

## **CHAPTER 187**

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##### Section

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## **CHAPTER 187**

### **THE FINANCE ACT (No. 1), 1999.**

*Commencement:* 12 June, 1998.

**An Act to provide for the alteration of rates of certain taxes and duties and to amend certain written laws relating to those taxes and duties, and for other connected purposes.**

#### **PART I—AMENDMENTS TO THE EAST AFRICAN CUSTOMS AND TRANSFER TAX MANAGEMENT ACT.**

##### **1. Construction of Part I.**

This Part of this Act shall be read as one with the East African Customs and Transfer Tax Management Act, in this part referred to as the Act.

##### **2. Amendment to section 52.**

The Act is amended in section 52 by substituting for the expression beginning “or to a fine not exceeding” up to the end of the section, the following—

“or a fine equal to ten percent of the CIF value of the goods.”.

##### **3. Amendment to section 55.**

The Act is amended in section 55 by adding a new subsection (4) as follows—

“(4) Any warehouse keeper who takes, substitutes, causes or permits any goods to be substituted shall be guilty of an offence and shall be liable to fine of ten percent of the CIF value of the goods substituted or taken.”.

##### **4. Amendment to section 56.**

The Act is amended in section 56(3) by substituting for the expression beginning “or to a fine not exceeding” up to the end of the section, the following—

“or a fine equal to ten percent of the CIF value of the goods.”.

**5. Amendment to section 58.**

The Act is amended in section 58(2) by substituting for the fine therein, the following—

“of ten percent of the CIF value.”.

**6. Amendment to section 93.**

The Act is amended in section 93(2) by substituting for the fine, a fine of “one million shillings”.

**7. Amendment to section 147.**

The Act is amended in section 147 by substituting for the fine therein, a fine “equal to ten percent of the CIF value of the goods or to three times the duty and taxes, whichever is greater”.

**8. Amendment to section 174.**

. The Act is amended in section 174(1) by substituting for the value to be condemned “fifty million shillings”.

**PART II—MISCELLANEOUS PROVISIONS.**

**9. Reward to persons or officer relating to tax or duty.**

The Commissioner General shall reward any person who provides information leading to recovery of tax or who seizes any goods or by whose aid goods are seized under any law relating to tax or duty, with a reward of 10 percent of the tax recovered.

**10. Drawback of import duty, etc.**

(1) Subject to this section, drawback of import duty and excise duty and import commission may, on exportation or the fulfillment of such conditions as may be prescribed by the Commissioner General, be allowed in respect of goods or amount, and on such conditions, as may be prescribed

by the Commissioner General.

(2) Where the owner of any goods claims, or proposes to claim, drawback in respect of the goods, then, as a condition to the grant of the drawback the owner shall—

- (a) enter the goods in the prescribed form and in the prescribed manner and produce the goods for examination by the proper officer before their exportation or the performance of the conditions on which drawback is allowed;
- (b) make and subscribe a declaration on the prescribed form to the effect that the conditions under which drawback may be allowed have been fulfilled and, in the case of goods exported or put on board any aircraft or vessel for use as stores— (i) that the goods have actually been exported or put on board for use as stores, as the case may be; (ii) that goods have not been reimported and are not intended to be reimported into Uganda; and (iii) that the owner at the time of the entry of the goods for drawback was, and continues to be, entitled to drawback; and
- (c) present the claim for drawback within three months from the date of the exportation of the goods or the performance of the conditions on which drawback may be allowed.

- (3) Drawback shall not be allowed in respect of any goods where—
  - (a) the value of the goods for home consumption is less than the amount of the drawback which may be allowed;
  - (b) the import duties and commission on them are less than five hundred thousand shillings.

(4) Where the proper officer is satisfied that any goods under drawback, after being duly put on board any aircraft or vessel for exportation or for use as stores—

- (a) have been destroyed by accident on board such aircraft or vessel; or
- (b) have been materially damaged on board such aircraft and that the goods have, with the permission of the proper officer, been discharged at any port or place within Uganda and abandoned to the customs,

then drawback may be allowed in respect of such goods as if the goods had actually been exported or used as stores.

**History:** Act 1/1999; Act 7/1999, ss. 18, 21.

**Cross Reference**

East African Customs and Transfer Tax Management Act, Laws of the Community, 1970 Revision, Cap. 27.