



CSBAG BUDGET NEWS BRIEF



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Advocating for a People Centered Budget that Dignifies Humanity



OPEN LETTER: TO THE RGT.HON. SPEAKER OF THE PARLIAMENT OF UGANDA ON TAXING MPs' EMOLUMENTS

UPCOMING DISCUSSIONS ABOUT MPS TAX EXEMPTION PROPOSAL #MPSTAX

Event: Radio One Spectrum
Date: 11th April 2016
TIME: 7:00-8:00PM
Event: NBS TV
Date: 12th April 2016
TIME: 8:00-9:00AM
Event: CBS Radio
Date: 12th April 2016
TIME: 8:00-9:00PM

TRENDING HASHTAGS



Mr. Julius Mukunda coordinator of CSBAG submitting CSBAG perspectives on the Macro Economy and its impact on the FY 2016/17 Budget to Hon Kasule Sebunya and Hon Okello Anthony, Chairperson and Vice chairperson Finance committee respectively. #UGBUDGET16



Members of the Tax Justice alliance at a press conference hosted at SEATINI about leaked information on Corporations Dodging tax #PANAMAPAPERS



This week, it was announced that the only radiotherapy cancer machine at Mulago Cancer Institute had broken down
#SAVEMULAGO



Income Tax Act Sec 21 to have MPs listed among those categories whose emoluments can be exempted from tax. Rt. Hon. Speaker, we find this move insensitive to especially the very many poor women and men who send them to Parliament for representation purposes. As citizens we find this move deplorable given that it's happening at a time when we are encouraging every Uganda citizens to pay their fair share of taxes to enable this move deplorable given that it's happening at a time when we are encouraging every Uganda citizens to pay their fair share of taxes to enable Government ably deliver the right quality and quantity of services that is due to every citizen.

Implication of this move on service delivery in the FY 2016/17! Rt. Hon Speaker, each MP should be paying UGX 9 million out of his/her total monthly salary and allowances as taxes, following the court ruling (basing on the current pay). This would come to UGX 41.58bn annually if all MPs pay their taxes every month. This amount of money would pay 4,208 medical workers annually if each health worker earns an average of UGX 823,425 per month. In the Budget FY 2016/17, Ministry of Health indicates a funding shortfall of UGX 35bn to recruit extra 3,542 medical workers for General Hospitals. This short fall if not fulfilled will mean that all the plans under way in provision of quality health care to citizens will be crippled.

Rt. Hon Speaker, we wish to remind MPs that it's a negation of their civic duty if they decide not to pay their fair share of taxes and leave this burden to the poor people they represent. Effort by URA to widen and deepen the tax

will be dampened if this clandestine move succeeds, especially now that the demand for better services is geared up. The MPs will lose the moral authority to ask or demand for better service delivery to which they do not contribute to fairly, as leaders.

Existing loop hole in Salary structure of Government!

Rt. Hon Speaker, we acknowledge that the major issue at hand is the non-existent Salary Review Commission to harmonize the salary structure of this country. To find that some public officials of equal ranking in qualification, responsibility and authority earn different and unfair salaries is an injustice.

Rt. Hon Speaker, as CSBAG, it's our duty to voice these concerns on behalf of the citizens and stop any attempt by anyone to bring such an injustice to the ordinary women and men and we denounce this move in the strongest terms possible.

Call for Action!

Rt. Hon. Speaker, We call upon you not to entertain this discussion as this will dent your reign, as the one who facilitated debate on MPs to tactfully avoid payment of their fair share of taxes.

Related stories:

- ❖ [MPs Set to Exempt Themselves from Income Tax](#)
- ❖ [CSOs warn MPs against evading taxes](#)

This week, CSBAG learnt that MPs in the 9th Parliament intend to amend Sec 21 of the Income Tax Act to have Parliament listed among the institutions to be exempted from tax. This debate is expected when the Income Tax Bill debate resumes. CSBAG denounces this and in this week's Edition, we share the Open Letter we have shared with the Rgt. Hon. Speaker of Parliament. In the same spirit we urge citizens to join this call and ask MPs to pursue this move.

Who we are!

1. Rt. Hon Speaker, the Civil Society Budget Advocacy Group (CSBAG) is a coalition of 75 CSOs formed in 2004 to bring together civil society actors at national and district levels to influence Government decisions on resources mobilization and utilization for equitable, gender responsive and sustainable development;

We have since 2004, engaged Government to influence the budget process to ensure that both the local and national budgets address the needs and aspirations of the poor women and men of this country of Uganda. We write to you in dismay about the ploy by Hon Members of the 9th Parliament to amend the Income Tax Act to effectively have themselves exempted from paying tax on their allowances.

Why important to pay tax!

Rt. Hon Speaker, taxation is the price we pay for service delivery and development in any civilized country. As a country, we are proud that we are increasingly able to finance up to 68% of our national budget from locally raised revenue. To improve this position and grow the country Tax to GDP ratio, currently at 13%, all able Ugandans should pay their fair share of the taxes to further grow this positive trend.

Campaign to have every Ugandan pay tax!

3. Rt. Hon Speaker, CSBAG is among the CSOs at the forefront of encouraging all able Ugandans to pay taxes and we are working with selected Local Governments (LGs), through our membership, to enhance LG revenue mobilization efforts. This is from our understanding that citizens should pay their fair share of taxes and then demand for accountability from the government institutions that have been entrusted to deliver services in the various communities.

The shocker!

4. Rt. Hon Speaker, we have shockingly learnt that a section of MPs in the 9th Parliament intend to amend the Income