UGANDA BUDGET HIGHLIGHTS
2020 – 2021

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

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ECONOMIC PERFORMANCE IN 2019

GLOBAL ECONOMIC HIGHLIGHTS 2019

- Global economic growth declined to 2.9% in 2019, down from 3.6% in 2018. Trade policy uncertainty, geopolitical tensions and idiosyncratic stress in key emerging market economies continued to weigh on global economic activity – especially manufacturing and trade.
- The COVID-19 pandemic is inflicting damage across global economies as lockdowns and widespread closures stifle economic activity. As a result of the pandemic, the global economy is projected to contract by 3% in 2020, which is significantly higher than the 0.1% contraction experienced during the 2008-09 financial crisis. This estimate is a downgrade of 6.3% from January 2020.
- In the best case scenario, which assumes the pandemic fades in the second half of 2020 and containment efforts are gradually unwound, the International Monetary Fund (IMF) expects global economic growth to rebound to 5.8% in 2021.
- Advanced economies – where several countries are experiencing widespread outbreaks – are expected to contract 6.1% in 2020. In parts of Europe and the USA, the outbreak has been as severe as in China Hubei province and lockdowns and restrictions on mobility are exacting a toll on economic activity.
- Emerging and developing markets face a health crisis from the pandemic in addition to severe demand shock, tightening in global financial conditions and a plunge in commodity prices. Emerging market and developing economies (excluding China) are expected to contract by 2.2% in 2020. This growth rate has been marked down by 5.8% relative to IMF's January 2020 projections.
- Growth in the Euro Area declined from 1.9% in 2018 to 1.2% in 2019. IMF estimates show that growth is expected to decline to 7.5% in 2020 before recovering 4.7% in 2021.
- Economic growth in the USA declined to 2.3% in 2019 from 2.9% in 2018. The world's largest economy is expected to contract 5.9% in 2020 before recovering 4.7% in 2021.
- China's economy grew 6.1% in 2019, the slowest rate of economic growth since 1990. The economy is expected to grow by a paltry 1.2% in 2020 before rebounding 9.2% in 2021.
- Global growth is expected to rebound to 5.8% in 2021, well above the long-term trend, reflecting the normalization of economic activity from the low levels seen in 2020. The advanced economy group is forecast to grow at 4.5% in 2021, while growth for the emerging market and developing economy is forecast at 6.6%.
- The projected rebound in 2021 depends critically on the pandemic fading in the second half of 2020, allowing containment efforts to be gradually scaled back and restoring consumer and investor confidence. Nonetheless, IMF estimates show that the level of estimated GDP at the end of 2021 in both advanced and emerging market and developing economies is expected to remain below the pre-virus baseline, highlighting the long-term effects of the pandemic.

