

## HALF-YEAR: Highlights of Vote Performance

### V1: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

#### (i) Snapshot of Vote Releases and Expenditures

Table V1.1 below summarises cumulative releases and expenditures by the end of the quarter:

**Table V1.1: Overview of Vote Expenditures (UShs Billion)**

<i>(i) Excluding Arrears, Taxes</i>		Approved Budget	Cashlimits by End	Released by End	Spent by End Dec	% Budget Released	% Budget Spent	% Releases Spent
Recurrent	Wage	107.132	53.566	53.566	53.566	50.0%	50.0%	100.0%
	Non Wage	84.089	42.044	40.545	40.545	48.2%	48.2%	100.0%
Development	GoU	40.500	18.568	22.995	22.995	56.8%	56.8%	100.0%
	Ext Fin.	3.599	N/A	0.000	0.000	0.0%	0.0%	N/A
<b>GoU Total</b>		<b>231.720</b>	<b>114.178</b>	<b>117.106</b>	<b>117.106</b>	<b>50.5%</b>	<b>50.5%</b>	<b>100.0%</b>
<b>Total GoU+Ext Fin. (MTEF)</b>		<b>235.319</b>	<b>N/A</b>	<b>117.106</b>	<b>117.106</b>	<b>49.8%</b>	<b>49.8%</b>	<b>100.0%</b>
<i>(ii) Arrears and Taxes</i>	<i>Arrears</i>	<i>0.000</i>	<i>N/A</i>	<i>0.000</i>	<i>0.000</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
	<i>Taxes**</i>	<i>0.000</i>	<i>N/A</i>	<i>0.000</i>	<i>0.000</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Total Budget</b>		<b>235.319</b>	<b>114.178</b>	<b>117.106</b>	<b>117.106</b>	<b>49.8%</b>	<b>49.8%</b>	<b>100.0%</b>

The table below shows cumulative releases and expenditures to the Vote by Vote Function :

**Table V1.2: Releases and Expenditure by Vote Function\***

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF:1454 Revenue Collection & Administration	235.32	117.11	117.11	49.8%	49.8%	100.0%
<b>Total For Vote</b>	<b>235.32</b>	<b>117.11</b>	<b>117.11</b>	<b>49.8%</b>	<b>49.8%</b>	<b>100.0%</b>

\* Excluding Taxes and Arrears

#### (ii) Matters to note in budget execution

NA

**Table V1.3: High Unspent Balances and Over-Expenditure in the Domestic Budget (Ushs Bn)**

<i>(i) Major unspent balances</i>
<i>(ii) Expenditures in excess of the original approved budget</i>
* Excluding Taxes and Arrears

### V2: Performance Highlights

This section provides highlights of output performance, focusing on key outputs and actions implemented to improve section performance.

**Table V2.1: Key Vote Output Indicators and Expenditures\***

<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
<b>Vote Function: 1454 Revenue Collection &amp; Administration</b>			
<b>Output: 145401</b>	<b>Customs Tax Collection</b>		
<i>Description of Performance:</i>	18% Growth in customs Revenue	Customs revenue collection, in comparison to the same period last FY, grew by 20.64% (UGX 357.16Bn).	The performance of Customs taxes during the half year period is attributed to growth in the major vatable imports by 19.19 % (UGX 723.96Bn) due to efficient administrative measures under automated customs valuation and Single
	100% Customs revenue collection to target.		
	30% Reduction in total Arrears	Customs revenue collections for the half year period was UGX 2,087.75Bn against a target of	

