

# Vote:141 URA

## V1: Vote Overview

### I. Vote Mission Statement

We provide an environment that delivers a delightful experience in revenue services and business facilitation

### II. Strategic Objective

Promoting a taxpaying culture through engaged citizenry, productive partnerships, leveraging technology, data and innovative staff.

### III. Major Achievements in 2019/20

2019/20 Half Year Performance;

1. Cumulatively, a net revenue of UGX 9042.01 billion was realized during the half year period of the FY 2019/2020, against a net target of UGX 9,739.39 billion. The performance realized was 92.84%, with a growth of 11.15% (UGX 907.05 billion).
2. The tax register grew by 4.30% (63,979 new taxpayers) against a half year target of 5.00% representing a performance of 86.00%.
3. The average filing ratio for the half year period was 89.00% against a target of 89.90%.
4. Annual Auditor General rating of institutions– Unqualified
5. The budget absorption level was 90.45% against a target of 100.00%.
6. Compliance level- 70.98%.
7. Proportion of NTR collected against target is 44.3% against half year target of 50%
8. Percentage of Domestic Tax Revenue collected 44.26% against an half year target of 50%
9. Participated in 2 global & regional bodies' engagement initiatives as planned. These included the 4th International Conference on Tax in Africa (ICTA) together with the African Tax Administration Forum (ATAF) and secondly organized & participated in the 89th East African Revenue Authorities Technical Committee (EARATC) in Uganda)

Other Achievements in 2019/20.

1. Recovered UGX 42.95 billion in tax debt against a target of UGX 40.00 billion hence a performance of 107.38%
2. One- stop Center of communication at the Tower providing faster clearance of Taxpayers, quality service and improved operational efficiency.
3. Launched the URA 2020/21- 2024/25 Corporate Plan
4. Rolled out Enterprise Resource Planning (ERP) system across the county and to the single Customs Territory to improve efficiency.
5. Carried out a strategic sensitization of Members of Parliament and convenience given the nature of the constituency work that MPs do. This hub is set to cause awareness to Members of Parliament about their obligations.
6. URA was a key contributor to the first ever Uganda- Europe Business Forum aimed at strengthening the Uganda-Europe economic alliance, remarkably focusing on "Taxation regime and incentives for new investors"
7. URA Customs was recognized for its outstanding contribution to Wildlife Conservation in Uganda through strategic Interventions and Innovations to counter Poaching and Trafficking.
8. URA participated in MoFPED launch of the Domestic Resource Mobilization Strategy (DRMS) as a key implementing Agency.

### IV. Medium Term Plans

1. Implement a comprehensive data management program
2. Implement comprehensive stakeholder collaboration program
3. Implement governance enhancement program
4. Implement risk based compliance improvement programs
5. Implement Tax register expansion programs
6. Implement Service enhancement programs
7. Strengthen the assessment and mobilization of Rental tax especially in LGs
8. Implement Tax education programs
9. Implement eTAX 2, Digital Tax Stamps and Electronic Fiscal Devices(EFDs/ E-invoicing)
10. Trade facilitation initiatives

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11. Participate in the finalizing and implementation of the DRM Strategy.
12. Strengthen Debt recovery and litigation
13. Implement Business Process Management Programs;
14. Participate in the development of systems to support revenue collection and all government agencies.
15. Participate in the development of Non Tax Revenue collection strategy, financial literacy strategy and communication strategy
16. Participate in the capacity building of Local Governments in tax administration
17. Participate in the development of a strategy on mandatory association membership for informal sector players
18. Improve Human Resources including staff maintenance & capacity development structural alignment Programs
19. Carry out equal opportunity activities i.e gender, environment and HIV initiatives
20. Support revenue collection in local government
21. Develop a digital innovations plan including standards

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## V. Summary of Past Performance and Medium Term Budget Allocations

Table 5.1: Overview of Vote Expenditures (US\$ Billion)

