

ACTS SUPPLEMENT

to The Uganda Gazette No. 66 Volume CIII dated 5th November, 2010.

Printed by UPPC, Entebbe, by Order of the Government.

Act 25                      *Value Added Tax (Amendment) Act*                      2010

**THE VALUE ADDED TAX (AMENDMENT) ACT, 2010**

**An Act to amend the Value Added Tax Act to add the supply of software licences and the supply of biodegradable packaging materials to the list of exempt supplies.**

DATE OF ASSENT: 19th October, 2010.

*Date of Commencement:* See section 1.

BE IT ENACTED by Parliament as follows—

**1. Commencement**

This Act shall be deemed to have come into force on the 1st day of July, 2010.

**2. Amendment of section 1 of the VAT Act**

Section 1 of the Value Added Tax Act, is amended by inserting immediately after paragraph (a) a new paragraph (aa) as follows—

“(aa) biodegradable packaging material” means packaging material which can undergo a breakdown of its entire composition and by naturally existing micro organisms in the presence of air and water at specific temperatures into smaller constituent components within a given time of usually not more than six months.”

**3. Amendment of Second Schedule to the VAT Act**

The Value Added Tax Act, is amended in the Second Schedule—

(a) by substituting for paragraph 1(w), the following—

“(w) the supply of computer software and software licences.”;

(b) by inserting immediately after paragraph (ii) the following—

“(jj) the supply of biodegradable packaging materials.”