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Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
	160 Comprehensive Audits 40 Oil Issue Audits completed.  2 Taxpayers accredited	UGX 2,087.61Bn, a performance of 100.01%.  Customs arrears as at 30th June 2014 was UGX 51.981Bn. Arrears as at 30th Dec 2014 was UGX 20.2151Bn. Amounts paid/closed was UGX: 31.766Bn, representing 61% reduction and the outstanding was UGX: 20.210Bn (39%).  Cumulatively, 104 comprehensive audits, 21 issue audits have been completed.  12 taxpayers have been accredited in the half year period.	Customs Territory (SCT) which has simplified the customs clearance processes, improved the customs valuation and the turnaround time. There was growth in petroleum duty by UGX 85.07Bn (18.44%), Excise duty on imports by UGX 14.87Bn (19.21%) due to effective administrative measures under SCT.  The rapid response unit establishment under was hampered by unavailability of vehicles which are expected to be procured by fourth quarter.
<i>Performance Indicators:</i>			
Customs tax Revenue collected against target	100	98.44	
<i>Output Cost:</i>	US\$ Bn: 49.433	US\$ Bn: 24.717	% Budget Spent: 50.0%
<b>Output: 145402</b>	<b>Domestic Tax Collection</b>		
<i>Description of Performance:</i>	100% Domestic taxes revenue collection to target.  88 Average filing ratio for VAT and Local Exercise Duty  30% Collectable arrears collected & 30% Reduction in total arrears portfolio  3,375 Audits completed broken down as follows: 2,421 desk audits, 828 field issue and 126 comprehensive audits  1% Of collected revenue from new value registered taxpayers.  64 Tax hubs conducted  Growth in Tax payers Register by 30%  15% Growth in value taxpayer register  22% Growth in DT revenue collection.  Recovery of current year audits as follows: (LTO-30%,MTO-40%,STO-50%	Domestic taxes' revenue collections for the half year period was UGX 2,578.1Bn against a target of UGX 2,565.85Bn, a performance of 100.48%.  The average filing ratio for VAT was 87.77% and for LED was 65.22%. The average filing ratio for both tax heads is 76.5%. Out of total collectable arrears of UGX 261.55Bn in the half year period, UGX 149.75Bn was collected, a performance of 57.2%.  Out of the total debt stock of UGX 400.33Bn, the debt collection of UGX 149.75Bn reduced the stock by 37.4%.  In the half year period, 1387 desk audits, 430 field issue audits and 144 comprehensive audits were completed, a total of 1961 audits. 29 Tax clinics/Hubs were conducted.  In the half year period, UGX 8,794,288,207 was collected from the new value clients registered since the beginning of the FY, representing 0.67% of the total DT collections.  Tax payer register grew by 11%	The performance of domestic taxes, especially in the month of December is attributed to improved profitability in the banking sector which led to increased remittances by UGX 20.7Bn compared to the same period last financial year. These were from standard chartered bank(UGX5.4Bn), Stanbic bank(UGX7.0Bn) and centenary bank(UGX8.30Bn) . The efficient revenue collection by UMEME through the installation of YAKA improved its profitability leading to increased income tax payment by UGX 15.60Bn compared to the same period last financial year. General business growth led to revision of provisional returns for some companies. These include cement which increased by UGX 8Bn (from UGX 10Bn), Roofing Ltd increased by UGX 7.0Bn ( from UGX 0.5Bn), Bidco increased by UGX 14.5Bn (from UGX13.1Bn). Recovery of capital gains tax on asset disposal by BAT led to increased provisions by UGX 12.8Bn (from 3.3Bn).  However, there was a decline in the wage bill and number of employees in comparison to the same period last financial year was due decline in business activities in the Oil & Gas and closure of business in the