	2018/19 Outturn	2019/20		2020/21	MTEF Budget Projections			
		Approved Budget	Expenditure by End Dec		2021/22	2022/23	2023/24	2024/25
<b>Recurrent</b>	Wage	133.964	163.264	75.260	163.264	163.264	163.264	163.264
	Non Wage	180.682	231.352	114.537	231.352	277.622	333.146	399.776
<b>Devt.</b>	GoU	35.570	43.640	19.893	43.640	43.640	43.640	43.640
	Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>GoU Total</b>	<b>350.216</b>	<b>438.255</b>	<b>209.691</b>	<b>438.255</b>	<b>484.525</b>	<b>540.050</b>	<b>606.679</b>	<b>686.634</b>
<b>Total GoU+Ext Fin (MTEF)</b>	<b>350.216</b>	<b>438.255</b>	<b>209.691</b>	<b>438.255</b>	<b>484.525</b>	<b>540.050</b>	<b>606.679</b>	<b>686.634</b>
Arrears	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Budget</b>	<b>350.216</b>	<b>438.255</b>	<b>209.691</b>	<b>438.255</b>	<b>484.525</b>	<b>540.050</b>	<b>606.679</b>	<b>686.634</b>
<b>A.I.A Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Grand Total</b>	<b>350.216</b>	<b>438.255</b>	<b>209.691</b>	<b>438.255</b>	<b>484.525</b>	<b>540.050</b>	<b>606.679</b>	<b>686.634</b>
<b>Total Vote Budget Excluding Arrears</b>	<b>350.216</b>	<b>438.255</b>	<b>209.691</b>	<b>438.255</b>	<b>484.525</b>	<b>540.050</b>	<b>606.679</b>	<b>686.634</b>

## VI. Budget By Economic Classification

Table V6.1 2019/20 and 2020/21 Budget Allocations by Item

<i>Billion Uganda Shillings</i>	2019/20 Approved Budget				2020/21 Draft Estimates		
	GoU	Ext. Fin	AIA	Total	GoU	Ext. Fin	Total
<b>Output Class : Outputs Provided</b>	<b>394.615</b>	<b>0.000</b>	<b>0.000</b>	<b>394.615</b>	<b>394.615</b>	<b>0.000</b>	<b>394.615</b>
211 Wages and Salaries	176.222	0.000	0.000	176.222	176.222	0.000	176.222
212 Social Contributions	26.122	0.000	0.000	26.122	31.653	0.000	31.653
213 Other Employee Costs	9.240	0.000	0.000	9.240	9.240	0.000	9.240
221 General Expenses	104.197	0.000	0.000	104.197	100.676	0.000	100.676
222 Communications	9.244	0.000	0.000	9.244	9.244	0.000	9.244
223 Utility and Property Expenses	13.062	0.000	0.000	13.062	8.012	0.000	8.012
224 Supplies and Services	1.394	0.000	0.000	1.394	2.394	0.000	2.394
225 Professional Services	1.400	0.000	0.000	1.400	1.100	0.000	1.100
226 Insurances and Licenses	6.233	0.000	0.000	6.233	6.933	0.000	6.933
227 Travel and Transport	24.016	0.000	0.000	24.016	24.066	0.000	24.066
228 Maintenance	21.887	0.000	0.000	21.887	23.477	0.000	23.477
273 Employer social benefits	0.400	0.000	0.000	0.400	0.400	0.000	0.400
282 Miscellaneous Other Expenses	1.200	0.000	0.000	1.200	1.200	0.000	1.200
<b>Output Class : Capital Purchases</b>	<b>43.640</b>	<b>0.000</b>	<b>0.000</b>	<b>43.640</b>	<b>43.640</b>	<b>0.000</b>	<b>43.640</b>

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312 FIXED ASSETS	43.640	0.000	0.000	43.640	43.640	0.000	43.640
<b>Grand Total :</b>	<b>438.255</b>	<b>0.000</b>	<b>0.000</b>	<b>438.255</b>	<b>438.255</b>	<b>0.000</b>	<b>438.255</b>
<b>Total excluding Arrears</b>	<b>438.255</b>	<b>0.000</b>	<b>0.000</b>	<b>438.255</b>	<b>438.255</b>	<b>0.000</b>	<b>438.255</b>