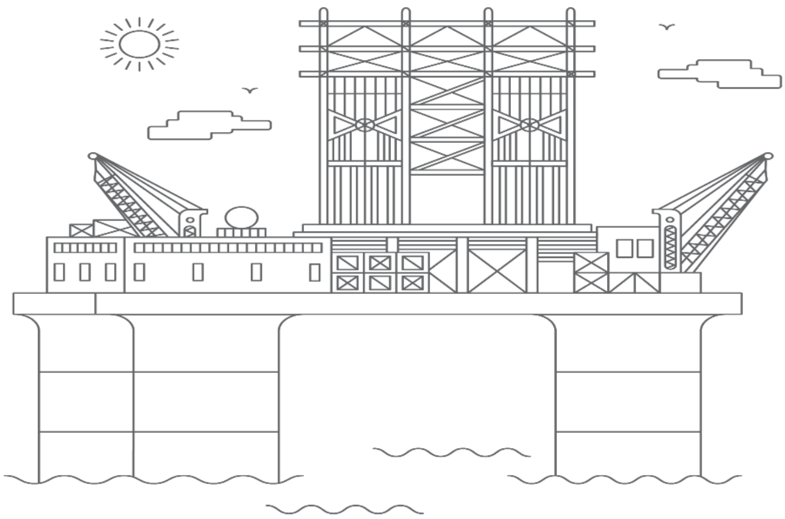
Real GDP growth in %

	2016	2017	2018	2019	2020*	2021*
World	3.4	3.9	3.6	2.9	-3.0	5.8
Japan	0.5	2.2	0.3	0.7	-5.2	3.0
UK	1.9	1.9	1.3	1.4	-6.5	4.0
USA	1.6	2.4	2.9	2.3	-5.9	4.7
Euro Area	1.9	2.5	1.9	1.2	-7.5	4.7
China	6.8	6.9	6.7	6.1	1.2	9.2
India	8.3	7.0	6.1	4.2	1.9	7.4

*FORECAST
SOURCE: WORLD ECONOMIC OUTLOOK, IMF, APRIL 2019, NATIONAL TREASURY (KENYA)

SUB-SAHARAN & MIDDLE EAST ECONOMIC HIGHLIGHTS

- Real GDP growth in the East African Community (EAC) declined to 5.9% in 2019 from 6.6% in 2018, with a deceleration recorded across all countries in the bloc.
- Rwanda recorded the highest real GDP growth rate of 10.1% in 2019, supported by strong growth in the private sector and increase in infrastructure expenditure.
- In Uganda, real GDP growth declined to 4.9% in 2019 from 6.1% in 2018, while Tanzania registered real GDP growth of 6.3% in 2019, down from 7.0% in 2018.
- The COVID-19 pandemic has set-off the first recession in Sub-Saharan Africa in 25 years with the region's economy expected to contract by 1.6% in 2020, the worst reading on record. The World Bank estimates that the pandemic will cost the region between $37 and $79 billion in estimated output losses in 2020, through a reduction in agriculture productivity, weakening supply chains, increasing trade tensions and exacerbating political and regulatory uncertainty.
- IMF forecasts expect regional economic growth to bounce back 4.1% in 2021. However, this is subject to the depth of the slowdown in 2020. The speed of the recovery will depend on several factors, including how the pandemic interacts with weak health systems, the effectiveness of national containment efforts and level of support from the international community.
- The coronavirus is expected to hit the region's two largest economies —Nigeria (-3.4%) and South Africa (-5.8%) — in a context of persistently weak growth and investment. South Africa has the largest number of confirmed cases in the region, and strict measures to contain and mitigate the spread of the virus are weighing on the economy.



Real GDP growth in %

	2016	2017	2018	2019	2020*	2021*
Sub-Saharan Africa	**1.4**	**3.0**	**3.3**	**3.1**	**-1.6**	**4.1**
Nigeria	-1.6	0.8	1.9	2.2	-3.4	2.4
South Africa	0.4	1.4	0.8	0.2	-5.8	4.0
Kenya	5.9	4.9	6.3	5.6	1.0	6.1
Tanzania	6.9	6.8	7.0	6.3	2.0	4.6
Ethiopia	8.0	10.2	7.7	9.0	3.2	4.3
Uganda	**2.3**	**5.0**	**6.3**	**4.9**	**3.1**	**4.3**

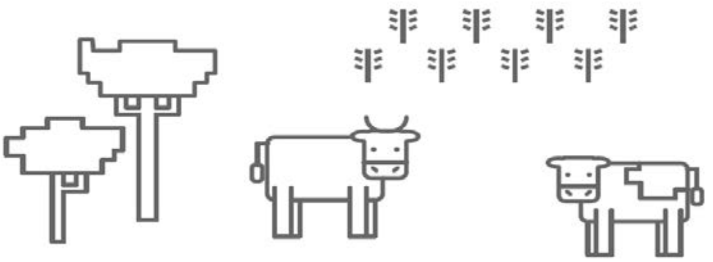
*FORECAST
SOURCE: WORLD ECONOMIC OUTLOOK, IMF, APRIL 2020

UGANDA ECONOMIC HIGHLIGHTS 2020

- Uganda's GDP in the year 2019/20 is estimated to amount to Ushs. 138 trillion.
- The economy is estimated to have grown by 3.1% in the financial year 2019/20. This is slower than the average growth rate of 5.4% in the previous four years.