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Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
		(69,909) from 632379 as at 1st July to 702,288 as at 31st December 2014, a performance of 73%.  Domestic taxes' gross revenue collections, in comparison to the same period last FY, grew by 15.69% (UGX 349.7Bn).	banking and transport and communication sectors.  There was also increased input in the water and electricity sector that affected VAT.  LED filing ratios are greatly affected by forex bureaus noncompliance on money transfers.
<i>Performance Indicators:</i>			
Growth in taxpayer register	30	7	
Domestic Tax Revenue collected against target	100	99.03	
Average filling ratio	88	79.5	
<i>Output Cost:</i>	US\$ Bn: 61.662	US\$ Bn: 30.831	% Budget Spent: 50.0%
<b>Output: 145403</b>	<b>Tax Investigations</b>		
<i>Description of Performance:</i>	100% of the planned compliance programme executed	100% of planned compliance programmes for the half year period were executed.	NA
	100% of Quality Service Management Plan (QSMP) executed.	100% of the quality service management plan for the half year period was executed	
	100% of stakeholder engagement program implemented	100% of the stakeholder engagements were executed as planned	
	100% Of the TID process maturity growth attained.	The TID process maturity level was established and avenues for growing the maturity level by one level were identified.	
	100% Of staff Development Programms implemented	All activities scheduled for the half year period geared towards enhancing staff competence were executed as per the departmental competence program developed.	
<i>Output Cost:</i>	US\$ Bn: 6.257	US\$ Bn: 3.128	% Budget Spent: 50.0%
<b>Vote Function Cost</b>	<b>US\$ Bn: 235.319</b>	<b>US\$ Bn: 117.106</b>	<b>% Budget Spent: 49.8%</b>
<b>Cost of Vote Services:</b>	<b>US\$ Bn: 235.319</b>	<b>US\$ Bn: 117.106</b>	<b>% Budget Spent: 49.8%</b>

\* Excluding Taxes and Arrears

NA

**Table V2.2: Implementing Actions to Improve Vote Performance**

Planned Actions:	Actual Actions:	Reasons for Variation
Vote: 141 URA		
Vote Function: 14 54 Revenue Collection & Administration		
-Decentralise revenue services	An additional DT office was obtained in	NA
-Design sector focused service packages	Kansanga to support decentralisation of revenue services.	
-Implement tax education programmes	The	
-Conduct industry based familiarization visits.	public sector office was operationalised.	
-Develop and implement Service enhancement Programmes	Tax	
-Hold Exhibitions	education programmes held include; 8 workshops with clients in line with the priority sectors and tax	

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Planned Actions:	Actual Actions:	Reasons for Variation
	awareness/education information shared with corporate bodies in Uganda via email.	
	Engagement visits with urban authorities out side Kampala were initiated to forge working relationships on how to work with them to indentify potential taxpayers in business. Also, the rental project kicked off with door to door visits. This has resulted into registration of 445 rental income earners.	
	Service enhancement programmes were developed and premises for the Kansanga liaison office were secured.	
	2 exhibitions were held with PSFU exhibition and DFCU women in business expo.	
-Implement the tax investigation programme.	The tax investigation program was implemented and staff in different stations were sensitised on the same.	NA
-Strengthen the litigation & Debt recovery function		
-Implement the tax investigation programme.	The litigation and debt recovery function was strengthened, leading to winning of 15 cases out of 19 in favour of URA, and the recovery of UGX 19.74Bn from debts.	
-Strengthen the litigation & Debt recovery functions		
-Roll out the Authorised Economic Operator Programme	The AEO program was rolled out and 12 operators have been authorised.	
Develop and Implement standardized staff development programs	A staff training needs analysis and planner were developed and circulated to all staff. The training planner is being implemented.	NA
Implement the training planner		

## V3: Details of Releases and Expenditure

This section provides a comprehensive summary of the outputs delivered by the Vote and further details of Vote expenditures by Vote Function and Expenditure Item.