## VII. Budget By Programme And Subprogramme

**Table V7.1: Past Expenditure Outturns and Medium Term Projections by Programme and SubProgramme**

<i>Billion Uganda shillings</i>	FY 2018/19 Outturn	FY 2019/20		2020-21 Proposed Budget	Medium Term Projections			
		Approved Budget	Spent By End Dec		2021-22	2022-23	2023-24	2024-25
<b>18 Administration and Support Services</b>	<b>169.914</b>	<b>215.767</b>	<b>99.329</b>	<b>214.348</b>	<b>247.249</b>	<b>280.309</b>	<b>319.980</b>	<b>367.585</b>
02 Internal Audit and Compliance	5.692	8.585	4.610	8.467	9.279	10.112	11.111	12.310
03 Corporate services	108.791	128.046	57.377	127.227	154.349	181.193	213.407	252.063
04 Legal Services	6.567	8.698	4.634	8.860	9.527	10.522	11.716	13.148
0653 Support to URA Projects	35.570	43.640	19.893	0.000	0.000	0.000	0.000	0.000
08 Research & Planning, Public Awareness and Tax Education	13.294	26.799	12.815	26.153	30.455	34.842	40.107	46.424
1622 Retooling of Uganda Revenue Authority	0.000	0.000	0.000	43.640	43.640	43.640	43.640	43.640
<b>54 Revenue Collection &amp; Administration</b>	<b>180.301</b>	<b>222.488</b>	<b>110.362</b>	<b>223.907</b>	<b>237.276</b>	<b>259.741</b>	<b>286.699</b>	<b>319.049</b>
05 Domestic Taxes	99.575	110.826	53.991	113.113	117.806	128.542	141.424	156.884
06 Customs	74.021	97.440	49.461	99.340	103.702	113.577	125.427	139.647
07 Tax Investigations	6.705	14.222	6.910	11.454	15.768	17.622	19.848	22.519
<b>Total for the Vote</b>	<b>350.216</b>	<b>438.255</b>	<b>209.691</b>	<b>438.255</b>	<b>484.525</b>	<b>540.050</b>	<b>606.679</b>	<b>686.634</b>
<b>Total Excluding Arrears</b>	<b>350.216</b>	<b>438.255</b>	<b>209.691</b>	<b>438.255</b>	<b>484.525</b>	<b>540.050</b>	<b>606.679</b>	<b>686.634</b>

## VIII. Programme Performance and Medium Term Plans

**Table V8.1: Programme Outcome and Outcome Indicators ( Only applicable for FY 2020/21)**

<b>Programme :</b>	18 Administration and Support Services				
<b>Programme Objective :</b>	Improve institutional performance				
<b>Responsible Officer:</b>	Doris Akol				
<b>Programme Outcome:</b>	Efficient and effective institutional performance				
<i>Sector Outcomes contributed to by the Programme Outcome</i>					
<b>1. Fiscal Credibility and Sustainability</b>					
Outcome Indicators	Performance Targets				
	Baseline	Base year	2020/21 Target	2021/22 Projection	2022/23 Projection
• Level of Strategic plan delivered	90%	201819	80%	80%	80%

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• Annual Auditor General rating of institutions	unqualified	201819	unqualified	unqualified	unqualified
N/A					
<b>Programme :</b>	54 Revenue Collection & Administration				
<b>Programme Objective :</b>	Maximise Revenue				
<b>Responsible Officer:</b>	Doris Akol				
<b>Programme Outcome:</b>	Maximum revenue				
<i>Sector Outcomes contributed to by the Programme Outcome</i>					
<b>1. Fiscal Credibility and Sustainability</b>					
Outcome Indicators	Performance Targets				
			2020/21	2021/22	2022/23
	Baseline	Base year	Target	Projection	Projection
• Revenue collection to target	100%	201819	100%	100%	100%
• Compliance level	67.18%	201819	80%	82%	83%
• Tax Administration cost as % of revenue	2.3%	201819	2.3%	2.3%	2.3%
<b>SubProgramme: 05 Domestic Taxes</b>					
<i>Output: 02 Domestic Tax Collection</i>					
Percentage Growth in taxpayer register			15%	15%	15%
Percentage of Domestic Tax Revenue collected against target			100%	100%	100%
Proportion of NTR collected against target.			100%	100%	100%
<b>SubProgramme: 06 Customs</b>					
<i>Output: 01 Customs Tax Collection</i>					
Percentage of Customs tax Revenue collected against target			100%	100%	100%
Amount of Customs Revenue collected to target			8,801.68	10,115.88	11,625.17
<b>SubProgramme: 07 Tax Investigations</b>					
<i>Output: 03 Tax Investigations</i>					
No. of Industry based tax investigations carried out to conclusion			85	85	85
Average cost of Tax Administration (DT, CE, TI)			223.91	247.42	275.92