SECTOR PERFORMANCE

Agriculture

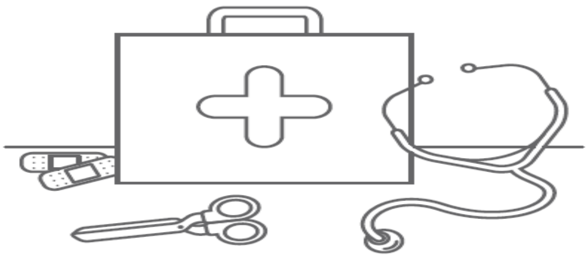


- Agriculture sector grew by 4.2 percent up from 3.8 percent in the previous four years.
- Played a central role in Uganda's economy. It accounts for 45 percent of exports, and employs 64% of all Ugandans and 72% of all youths, thus its importance to influencing household incomes.
- Coffee production increased from 5.7 million 60-kg bags to 7 million bags between 2017 and 2019
- Fish catches have grown from 391,000 Metric Tons to 561,000 Metric Tons between 2017 and 2019.
- 13,800 acres of sugar cane have also been established at the Atiak Sugar Factory in Northern Uganda and more is planned when the Amuru project starts.

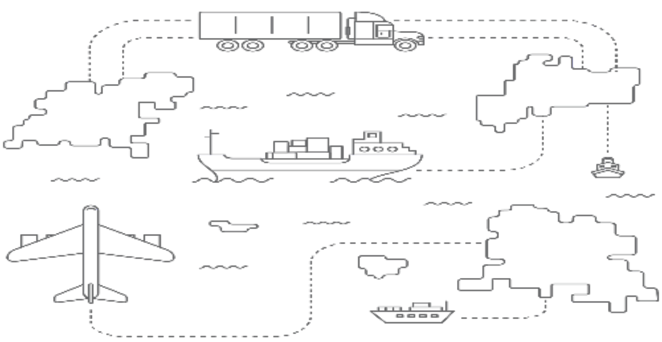
Health

Maternal mortality have reduced to 336 per 100,000 births from 438 per 100,000 births in 2011.

- Under-five child mortality has reduced to 64 per 1,000 births from 137 per 1,000 births in 2011.



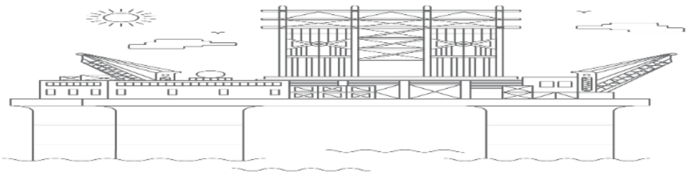
Transport infrastructure



- Paved national road network today totals 5,600 kilometres increasing from 4,300 Kilometres in 2015
- The railway currently facilitates transportation of 18,000 tons of cargo monthly, and 2,000 passengers daily in order to support decongestion in Greater Kampala.
- In the air transport sector, thirteen (13) aerodromes have been rehabilitated countrywide and the expansion of the Entebbe International and the construction of the Kabale International Airports are progressing as scheduled.
- Uganda Airlines is revived and began operations during the month of August 2019.
- Reform of urban transport to reduce congestion, starting with the Greater Kampala Metropolitan Area and eventually regional cities.

