of the principal Act is amended by substituting for subsection (9) the following—

“(9) Subject to section 19 and the Second Schedule, the sale or disposal of a business asset by a taxable person is a taxable supply.”

#### **4. Amendment of section 33B of the principal Act**

Section 33B of the principal Act is amended—

(a) by substituting for subsection (1) the following—

“(1) A person who is dissatisfied with an assessment may within forty five days after receipt of the notice of assessment decision, lodge an objection to the Commissioner General.”

(b) by substituting for subsection (6) the following—

“(6) Where the Commissioner General has not made a decision within thirty days after the lodging of an objection, the taxpayer may by notice in writing to the Commissioner General, elect to treat the Commissioner General as having made the decision to allow the objection.”

(c) by inserting immediately after subsection (6) the following—

“(7) Where a taxpayer makes an election under subsection (6), the taxpayer is treated as having been served with a notice of the objection decision on the date the taxpayer’s election was lodged with the Commissioner General.”

#### **5. Amendment of section 40 of the principal Act**

Section 40 of the principal Act is amended by inserting immediately after subsection (4) the following—

“(5) An amount due under this section is treated for all purposes as if it were a tax due under this Act from the person making the payment.”

#### **6. Amendment of the Second Schedule to the principal Act**

The Second Schedule to the principal Act is amended—

(a) by substituting for subparagraph 1(t) the following—

“(t) the supply of photosensitive semiconductor devices, including photovoltaic devices, whether or not assembled in modules or made into panels; light emitting diodes; solar water heaters, solar refrigerators and solar cookers”;

(b) by substituting for paragraph 1(z) the following—

“(z) the supply of insecticides and acaricides”;

(c) by substituting for paragraph 1(aa) the following—

“(aa) the supply of feasibility studies, engineering designs and consultancy services and civil works related to roads and bridges construction and water works”;

(d) by inserting immediately after paragraph 1(aa) the following—

“(bb) the supply of contraceptive sheaths and examination gloves;

(cc) the supply of Liquefied Petroleum Gas”;

(e) by substituting for paragraph 2(b)(ii) the following—

“(ii) transactions concerning deposit and current accounts, payments, transfers, debts, foreign currency sales and purchases, cheques, and negotiable instruments, other than debt collection and factoring”.

## **7. Amendment of the Third Schedule to the principal Act**

The Third Schedule to the principal Act is amended by substituting for paragraph 2(b) the following—

“(b) in the case of services, the services were supplied by a person engaged exclusively in handling of goods for export at a port of exit or were supplied for use or consumption outside Uganda as evidenced by documentary proof acceptable to the Commissioner-General”.

**BILLS SUPPLEMENT**

*to the Uganda Gazette No. 39 Volume XCVIX dated 30th June, 2006.*

Printed by UPPC, Entebbe by Order of the Government.

---

---

**Bill No. 12**                      *Value Added Tax (Amendment) Bill*                      **2006**

**THE VALUE ADDED TAX (AMENDMENT) BILL 2006.**

**MEMORANDUM.**

The object of this Bill is to vary the period within which a tax payer may lodge an objection, to amend the exempt and zero rated Schedules and to make miscellaneous amendments to the Value Added Tax Act.

**DR. EZRA SURUMA,**  
*Minister of Finance, Planning and Economic Development.*