**Table V3.1: GoU Releases and Expenditure by Output\***

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
<b>VF:1454 Revenue Collection &amp; Administration</b>	<b>231.72</b>	<b>117.11</b>	<b>117.11</b>	<b>50.5%</b>	<b>50.5%</b>	<b>100.0%</b>
<i>Class: Outputs Provided</i>	<i>191.22</i>	<i>94.11</i>	<i>94.11</i>	<i>49.2%</i>	<i>49.2%</i>	<i>100.0%</i>
145401 Customs Tax Collection	49.43	24.72	<b>24.72</b>	50.0%	50.0%	100.0%
145402 Domestic Tax Collection	61.66	30.83	<b>30.83</b>	50.0%	50.0%	100.0%
145403 Tax Investigations	6.26	3.13	<b>3.13</b>	50.0%	50.0%	100.0%
145404 Internal Audit and Compliance	5.06	2.53	<b>2.53</b>	50.0%	50.0%	100.0%
145405 URA Legal and Administrative Support Services	56.99	27.00	<b>27.00</b>	47.4%	47.4%	100.0%
145406 Public Awareness and Tax Education/Modernization	11.82	5.91	<b>5.91</b>	50.0%	50.0%	100.0%
<i>Class: Capital Purchases</i>	<i>40.50</i>	<i>22.99</i>	<i>22.99</i>	<i>56.8%</i>	<i>56.8%</i>	<i>100.0%</i>
145472 Government Buildings and Administrative Infrastructure	20.00	10.00	<b>10.00</b>	50.0%	50.0%	100.0%
145475 Purchase of Motor Vehicles and Other Transport Equipment	3.00	1.50	<b>1.50</b>	50.0%	50.0%	100.0%
145477 Purchase of Specialised Machinery & Equipment	12.54	1.25	<b>1.25</b>	9.9%	9.9%	100.0%
145479 Acquisition of Other Capital Assets	4.96	10.25	<b>10.25</b>	206.8%	206.8%	100.0%
<b>Total For Vote</b>	<b>231.72</b>	<b>117.11</b>	<b>117.11</b>	<b>50.5%</b>	<b>50.5%</b>	<b>100.0%</b>

