

ACTS SUPPLEMENT

*to The Uganda Gazette No. 77, Volume CXIII, dated 27th November, 2020*

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**Act 22**                      *Tax Procedures Code (Amendment) Act*                      **2020**

**THE TAX PROCEDURES CODE (AMENDMENT) ACT, 2020**

**An Act to amend the Tax Procedures Code Act, 2014, Act 14 of 2014 to provide for the deferment of the payment of income tax for companies and other persons involved in the business of education, tourism, manufacturing, horticulture and floricultural sectors whose turnover is less than five hundred million shillings; to defer payment of tax on employment income and to waive interest and penalty.**

DATE OF ASSENT: 24th November, 2020

*Date of Commencement:* 1st April, 2020

BE IT ENACTED by Parliament as follows:

**1. Commencement**

This Act shall come be deemed to have come into force on 1<sup>st</sup> April, 2020.

**2. Amendment of Tax Procedures Code Act, 2014**

The Tax Procedures Code Act, 2014 is amended by inserting immediately after section 40A the following new sections—

**40B Deferment of payment of tax until 31st December, 2020**

(1) A person registered as a tax payer under section 4(1) of this Act and who was liable to pay tax on or after 1<sup>st</sup> April, 2020 and before 30<sup>th</sup> June, 2020 shall have his or her liability to pay the tax deferred until 31<sup>st</sup> December, 2020.

(2) The deferral referred to under subsection (1) shall apply only to a person who is a registered tax payer involved in the business of education, tourism, manufacturing, horticulture or floriculture.

(3) A person registered as a tax payer under section 4(1) of this Act and who was liable to withhold tax under section 116 of the Income Tax Act on or after 1st April, 2020 and before 30th June, 2020 shall have his or her liability to pay the tax withheld deferred until 31st December, 2020.

(4) No interest or penalty shall accumulate on the outstanding amount of tax during the period referred to in subsections (1) and (3).

**40C. Waiver of interest and penalty**

Any interest and penalty outstanding as at 30<sup>th</sup> June, 2020, is waived.”