

Cabinet sitting on 16th July 2018 at state house Entebbe under the Chairmanship of H.E President Yoweri Museveni approved the Amendment of the Excise Duty Act 2015.

This Amendment will cause the reduction of tax on the value of Mobile Money from 1% to 0.5% on withdrawal only. This means there will be no tax on sending or receiving money and on mobile money transactions which don't involve withdrawals such as paying bills or sending the money you received to others. This is expected to encourage cashless transactions and bring Uganda international best practices.

Cabinet also made several decisions on a number of issues as stated below.

1. (a) Approved the Ratification of the International Maritime Organization (IMO) Conventions and respective Amendments. This will help Uganda to:

(i) Eradicate use of sub-standard ships operating to transport passengers;
(ii) Less Maritime casualties as a result of use of substandard Vessels and unqualified crews/seafares;

(iii) Pollution prevention from use of transport vessels;

(iv) Improved Maritime security

(v) Development of Ports and Landing site facilities hence Improving trade;

(b) Authorized the Minister of Foreign Affairs to sign, seal and Deposit the Instruments of Ratification of the IMO conventions and the respective Amendments and Protocols.

2. Approved the Physical Planning (Amendment), Bill 2018. When the law is enacted and enforced, the following benefits Will be achieved;

(i) Clear composition of the Board Members who will Steer and provide clear strategic guidance on Physical Planning in the Country;

(ii) The Board will have clear functions and powers to Implement and enforce its decisions hence making it More effective and recognized;

(iii) Key players in Physical Planning and Urban Development will be made more responsible and accountable for their conduct/behavior;

(iv) Local Government Accounting Officers/ Urban Managers will be compelled to maintain their respective areas as per the set Urban and Physical Planning Standards and Guidelines including painting, greening, paving and street naming among others.

3. Approved the Amendment of the Excise Duty Act, 2015 and directed the Minister of Finance, Planning and Economic Development in consultation with the Attorney General to Prepare an Excise Duty (Amendment) Bill, 2018 to be laid before Parliament by Thursday 19th July, 2018. The Amendments include;

(i) The reduction of the tax payable on the value of Mobile Money transactions from 1% to 0.5% on withdrawals only.

(ii) The implementation of the Excise Duty on OTT at 200 Shillings per day of access will continue, and that further Improvements to the payment options will be discussed With the Telecom Companies.

4. Approved the Amendment of clause 4 of the African Export–Import (Implementation) Bill, 2018 to apply the immunities and Privileges as set out in the Agreement for the establishment of The African Export-Import Bank to all employees and staff of The Bank including the immunity from all legal process for Uganda citizens and persons ordinarily resident in Uganda. That however, if the staff commit crimes, the immunity would be cancelled in line with the provisions of the Diplomatic Privileges Act.

5. Noted that Uganda would host the 3rd World University Netball Championships scheduled for 17th–21st September 2018, at Makerere University Kampala.

Thank you,

July 17, 2018

Frank K Tumwebaze, MP

MINISTER OF ICT & NATIONAL GUIDANCE/CABINET

SPOKESPERSON