\* Excluding Taxes and Arrears

**Table V3.2: 2015/16 GoU Expenditure by Item**

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<i>Billion Uganda Shillings</i>	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
<b>Output Class: Outputs Provided</b>	<b>191.22</b>	<b>94.11</b>	<b>94.11</b>	<b>49.2%</b>	<b>49.2%</b>	<b>100.0%</b>
211101 General Staff Salaries	107.13	53.57	53.57	50.0%	50.0%	100.0%
211103 Allowances	2.89	1.45	1.45	50.0%	50.0%	100.0%
212101 Social Security Contributions	18.56	9.28	9.28	50.0%	50.0%	100.0%
213001 Medical expenses (To employees)	3.90	1.95	1.95	50.0%	50.0%	100.0%
213002 Incapacity, death benefits and funeral expenses	0.35	0.17	0.17	50.0%	50.0%	100.0%
213004 Gratuity Expenses	3.40	1.70	1.70	50.0%	50.0%	100.0%
221001 Advertising and Public Relations	1.98	0.99	0.99	50.0%	50.0%	100.0%
221002 Workshops and Seminars	1.80	0.94	0.94	52.5%	52.5%	100.0%
221003 Staff Training	2.89	1.40	1.40	48.5%	48.5%	100.0%
221004 Recruitment Expenses	0.13	0.07	0.07	50.0%	50.0%	100.0%
221006 Commissions and related charges	0.17	0.08	0.08	50.4%	50.4%	100.0%
221007 Books, Periodicals & Newspapers	0.08	0.04	0.04	50.0%	50.0%	100.0%
221008 Computer supplies and Information Technology (IT)	8.20	4.10	4.10	50.0%	50.0%	100.0%
221009 Welfare and Entertainment	0.32	0.16	0.16	50.0%	50.0%	100.0%
221010 Special Meals and Drinks	5.25	2.62	2.62	50.0%	50.0%	100.0%
221011 Printing, Stationery, Photocopying and Binding	1.75	0.88	0.88	50.0%	50.0%	100.0%
221014 Bank Charges and other Bank related costs	0.12	0.06	0.06	50.0%	50.0%	100.0%
221017 Subscriptions	0.20	0.10	0.10	50.0%	50.0%	100.0%
222001 Telecommunications	0.57	0.29	0.29	50.0%	50.0%	100.0%
222002 Postage and Courier	0.14	0.07	0.07	50.0%	50.0%	100.0%
222003 Information and communications technology (ICT)	8.90	0.00	0.00	0.0%	0.0%	N/A
223001 Property Expenses	0.03	0.10	0.10	333.3%	333.3%	100.0%
223002 Rates	0.20	0.00	0.00	0.0%	0.0%	N/A
223003 Rent – (Produced Assets) to private entities	4.20	5.05	5.05	120.2%	120.2%	100.0%
223004 Guard and Security services	1.40	0.70	0.70	50.0%	50.0%	100.0%
223005 Electricity	1.10	0.55	0.55	50.0%	50.0%	100.0%
223006 Water	0.20	0.10	0.10	50.0%	50.0%	100.0%
224004 Cleaning and Sanitation	0.44	0.22	0.22	50.0%	50.0%	100.0%
224005 Uniforms, Beddings and Protective Gear	0.42	0.21	0.21	50.0%	50.0%	100.0%
225001 Consultancy Services- Short term	0.29	0.15	0.15	50.0%	50.0%	100.0%
225003 Taxes on (Professional) Services	0.30	0.00	0.00	0.0%	0.0%	N/A
226001 Insurances	2.24	1.12	1.12	50.0%	50.0%	100.0%
227001 Travel inland	1.84	0.92	0.92	50.0%	50.0%	100.0%
227002 Travel abroad	1.25	0.63	0.63	50.0%	50.0%	100.0%
227003 Carriage, Haulage, Freight and transport hire	0.15	0.06	0.06	41.3%	41.3%	100.0%
227004 Fuel, Lubricants and Oils	2.72	1.36	1.36	50.0%	50.0%	100.0%
228001 Maintenance - Civil	0.55	0.30	0.30	55.1%	55.1%	100.0%
228002 Maintenance - Vehicles	1.47	0.73	0.73	50.0%	50.0%	100.0%
228003 Maintenance – Machinery, Equipment & Furniture	1.92	0.96	0.96	50.0%	50.0%	100.0%
228004 Maintenance – Other	0.19	0.10	0.10	50.0%	50.0%	100.0%
273102 Incapacity, death benefits and funeral expenses	0.20	0.10	0.10	50.0%	50.0%	100.0%
282091 Tax Account	0.00	0.15	0.15	N/A	N/A	100.0%
282102 Fines and Penalties/ Court wards	1.35	0.68	0.68	50.0%	50.0%	100.0%
<b>Output Class: Capital Purchases</b>	<b>40.50</b>	<b>22.99</b>	<b>22.99</b>	<b>56.8%</b>	<b>56.8%</b>	<b>100.0%</b>
231001 Non Residential buildings (Depreciation)	20.00	10.00	10.00	50.0%	50.0%	100.0%
231004 Transport equipment	3.00	1.50	1.50	50.0%	50.0%	100.0%
231005 Machinery and equipment	12.54	1.25	1.25	9.9%	9.9%	100.0%
281504 Monitoring, Supervision & Appraisal of capital wor	4.96	2.48	2.48	50.0%	50.0%	100.0%
312302 Intangible Fixed Assets	0.00	7.77	7.77	N/A	N/A	100.0%
<b>Grand Total:</b>	<b>231.72</b>	<b>117.11</b>	<b>117.11</b>	<b>50.5%</b>	<b>50.5%</b>	<b>100.0%</b>
<b>Total Excluding Taxes and Arrears:</b>	<b>231.72</b>	<b>117.11</b>	<b>117.11</b>	<b>50.5%</b>	<b>50.5%</b>	<b>100.0%</b>

**Table V3.3: GoU Releases and Expenditure by Project and Programme\***

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
<b>VF:1454 Revenue Collection &amp; Administration</b>	<b>231.72</b>	<b>117.11</b>	<b>117.11</b>	<b>50.5%</b>	<b>50.5%</b>	<b>100.0%</b>
<i>Recurrent Programmes</i>						
01 Revenue Collection & Administration	191.22	94.11	94.11	49.2%	49.2%	100.0%

Vote: 141 URA

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Development Projects						
0653	Support to URA Projects	40.50	22.99	22.99	56.8%	56.8% 100.0%
Total For Vote		231.72	117.11	117.11	50.5%	50.5% 100.0%

\* Excluding Taxes and Arrears

Table V3.4: External Financing Releases and Expenditure by Project and Programme\*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:1454 Revenue Collection & Administration	3.60	0.00	0.00	0.0%	0.0%	N/A
Development Projects						
0653	Support to URA Projects	3.60	0.00	0.00	0.0%	0.0% N/A
Total For Vote		3.60	0.00	0.00	0.0%	0.0% N/A