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Uganda Revenue Authority
DEVELOPING UGANDA TOGETHER



A simplified guide containing rates of tax for **Small Business Taxpayers**

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A Small Business Taxpayer for income tax purposes is a resident taxpayer whose gross turnover from all businesses owned by such a person in a year is above Ten Million Shillings but is less than One Hundred and Fifty Million Shillings. The term Turnover refers to one's total sales in a year.

Excluded from the small business (presumptive) tax category are professionals for example persons in dental, medical and architectural practice among others.

NOTE: A taxpayer whose gross turnover does not exceed 10 million shillings a year does not pay tax on their income.

Requirements for registration

Individual: National ID or two identifications (Passport, Village Id, Employment Id, Driver's Permit or Bank Statement)	**Sole proprietor:** Certificate of registration, Statement of particulars	**Company:** TINs of directors, Certificate of Registration or Incorporation, Company form 7

NB. Please note that your company must already be registered by Uganda Registration Services Bureau (URSB)

How is a Small business taxpayer taxed?

A person in this category shall be taxed as per the rates below unless that person elects by notice in writing to the Commissioner for their tax to be calculated by applying relevant rates of tax administered after ascertaining chargeable income.

GROSS TURNOVER	TAX PAYABLE	
	With Records	Without Records
Gross turnover does not exceed shs 10 million	Nil	Nil
Gross turnover exceeds shs 10 million but does not exceed shs 30 million	0.4% of annual turnover in excess of 10 million	Shs. 80,000
Gross turnover exceeds shs 30 million but does not exceed shs 50 million	Shs 80,000 plus 0.5% of annual turnover in excess of 30 million	Shs. 200,000
Gross turnover exceeds shs 50 million but does not exceed shs 80 million	Shs. 180,000 plus 0.6% of annual turnover in excess of shs. 50 million	Shs. 400,000
Gross turnover exceeds shs 80 million but does not exceed shs 150million	Shs 360,000 plus 0.7% of annual turnover in excess of shs. 80 million	Shs. 900,000

NOTE

a) The tax paid by the presumptive taxpayer shall be a final tax on the business income of a taxpayer

b) No deductions shall be allowed for expenditures or losses incurred in the production of business income and;

c) No tax credits are allowed to reduce the tax payable on the business income except withholding tax credit and provisional tax paid on amounts included in the gross annual income of the taxpayer

d) A taxpayers with no record shall pay a fixed cost while those with a record shall pay tax as a percentage of the annual turnover.

How to Pay Tax to URA

Go to URA website; ura.go.ug, under e-services and select payment registration. Select tax type i.e income tax – small businesses. Insert your TIN, email address and telephone number. Input the amount applicable to you basing on the brackets above, select the mode of payment (bank, mobile money, EFT etc) and register the payment. Ensure that you pay the assessed amount. You can contact any of our offices for assistance

DISCLAIMER: This information is strictly for guidance to our clientele and is subject to change on amendment of tax laws and other regulations governing tax administration.

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