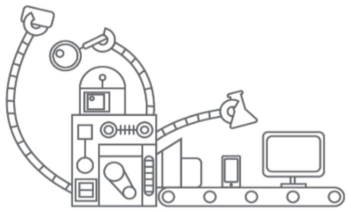
Energy infrastructure

- Electricity generation capacity now stands at 1,254 Megawatts.
- 42 megawatt Agago-Achwa II, the 76 Mega Watt Kyambura and the 5.9 Mega Watt Ndugutu Power projects have been completed.
- The 183 mega Watt Isimba Power Project and its transmission lines was commissioned.
- Commissioning of the Mukono and Iganga Industrial Parks sub-stations.
- Under the Rural Electrification programme, 14,820 kilometres of medium voltage power lines and 10,280 kilometres of low voltage distribution power lines have been constructed.
- Since launch of the free Electricity Connections Policy in November 2018, 277,500 rural households have been connected with a target to connect 300,000 rural households annually.



Information and communication technology

- Internet users have increased from 7.5 million in 2016 to 11 million in March 2020.
- Total telephone subscriptions, of which mobile connections constitute 60%, increased from 21 million in 2016 to 28 million in January 2020.
- Mobile money transactions increased from 3.4 Trillion in 2016 to 7.2 Trillion in March 2020.
- The 500-seater ICT Innovation Hub at Nakawa was also completed during the year.
- Transforming informality of doing business to being formal.
- One hundred seventy two (172) ICT Innovators were supported under the National ICT Initiatives Programme (NIISP) to develop e-Solutions. Some of their software applications have been used for business continuity during the Corona19 lock-down.



Safe water and sanitation

- Access to safe water in rural areas today is at 69% increasing from 65% in 2015.
- 38,500 villages representing 66% of the total 58,000 villages in the country having been provided clean water.
- Access to safe water in urban areas stands at 79%, compared to 77% in 2015.
- Rural sanitation coverage is at 79%; while sanitation in urban areas increased to 87%.

Education, science, technology and innovation

- Literacy rates of persons aged 10 years and above now stands at 74% compared to 72% in 2014.
- Machining Manufacturing and Industrial Skills Training Centre (MMISTC) at Namanve was commissioned in January 2020.
- First phase of the construction of the Kiira Vehicle Plant at the Jinja Industrial Park is 50 percent complete, and two (2) Kayoola Electric Buses have since been developed, assembled and tested under a Technology Transfer project with China High-Tech Corporation.

Peace security and improving governance

- Crime levels reduced by 9.8% from 238,746 cases reported in 2018 to 215,224 cases in 2019.
- Phase one of the Safe City CCTV project has been rolled out in Kampala Metropolitan, Wakiso, Mukono & Entebbe.
- Crime surveillance has also been enhanced with the deployment of LDUs across the country.

RESOURCE ENVELOPE (SHS "BILLIONS")

	Budget	Budget	Budget
	FY 2018/19	FY 2019/20	FY 2020/21
Resources (inflows)			
Domestic Resources	**19,407.77**	**23,926.50**	**25,585.60**
URA tax revenue	15,938.82	19,324.60	20,219.00
Non-tax revenue	419.98	1,571.00	1,591.00
Petroleum fund	200.00	-	-
Domestic financing	1,785.43	2,829.80	3,560.00
Appropriation in Aid (AIA)	1,063.50	201.10	215.60
External Resources	**8,023.54**	**10,108.80**	**12,422.00**
Budget support	289.00	675.20	2,906.70
Project support	7,734.54	9,433.60	9,515.30
Total domestic and external resources	**27,431.31**	**34,035.30**	**38,007.60**
Domestic Debt Re-financing	5,271.50	6,452.60	7,486.10
Total resource envelope	**32,702.82**	**40,487.90**	**45,493.70**

DIRECT TAXES

INCOME TAX (AMENDMENT) ACT 2020

Highlights

Imposition of tax after five years of declaring no chargeable income/ Computation of tax on rental income/ Expenses allowed in deriving rental income/ Withholding tax on payment for agricultural supplies

a) Imposition of tax after five years of declaring no chargeable income

Paragraph 2 (a) in section 4 has been introduced to impose tax on taxpayers declaring no chargeable income. A taxpayer whose declared tax liability for a consecutive period of five years of income is an arithmetic average of less than 0.5 percent of gross income shall pay a minimum tax at a rate of 0.5 percent of the gross turnover after the sixth year.

