CHAPTER 182

THE FINANCE ACT (No. 1), 1994.

Arrangement of Sections.

Section

CHAPTER 182 THE FINANCE

ACT (No. 1), 1994.

Commencement: 1 July, 1993.

An Act to provide for the alteration of certain taxes and duties and for other purposes connected with the above.

1. Commissioner to detain goods.

(1) The Commissioner General may, where he or she deems appropriate for the protection of Government revenue, detain any goods chargeable with duty or tax upon its value and shall notify the owner of the goods in writing of the detention of the goods.

(2) The Commissioner General may, within fourteen days after the detention of the goods under subsection (1)—

(a) permit the goods to be delivered to the owner after ascertaining that the value declared correctly allows the goods to be entered;

(b) permit the owner on his or her application to enter the goods according to value and terms that the Commissioner General may determine.

(3) Where subsection (2) is not applied in relation to detained goods or where the owner of the goods fails to comply with the terms directed by the Commissioner General within ten days of the direction, the Commissioner General may purchase and the owner shall sell the goods to the Commissioner General at the declared value plus 10 percent of the value and any duties already paid by the owner.

(4) Goods purchased under subsection (3) shall be sold or dealt with in a manner that the Commissioner General may direct; and if the proceeds of the sale exceed the amount paid to the owner under subsection (3) plus the expenses of the sale, the surplus shall be applied to the Consolidated Fund.

2. Power to require giving of security.

The Commissioner General may require any person to give security for the due compliance by that person with any law relating to customs duty, excise duty and sales tax hereafter referred to as the relevant law and generally for the protection of revenue; and, pending the giving of such security in relation to any goods subject to customs control, the Commissioner General may refuse to permit delivery or exportation of the goods or to pass any entry in relation to the goods or to issue any excise or manufacturing licence.

3. General provisions relating to giving of security.

(1) Where any security is required to be given under any relevant law, then the security may be given to the satisfaction of the Commissioner General either—

(a) by bond, in such sum and subject to such conditions and with such sureties as the Commissioner General may reasonably require;

(b) by cash deposit;

(c) by bank guarantee; or

(d) partly by bond and partly by cash deposit.

(2) Where any security is required to be given under any relevant law for any particular purpose, then the security may, with the approval of the Commissioner General, be given to cover any other transaction which the person giving the security may enter into within such period as the Commissioner General may approve and shall bind the subscribers thereto jointly and severally for the full amount.

(3) A bond required to be given under any relevant law shall be so framed that the person giving the bond, and any surety to it, is bound to the Commissioner General by that name for the due performance of the conditions of the bond; and that bond may, unless sooner discharged by the due performance of its conditions, be discharged by the Commissioner General on the expiration of three years from the date of the bond, but without prejudice to the right of the Commissioner General to require fresh security.

(4) Where a bond given under any relevant law is discharged, then the Commissioner General shall cause the bond to be cancelled and an endorsement to that effect made on the bond.

(5) A bond given under any relevant law shall, notwithstanding that the bond or any surety to it is given by a person under the age of eighteen years, be valid and enforceable as if it were so given by a person of full age.

4. Provisions relating to sureties.

(1) Without prejudice to any rights of a surety to a bond given under any relevant law against the person for whom he or she is surety, a surety shall for the purposes of any bond be deemed to be the principal debtor and accordingly the surety shall not be discharged, nor his or her liability affected, by the giving of time for payment, or by the omission to enforce the bond for breach of any condition of the bond, or by any other act or omission which would not have discharged the bond if he or she had been the principal debtor.

(2) If a person being a surety—

(a) dies;

(b) becomes a bankrupt or enters into any arrangement or composition with, or for the benefit of his or her creditors; or

(c) departs from Uganda without leaving sufficient property in Uganda to satisfy the whole amount of the bond,

the Commissioner General may require the person giving the bond to enter into fresh security.

5. Enforcement of bond.

(1) Where the conditions of any bond have not been complied with, the Uganda Revenue Authority may take legal proceedings for the enforcement of the conditions.

(2) Where legal proceedings are taken, then production of the bond shall, without further proof, entitle the Uganda Revenue Authority to judgement for the stated liability unless a person against whom the proceedings are taken satisfies all the conditions of the bond, or proves that the bond or surety was not executed by him or her, or that he or she has been released from the provisions of the bond or surety, or that he or she has already made satisfaction for the full amount of the bond or surety.

6. Abolition of exemptions.

(1) Exemptions of excise duty, import duty and sales tax, except those provided under other Acts, are abolished.

(2) Any items exempted from excise duty, import duty and sales tax will not be liable to import licence commission.

History: Statute 9/1994; Statute 17/1994, s. 33; Statute 9/1996, ss. 21, 27; Act 2/1998, s. 14; Act 1/1999, s. 23.