

THE INCOME TAX (AMENDMENT) BILL, 2005

ARRANGEMENT OF CLAUSES

Clause

1. Short title and commencement
2. Amendment of section 2
3. Amendment of section 21

A Bill for An Act

ENTITLED

THE INCOME TAX (AMENDMENT) ACT, 2005

An Act to amend the Income Tax Act, Cap. 340 in order to provide for the tax treatment of collective investment schemes and interest earned by financial institutions on certain loans.

BE IT ENACTED by Parliament as follows:

1. Short title and commencement

This Act may be cited as the Income Tax (Amendment) Act, 2005 and shall come into force on 1st July, 2005.

2. Amendment of section 2

Section 2 of the Income Tax Act is amended by inserting immediately after the definition of “chargeable trust income” the following new definition—

“collective investment scheme” has the meaning assigned to it by section 3 of the Collective Investment Schemes Act, 2003;”(Act No. 4 of 2003)”.

3. Amendment of section 21

Section 21 of the Income Tax Act is amended in subsection (1) by inserting immediately after paragraph (s) the following—

"(t) income of a collective investment scheme to the extent of which the income is distributed to participants in the collective investment scheme;

(u) interest earned by a financial institution on a loan granted to any person for the purpose of farming, forestry, fish farming, bee keeping, animal and poultry husbandry or similar operations.”

BILLS

SUPPLEMENT No. 10

8th June, 2005.

BILLS SUPPLEMENT

to the Uganda Gazette No. 31 Volume XCVIII dated 8th June, 2005.

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Bill No. 14

Income Tax (Amendment) Bill 2005

THE INCOME TAX (AMENDMENT) BILL, 2005.

MEMORANDUM.

The object of this Bill is to provide for the tax treatment of collective investment schemes and interest earned by financial institutions on certain loans.

DR. E. SURUMA,

Minister of Finance, Planning and Economic Development.