Previously, the income tax payable by a taxpayer for a year of income was calculated by applying the relevant rates of tax determined under the income tax act to the chargeable income of the taxpayer for the year of income and from the resulting amount were subtracted any tax credits allowed to the taxpayer for the year of income.

This amendment introduces a cap on the period of time over which a taxpayer can declare no taxable income. After five consecutive years of declaring no chargeable income, an assessment will be made in the 6th year to determine tax payable. The assessment will be a minimum of 0.5% of the gross turnover of the 6th year for a taxpayer whose declared tax liability for the last consecutive 5 years of income is an arithmetic average of less than 0.5% of the gross income.

b) Computation of tax on income earned by a partnership from rental business

Section 5(2) (d) has been amended such that tax on the rental income of a partnership shall be imposed on the individual partners of the partnership.

Previously, where the person was a partnership, the rental tax imposed on the partnership was calculated by computing 20% of the rental income for the year in excess of Shs. 2,820,000.

This amendment means that the tax payable will no longer be determined by computing 20% of the chargeable income in excess of Shs. 2,820,000, but by summing up the rental income earned by the individual partners to their income for the year from other sources and subjecting it to income tax at the individual income tax rates. The threshold of Shs. 2,820,000 has been withdrawn.

c) Rental income of a company

Section 7(2) has been amended by substituting for the words "Part II", the words "Part VI" of the third schedule.

Note that part VI of the third schedule has been amended such the tax rate charged on the rental income of a resident individual for year of income has been increased from 20% to 30% and the threshold of Shs. 2,820,000 has been dropped.

The applicable rate of tax remains at 30% despite the fact that reference will now be made to the rate as specified in part VI instead of part II of the third schedule of the Income Tax Act.

d) Rental Income of a trustee

Section 8 is amended in sub section (5) by substituting for the words "Part III", the words "Part VI".

Prior to this, subject to subsections (6) and (7), the rental income of a trustee for the year of income was charged to a tax rate prescribe in Part III of the schedule.

The applicable rate of tax remains at 30% despite the fact that reference will now be made to the rate as specified in part VI instead of part III of the third schedule of the Income Tax Act.

e) Exempt income derived from operating in an industrial park or free zone

Section 21(1) (af) has been amended to include "(vi) manufactures tyres, footwear, mattress or toothpaste."

The scope covered has been expanded to include operators in and out of the industrial park and free zones who manufacture tyres, footwear, mattresses or toothpaste.

Determination of qualifying income for exemption arising from operating in an industrial park or free zone

(1b) The qualifying income referred to in subsection (1a), shall be the income attributable to the qualifying investment made in Uganda to be determined as follows

I * A/B

Where: I – the sum of gross income and exempt income of the person for the year of income, before accounting for the qualifying income; A – the total amount of investment made by an investor from the beginning of the year of income in which the investment becomes a qualifying investment; B – the sum of amount of the qualifying investments and the total investment made before the commencement of the current year of income;

(1c) The expenses which are related to the qualifying income shall be determined as follows:

E * F/G Where: E – the total allowable deductions for the year of income as provided for under the Act; F – Qualifying income calculated under subsection (1b); G – the sum of gross income and exempt income of the person for the year of income, before accounting for the qualifying income;

This implies that guidelines have been introduced to determine the extent to which the income earned by an operator in an industrial park or free zone or any other person carrying on business outside the industrial park or free zone qualifies for treatment as exempt income.

f) Expenses allowed in deriving rental income

Section (22)(1) has been amended by substituting paragraph (c) with "in case of rental income, fifty percent of the rental income as expenditures and losses incurred by a person in the production of such income."

