

**STATUTORY INSTRUMENTS SUPPLEMENT**

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**S T A T U T O R Y I N S T R U M E N T S**

**2011 No. 29.**

THE VALUE ADDED TAX (AMENDMENT) REGULATIONS, 2011

ARRANGEMENT OF REGULATIONS

*Regulations*

1. Commencement
2. Amendment of regulation 5
3. Amendment of regulation 7
4. Amendment of regulation 11
5. Amendment of regulation 13

# S T A T U T O R Y I N S T R U M E N T S

2011 No. ....

## **The Value Added Tax (Amendment) Regulations, 2011**

*(Under Section 78 of the Value Added Tax Act, Cap. 349)*

IN EXERCISE of the powers conferred upon the Minister by section 78 of the Value Added Tax Act Cap. 349, these Regulations are made this 20th day of June, 2011.

### **1. Commencement**

These Regulations shall come into force on 1st July, 2011.

### **2. Revocation of regulation 5**

Regulation 5 of the Value Added Tax Regulations S.I 349-1 in these Regulations referred to as the principal Regulations is revoked.

### **3. Amendment of regulation 7**

Regulation 7 (1)(b) of the principal Regulations is amended by substituting for “Uganda Electricity Board, National Water and Sewerage Corporation and Uganda Post and Telecommunications Corporation” the words “persons providing utility services”.

### **4. Amendment of regulation 11**

Regulation 11 of the principal Regulations is amended by inserting immediately after sub regulation (1) the following—

“(1a) For the purposes of sub regulation (1) the Commissioner General may require goods for export specified in a notice published in the Uganda Gazette to be distinctively labelled by the registered taxpayer

(1b) The Commissioner General shall issue guidelines to specify the colour, nature, size and type of labels referred to in sub regulation (1a).”

## 5. Amendment of regulation 13

Regulation 13 of the Value Added Tax Regulations is amended—

(a) by substituting sub-regulation (1) with the following—

“(1) A person who receives imported services other than an exempt service shall account for the tax due on the supply, and the taxpayer shall account for that service when performance of the service is completed or when payment for the service is made or when the invoice is received from the foreign supplier whichever is the earliest.”

(b) in sub-regulation (2)—

(i) by substituting for “total consideration paid to the foreign supplier” the words “taxable value of the supply determined under section 21 of the VAT Act (Cap. 349)”;

(ii) by substituting for “registered” the word “taxable”; and

(iii) by substituting for “total consideration” the words “taxable value”; and

(c) by substituting for sub-regulation (3) the following—

“(3) If a taxable person carries on a business both in and outside Uganda and there is an internal provision of services from the part outside Uganda to the part in Uganda, then, in relation to those services, the following applies for the purposes of the VAT Act Cap. 349 and these Regulations—

(a) that part of the business carried on outside Uganda is treated as if it were carried on by a person (referred to as the “overseas person”) separate from the taxable person;

- (b) the overseas person is not a taxable person; and
- (c) the internal provision of services is treated as a supply of services made outside Uganda by the overseas person to the taxable person for reduced consideration.”

MARIA KIWANUKA,  
*Minister of Finance, Planning and Economic Development.*