

13th June 2003

THE VALUE ADDED TAX (AMENDMENT) BILL, 2003

MEMORANDUM

The object of this Bill is to make miscellaneous amendments to the Value Added Tax Statute, 1996, Statute No. 8 of 1996.

GERALD M. SSENDAULA
Minister of Finance, Planning and Economic Development.

A BILL for an Act

ENTITLED

THE VALUE ADDED TAX (AMENDMENT) ACT, 2003

An Act to amend the Value Added Tax Statute 1996.

BE IT ENACTED by Parliament as follows-

Short title and commencement.

1. (1) This Act may be cited as the Value Added Tax (Amendment) Act, 2003.

(2). This Act shall come into force on 1st July, 2003.

Substitution of section 19 the principal Act

2 Section 19 of the Value Added Tax Statute 1996, in this Act referred to as the principal Act, is amended by inserting immediately after subsection (7) the following new subsection –

"(8). Subject to section 20 and Schedule II, the sale or disposal of a business asset is a taxable supply.". **What about current (8)?**

Amendment of section 34C

3. Section 34C of the principal Act is amended in subsection (1) by substituting for "forty five days", "thirty days".

Amendment of section 41 of the principal Act

4. Section 41 of the principal Act is amended by inserting immediately after section (5), the following new subsection-

“(6) The Minister may, by regulations, prescribe the terms and conditions of payment of tax on plant and machinery.”.

Amendment of Schedule 1 to the principal Act

5. Schedule 1 to the principal Act is amended by inserting immediately after "African Development Foundation" the following items-

”Aga Khan Development Network (Uganda) and its agencies”;

”International Organisation for Migration”; and

“Icelandic International Development Agency (ICEIDA)”.

Amendment of Schedule II to the principal Act

6. Schedule II to the principal Act is amended-

(a) by substituting for subparagraph (u) the following subparagraph-

“(u) the supply of accommodation in tourist lodges and hotels outside Kampala and Entebbe”; and

(b) by inserting immediately after subparagraph (v), the following new subparagraphs-

"(w) the supply of computer software;

(x) the supply of lifejackets and headgear; and

(y) the supply of mobile toilets and ecological toilets made from polyethylene.”.