This eases the burden of rental tax borne by taxpayers as up to 50% of rental income will be allowed as expenditures and losses when computing chargeable rental income. Previously only 20% of the rental income was allowed as costs and losses incurred by an individual in the production of rental income for the year.

Subsection (c) paragraph (ca) has also been revoked.

This implies that interest incurred to acquire or construct premises that generate rental income will not be allowed with effect from 1 July 2020.

Subsection 2 has also been amended to include paragraph "(n) expenses of a person who purchases goods or services from a supplier who is designated to use the e-invoicing system unless the expenses are supported by e-invoices or e-receipts."

g) Imposition of Withholding tax on land acquisition

Section 118B has been amended by inserting immediately after subsection (2), the following

"(3) "A resident person who purchases land, other than land which is a business asset, from a resident person shall withhold tax at a rate of 0.5% of the purchase price."

A new WHT tax charge has been introduced on all land acquisition that is not a business asset from resident persons at a rate of 0.5% of a buying price.

These are newly introduced taxes that persons engaging in land transactions should account for with effect from 1 July 2020.

h) Imposition of WHT on commission to insurance agents and advertising agent

The principal act has been amended by inserting immediately after section 118F the following—

"118G -Withholding of tax on commission paid to an insurance agent. An insurance service provider who makes a payment of a commission to an insurance agent shall withhold tax on the gross amount of the payment at the rate prescribed in Part XIII of the Third Schedule.

118H -withholding of tax on commission paid to an advertising agent. A person who makes payment for a commission to an advertising agent shall withhold tax on the gross amount of the payment at the rate prescribed in Part XIII of the Third Schedule."

i) Withholding from Government or government related institutions

Section 119(1) (h) has been repealed, that is withholding on the supply of agricultural supplies.

This implies that the government of Uganda, a government institution, a local authority, any company controlled by the government of Uganda or any designated tax payer will now be required to withhold tax on payment for agricultural supplies.

j) Withholding tax as a final tax

Section 122(ab) has been amended by substituting for the word "section 118E" the words "section 118F". Previously, (ab) stated that "where tax has been withheld under section 118E on a payment of commission for airtime distribution and provision of mobile money services to a resident individual.

This implies that tax withheld on commission paid by telecom service providers on airtime distribution and mobile money is now a final tax.

k) Renewal of operational licences

Section 123A is amended by inserting immediately after subsection (1), the following—"(2) A taxpayer who provides a passenger transport service or a freight transport service under subsection (1), shall be required to obtain a tax clearance certificate from the Commissioner in accordance with section 43 of the Tax Procedure Act, 2014 before renewal of operational licences."

This will increase income tax compliance of taxpayers in the transport services sector and is expected to generate more revenue from the taxes paid.

j) Submission of WHT returns

Section 130(5) " A withholding agent who makes a payment subject to withholding tax under sections 83 to 86 and 117 to 119 shall furnish a return of withholding tax for every month in the Form specified by the Commissioner not later than fifteen days after the end of every month to which withholding tax relates.

k) Calculation of chargeable income

The Third Schedule is amended by—

(a) by substituting for Part VI the following—

"The tax rate applicable to a person for purposes of section 6 (2) is 30% of the chargeable income."

(b) by inserting immediately after Part XII the following—

"Part XIII Withholding tax rate on insurance and advertising agents. The tax rate applicable to withholding tax for purposes of sections 118G and 118H is 10% of the gross amount of the payment."

(c) by substituting for the words "sports betting and pool betting" appearing in in Part X, the words "betting or gaming".

STAMP DUTY (AMENDMENT) ACT 2020

Highlights

Stamp duty on professional licence or certificate/ reduction in threshold for exemption for operators in an industrial park or free zone

New instrument

A new instrument has been introduced by inserting immediately after item 63 the following— "63A Professional licence or certificate." The stamp duty will now be charged 100,000/=.