## IX. Major Capital Investments And Changes In Resource Allocation

Table 9.1: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

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FY 2019/20		FY 2020/21
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Dec	Proposed Budget and Planned Outputs
<b>Vote 141 URA</b>		
<i>Program : 14 18 Administration and Support Services</i>		
Development Project : 1622 Retooling of Uganda Revenue Authority		
<b>Output: 14 18 72 Government Buildings and Administrative Infrastructure</b>		
<b>Total Output Cost(Ushs Thousand)</b>	<b>0</b>	<b>2,600,000</b>
Gou Dev't:	0	2,600,000
Ext Fin:	0	0
A.I.A:	0	0
<b>Output: 14 18 75 Purchase of Motor Vehicles and Other Transport Equipment</b>		
<b>Total Output Cost(Ushs Thousand)</b>	<b>0</b>	<b>8,022,424</b>
Gou Dev't:	0	8,022,424
Ext Fin:	0	0
A.I.A:	0	0
<b>Output: 14 18 76 Purchase of Office and ICT Equipment, including software</b>		
<b>Total Output Cost(Ushs Thousand)</b>	<b>0</b>	<b>32,917,272</b>
Gou Dev't:	0	32,917,272
Ext Fin:	0	0
A.I.A:	0	0

## X. Vote Challenges and Plans To Improve Performance

### Vote Challenges

1. Policy measures that were not fully implemented such as gazetting of more withholding tax agents, access to banking Telecom monitoring machine, customs Policy reversals, mobile money tax etc. however URA collection target was not reviewed to reflect the adjustments.
2. Digital economy:: Increasing globalization enables multinational companies (MNCs) to execute aggressive transfer pricing strategies, e-commerce, Base Erosion and Profit Shifting (BEPS), and tax plans aimed at tax avoidance. Therefore, we need to equip enough staff with skills in auditing MNCs most especially the Telecom Sector.
3. Inadequate financing to support structural review, increase staff strength, skills and reach in critical areas e.g. Oil & Gas, Telecom Audit and Rental.
4. Need to prepare for the production of Oil and Gas activities and management of the resultant revenues.
5. There is gross under declaration of rental income and therefore close monitoring through door to door field exercises, use of informers and GPS system is required.
6. The unregulated informal sector affects expansion of the revenue base (growth and expansion)
7. Collaboration and the changing role of Customs and regional agreements e.g. the African Continental Free Trade Area (AfCTA).
8. Continuous upgrade of the IT infrastructure including the primary Data Center.

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## Plans to improve Vote Performance

1. Strengthen the use of Data in revenue mobilization.
2. Undertake tax register cleaning.
3. Undertake scheme and sector/ industrial based investigations and intelligence
4. Undertake process analysis, alignment, simplification & re-engineering,
5. Strengthen collaboration through implementation of the DRMS framework – emphasis on integrated Government and Partnership/ Business intelligence.
6. Improve identification of potential tax payers and verification of information through better access and use of external data.
7. Expand the use of bio-metric data
8. Implement Electronic Fiscal Devices/ E-invoicing solution and Digital tax stamps.
9. Implement initiatives (Research etc) to mobilize revenue from on-line businesses/ digital economy
10. Strengthen surveillance for wider coverage of porous borders by use of Satellite technologies, Drones and boats.
11. Implement initiatives to encourage compliance of informal sector businesses
12. Strengthen URA's Audit function by adopting modern audit tools.
13. Enhance the use of risk targeting and increase the number of mass audits.
14. Establish real time information exchange mechanisms for tax and safety purposes.
15. Reduce tax payer uncertainty by clarifying legal and procedural ambiguities.
16. Promote tax payer engagements through tax payer education & appreciation, Clinics and Budget dialogues.
17. Strengthen service delivery standards.
18. Enhance skills of staff to support revenue mobilization.
19. Undertake proactive arrears and debt recovery drives
20. Improve and update Etax and ASYCUDA

