

Act 4 *Value Added Tax (Amendment) Act* **2005**

THE VALUE ADDED TAX (AMENDMENT) ACT 2005.

ARRANGEMENT OF SECTIONS.

Section.

1. Short title and commencement.
2. Amendment of section 20.
3. Amendment of First Schedule.
4. Amendment of Second Schedule.

THE VALUE ADDED TAX (AMENDMENT) ACT, 2005.**An Act to amend the Value Added Tax Act.**

DATE OF ASSENT: 11th December, 2004.

Date of Commencement: See section 1(2).

Be it enacted by Parliament as follows:

1. Short title and commencement.

- (1) This Act may be cited as the Value Added Tax (Amendment) Act, 2005.
- (2) This Act shall come into force on 1st July, 2004.

2. Amendment of section 20.

The Value Added Tax Act, in this Act referred to as the principal Act, is amended by substituting for section 20 the following-

"Exempt import

20. An import of goods is an exempt import if the goods-

- (a) are exempt from customs duty under the general and conditional exemptions of the customs law; or
- (b) would be exempt had they been supplied in Uganda"

3. Amendment of First Schedule.

The First Schedule to the principal Act is amended by inserting

immediately after "The Nile Basin Initiative" the following items-
"African Development Bank"

"East African Community and its agencies"

4. Amendment of Second Schedule.

The Second Schedule to the principal Act is amended in paragraph 1 by-

(a) substituting for subparagraph (v) the following subparagraph-

"(v) The supply of computers, printers, parts and accessories falling under headings 84.71 and 84.73 of the harmonised coding system of the customs law;"

(b) inserting immediately after subparagraph (z) the following new subparagraph-

"(aa) the supply of feasibility studies, engineering designs and consultancy services and civil works related to roads and bridges' construction."

S T A T U T O R Y I N S T R U M E N T S

2005 No. 51.

The Value Added Tax (Rate of Tax) Order, 2005.

Under section 78 (2) of the Value Added Tax Act, Cap.349)

IN EXERCISE of the powers conferred upon the Minister by section 78 (2) of the Value Added Tax Act, this Order is made this 8th day of June, 2005.

1. This Order may be cited as the Value Added Tax (Rate Title of Tax) Order, 2005.

2. This Order shall come into force on 1st July, 2005.

3. The rate of tax for-

**Commence-
ment**

(a) every taxable

Rate of tax

supply made in Uganda by a taxable person;

(b) every import of goods other than an exempt import; and

(c) the supply of any imported services by any person,

is 18% of the taxable value as defined in sections 21 and 23 of the Act.

4. The rate of tax prescribed in paragraph 3 does not apply to taxable supplies specified in the Third Schedule of the Act, relating to zero-rated supplies.

**Rate of tax
not to
apply to
zerorated
goods**

DR. E. SURUMA,

Minister of Finance, Planning and Economic Development.