Reduction in threshold to benefit from stamp duty exemption

Item 60A (iii) has been substituted for "capacity to at least source fifty percent of the locally produced raw materials, subject to availability." Previously (iii) stated that "seventy percent of the raw materials used are sourced locally, subject to their availability."

The requirement for an operator within an industrial park or free zone or an operator of a single factory or other business outside the industrial park (iii) to be exempted from stamp duty is now at fifty percent from seventy percent of the locally produced raw materials, subject to availability.

60A (iv) has been substituted for "capacity to employ a minimum of one hundred citizens." This implies that an operator within an industrial park or free zone or an operator of a single factory or other business outside the industrial park that has the capacity to employ a minimum of one hundred citizens will be exempted from stamp duty unlike before where only operators that directly employ a minimum of one hundred citizens.

INDIRECT TAXES

VALUE ADDED TAX (AMENDMENT) ACT 2020

Highlights

Increasing the period prior to date of registration for which input tax can be claimed/ Input tax credit claimable in relation to a commercial building/ Refund of overpaid tax

Increasing the period prior to date of registration for which input tax can be claimed

Section 28(3)(b) has been amended by inserting the words "or in case of manufacturers, not more than twelve months before the date of registration"

Previously paragraph (b) stated that "all imports of goods, including capital assets, made by the person prior to becoming registered, where the supply or import was for use in the business of the taxable person, provided the goods are on hand at the date of registration and provided that the supply or import occurred not more than six months prior to the date of registration."

This implies that the window to claim input tax prior to the date of VAT registration has been extended from 6 months to 12 months.

Input tax credit claimable in relation to a commercial building

Section 28 has been amended by inserting immediately after subsection (4) the following—

"(4a) An owner of more than one commercial building shall account for tax for each commercial building separately and shall not claim tax credits on inputs used in the construction of an incomplete building against the tax collected from a completed commercial building.

This implies that taxpayers will have to properly allocate the input tax incurred on each one of their buildings.

(4b) A taxable person who is allowed a tax credit on purchase of goods and services from a supplier who is designated to use the e-invoicing system, shall only claim a tax credit on expenses supported by e- invoices or e-receipts. "

Refund of overpaid Tax

Section 42 is amended by inserting immediately after subsection (2a), the following—

"(2b) The amount off set under subsection 2(a) shall be for a maximum period of three months after which, the taxable person shall claim a refund in accordance with subsection (1)."

This implies that taxpayers now have to apply for VAT refunds after a period of 3 months where applicable. Taxpayers may not have to apply for VAT refunds for every tax period in which the input tax exceeds the output tax by Shs. 5,000,000, but can carry forward the excess credit for up to 3 months before applying for a refund.

Exempt Supplies

The second schedule is amended through widening the scope of exempt supplies;

a. by inserting immediately under paragraph (s) immediately after paragraph (xxxvii) the following—

"(xxxviii) trailer for agricultural purposes;
(xxxix) combine harvesters."

b. by substituting for paragraph (pp) the following

"(pp) supply of services to conduct a feasibility study and design; the supply of locally produced materials for the construction of a factory or a warehouse and the supply of locally produced raw materials and inputs or machinery or equipment, to an operator within an industrial park, free zone or any other person carrying on business outside the industrial park or free zone and whose investment capital is at least ten million United States Dollars in the case of a foreigner or one million United States Dollars in the case of a citizen for ten years who, subject to availability, uses at least fifty percent of locally sourced raw materials and employs at least one hundred citizens and— (i) processes agricultural goods; (ii) manufactures or assembles medical appliances, medical sundries or pharmaceuticals, building materials, automobile, house hold appliances; (iii) manufactures furniture, pulp, paper, printing and publishing of instructional materials; (iv) establishes or operates vocational or technical institutes; (v) carries on business in logistics and ware housing, information technology or commercial farming; or (vi) the manufacture of tyres, footwear, mattress or toothpaste;".

c. by inserting immediately after paragraph (eee) the following—

"(fff) supply of digital stamps for purposes implementing tax verification, quality and safety system; (ggg) supply of cotton seed cake;
(hhh) the supply of the following imported services—

(i) software and equipment installation services to manufactures; (ii) services incidental to tele-medical services; and (iii) royalties paid in respect of agricultural technologies; (III) the supply of accommodation in tourist hotels and lodges located up-country; (jjj) the supply of liquefied gas; (kkk) the supply of processed milk."