## XI Off Budget Support

### Table 11.1 Off-Budget Support by Sub-Programme

N/A

## XII. Vote Cross Cutting Policy And Other Budgetary Issues

### Table 12.1: Cross- Cutting Policy Issues

**Issue Type:** HIV/AIDS

<b>Objective :</b>	Improve support to staff & their family members who are affected with HIV/AIDS
<b>Issue of Concern :</b>	The requirement for extra financial support over and above the general medical insurance to staff and their family members affected with HIV/AIDS to cover the unforeseen infection effects
<b>Planned Interventions :</b>	Provide a special fund to cater for staff and their family members affected with HIV/AIDS.
<b>Budget Allocation (Billion) :</b>	0.500
<b>Performance Indicators:</b>	The amount of money from MTEF allocated to support staff and their family members affected with HIV/AIDS. Number of staff and their family members

**Issue Type:** Gender

<b>Objective :</b>	Promote Gender Sensitivity
<b>Issue of Concern :</b>	Gap in Gender sensitivity in Tax education
<b>Planned Interventions :</b>	<ul style="list-style-type: none"> <li>• Carry out region based consultations with trade communities on tax reforms (informal sector),</li> </ul>
<b>Budget Allocation (Billion) :</b>	0.200
<b>Performance Indicators:</b>	Proportion of women trained <ul style="list-style-type: none"> <li>• No. of PWDs trained</li> <li>• No. of youth between 10 -21 years</li> </ul>

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<b>Objective :</b>	Promote Gender responsiveness
<b>Issue of Concern :</b>	Gap on gender responsiveness
<b>Planned Interventions :</b>	<ul style="list-style-type: none"> <li>• Conduct an assessment to look out for gender based issues and complaints,</li> <li>• Maintain a gender related tax statistics,</li> <li>• Conduct 6 sensitizations on Sexual harassment,</li> <li>• Conduct 4 sensitization on gender &amp; equity issues</li> </ul>
<b>Budget Allocation (Billion) :</b>	0.100
<b>Performance Indicators:</b>	Number of Gender responsive interventions held
<b>Objective :</b>	Facilitate Women in Trade
<b>Issue of Concern :</b>	Facilitate Women in Trade
<b>Planned Interventions :</b>	<ul style="list-style-type: none"> <li>• Sensitize Disabled Women involved in smuggling.</li> <li>• Sensitize staff on how to support women in trade</li> </ul>
<b>Budget Allocation (Billion) :</b>	0.040
<b>Performance Indicators:</b>	<ul style="list-style-type: none"> <li>• Number of Disabled women sensitized</li> <li>• Number of sensitizations conducted</li> </ul>

**Issue Type: Environment**

<b>Objective :</b>	Improve staff sensitization on preserving the environment
<b>Issue of Concern :</b>	Some staff do not appreciate the importance of preserving the environment
<b>Planned Interventions :</b>	<ul style="list-style-type: none"> <li>• Conduct 4 sensitizations to staff on environmental protection</li> <li>• Procure sanitary and disposal services</li> </ul>
<b>Budget Allocation (Billion) :</b>	0.885
<b>Performance Indicators:</b>	Number of environmental protection initiatives implemented

## XIII. Personnel Information

**Table 13.1 Staff Establishment Analysis**

Title	Salary Scale	Number Of Approved Positions	Number Of Filled Positions
MANAGER	RO4 2	1	0
MANAGER	RO4 8	61	45
SUPERVISOR	RO5 3	167	124
OFFICE ATTENDANT	RO6 2	1	0
OFFICER	RO6 5	2489	1986
OFFICE ASSISTANT	RO7	50	31
FLEET ASSISTANT	RO7 1	112	86

**Table 13.2 Staff Recruitment Plan**



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Post Title	Salary Scale	No. Of Approved Posts	No Of Filled Posts	Vacant Posts	No. of Posts Cleared for Filling FY2020/21	Gross Salary Per Month (UGX)	Total Annual Salary (UGX)
FLEET ASSISTANT	RO7 1	112	86	26	26	41,730,000	500,760,000
MANAGER	RO4 2	1	0	1	1	7,902,572	94,830,864
MANAGER	RO4 8	61	45	16	16	174,018,752	2,088,225,024
OFFICE ASSISTANT	RO7	42	23	19	19	30,495,000	365,940,000
OFFICE ATTENDANT	RO6 2	1	0	1	1	2,387,444	28,649,328
OFFICER	RO6 5	2459	1956	503	503	1,533,719,935	18,404,639,220
SUPERVISOR	RO5 3	154	111	43	43	234,012,020	2,808,144,240
<b>Total</b>		2830	2221	609	609	2,024,265,723	24,291,188,676