This implies that various supplies specified above have been added to the list of exempt supplies.

THE EXCISE DUTY (AMENDMENT) ACT 2020

Highlights

Increase on excise duty on beer and wine/fuel/ Sacks and bags of polymers of ethylene.

Amendment of Schedule 2 Part 1

There has been a change in the excise duty rate applicable on the supply of items 2(a), (b), (c)

	EXCISABLE GOOD	DUTY RATE	
		2019/2020	2020/2021
2.	Beer		
(a)	Malt beer	60% or Shs 1,860 per litre whichever is higher	60% or Shs 2,050 per litre whichever is higher
(b)	Beer whose local raw materials content, excluding water, is at least 75% by weight of its constituent	30% or Shs 650 per litre whichever is higher	30% or Shs 790 per litre whichever is higher
(c)	Beer produced from barley grown and malted in Uganda	30% or Shs 950 per litre whichever is higher	30% or Shs 1,115 per litre whichever is higher

Amendment of Schedule 2 Part 1(continued)

	EXCISABLE GOOD	DUTY RATE	
		2019/2020	2020/2021

(c) item 3 (c)

c)	Ready to drink spirits	80% or Shs 1,500 whichever is higher	80% or Shs 1,700 whichever is higher

(d) item 4 (a)

(a)	Wine made from locally produced raw materials	20% or Shs 2,000, peer litre, whichever is higher	20% or Shs 2,300 whichever is higher

(e) item 3 (a)

(a)	Un denatured spirits made from locally produced raw materials	60% or Shs 2,000 per litre whichever is higher	60% or Shs 1,500 per litre whichever is higher

(f) item 5 (a),(b)

(a)	Non-alcoholic beverages not including fruit or vegetable juices	12% or Shs 200 per litre whichever is higher	12% or Shs 250 per litre whichever is higher
(b)	Fruit juice and vegetable juice, except juice made from at least 30% of pulp from fruit and vegetables grown in Uganda	13% or Shs 300 per litre whichever is higher	12% or Shs 250 per litre whichever is higher

(g) item 8 (a), (b), (d) and (e)

8	Fuel		
(a)	Motor spirit (gasoline)	Shs 1,200 per litre	Shs 1,350 per litre
(b)	Gas oil (automotive, light, amber for high speed engine)	Shs 880 per litre	Shs 1,030 per litre
(d)	Gas oil for power generation to national grid	Nil	Nil
(e)	Illuminating kerosene	Shs 200 per litre	Shs 300 per litre

Amendment of Schedule 2 Part 1(continued)

	EXCISABLE GOOD	DUTY RATE	
		2019/2020	2020/2021

(h) item 11

11	Sacks and bags of polymers of ethylene and other plastics under its HS codes 3923.21.00 and 3923.29.00 except vacuum packaging bags for food, juices, tea and coffee, Sacks and bags for direct use in the manufacture of sanitary pads	120%	120% or Shs 10,000 per kilogram of the plastic bags.

(i) item 15

15	Lubricants HS codes 2710.19.51, 2710.19.52, 3403.19.00 and 3403.99.00 including motor vehicle lubricants except aircraft Lubricant	10%	15%

(j) item 19

19	Motorcycles at first registration	Shs 200,000	Shs 300,000

(k) by inserting immediately after item 24 the following:

25	Other fermented beverages including cider, perry, mead, spears, near beer	-	60% or Shs. 950 per litre whichever is higher.

CAVEAT

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