



## PARLIAMENT OF THE REPUBLIC OF UGANDA

### REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT ON THE LOTTERIES AND GAMING (AMENDMENT) BILL, 2023

OFFICE OF THE CLERK TO PARLIAMENT

MAY, 2023

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# **REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT ON THE LOTTERIES AND GAMING (AMENDMENT) BILL, 2023**

## **1.0 Introduction**

The Income Tax (Amendment) Bill, 2023 was, at the 21<sup>st</sup> Sitting of the 2<sup>nd</sup> Session of the 11th Parliament of Uganda held on Thursday 30<sup>th</sup> March, 2023, presented for First Reading and referred to the Committee on Finance, Planning and Economic Development for further scrutiny.

**Rt. Hon. Speaker** and Colleagues, the Committee considered the Bill through consultations with different stakeholders, hence this report.

## **2.0 Object of the Bill**

The object of this Bill is to amend the Lotteries and Gaming Act, 2016, to revise the gaming tax rate from twenty percent to thirty percent for a gaming activity.

## **3.0 Methodology**

The Committee held meetings and received memoranda from the following:-

- i) Minister of Finance, Planning and Economic Development.
- ii) The Attorney General.
- iii) Uganda Revenue Authority.

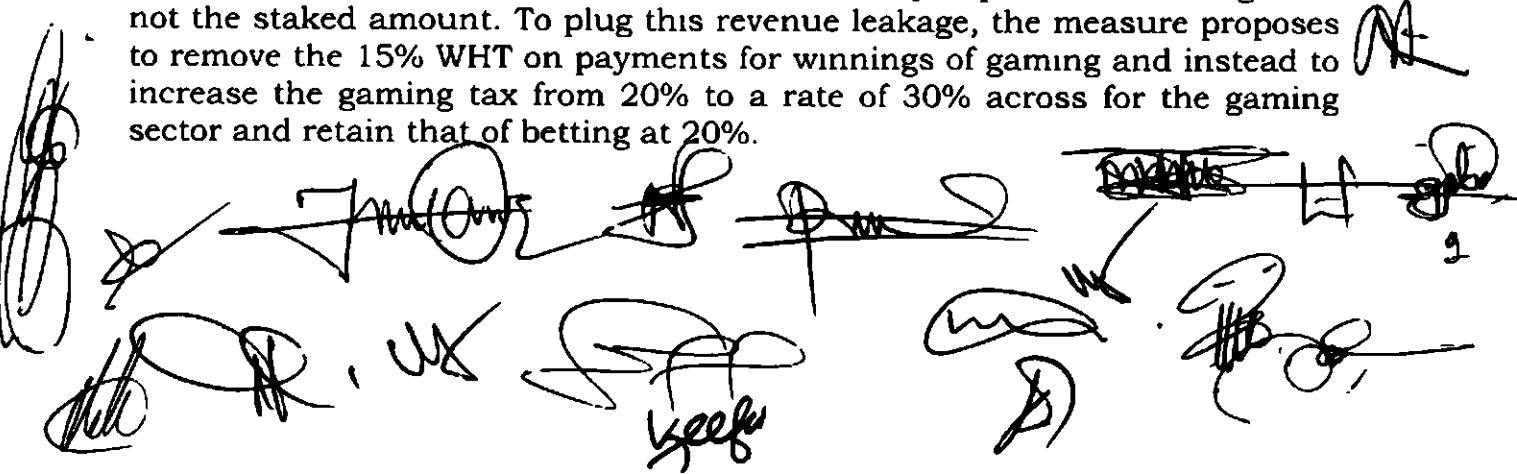
## **4.0 Stakeholders' Views**

The following proposals were brought forward for the Committee's consideration by the various stakeholders;

### **4.1 Revision of the gaming tax rate**

**MFPED** proposed an amendment to the principal Act to revise the gaming tax rate from twenty percent to thirty percent for a gaming activity.

The Ministry added that there are multiple start and stop points within some games in gaming which make it hard to enforce the tax point for winnings including punter sessions for roulette, poker and slots. Consequently, casinos are instead using the end of day reconciliations to account for withholding tax which would only be on the days when they have made losses. Such an occurrence (loss day) is highly unlikely for a casino as the betting/gaming companies are always 'winning'. As such, there is need to adjust the current policy and ensure the tax is only imposed on winnings and not the staked amount. To plug this revenue leakage, the measure proposes to remove the 15% WHT on payments for winnings of gaming and instead to increase the gaming tax from 20% to a rate of 30% across for the gaming sector and retain that of betting at 20%.



The Committee observed that the amendment seeks to impose a 20% tax rate for betting and 30% tax rate for gaming, on the difference between the amounts staked and the winnings paid out.

**Recommendation**

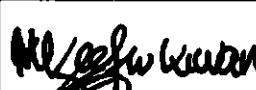
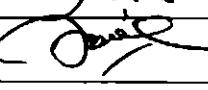
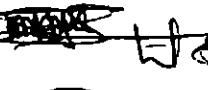
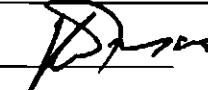
**The Committee recommends that Lotteries and Gaming (Amendment) Bill, 2023 be passed.**

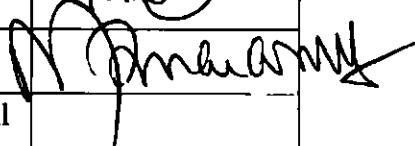
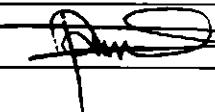
*(Signature)*

~~Minister H. S. D.~~

*(Signature)*

**MEMBERS OF THE COMMITTEE FINANCE, PLANNING AND ECONOMIC  
DEVELOPMENT; THE LOTTERIES AND GAMING (AMENDMENT) BILL OF 2023**

<b>NO</b>	<b>NAME</b>	<b>CONSTITUENCY</b>	<b>SIGNATURE</b>
1	<b>Dr. Keefa Kiwanuka C/P</b>	<b>Kiboga East County</b>	
2	<b>Hon. Avur Jane Pacuto D/CP</b>	<b>DWR Pakwach</b>	
3	<b>Hon. Wamakuyu Ignatious Mudimi</b>	<b>Elgon County</b>	
4	<b>Hon. Kankunda Amos Kibwika</b>	<b>Rwampara County</b>	
5	<b>Hon. Atima Jackson</b>	<b>Arua Central</b>	
6	<b>Hon. Bataringaya Basil</b>	<b>Kashari North County</b>	
7	<b>Hon. Asiimwe K Enosi</b>	<b>Kabula County</b>	
8	<b>Hon Aleper Moses</b>	<b>Chekwii County</b>	
9	<b>Hon. Ssejoba Isaac</b>	<b>Bukoto County</b>	
10	<b>Hon. Tayebwa Herbert Musasizi</b>	<b>Mid West County</b>	
11	<b>Hon. Lematia John</b>	<b>Kashongi County</b>	
12	<b>Hon. Kyooma Xavier Akampurira</b>	<b>Ayivu West County</b>	
13	<b>Hon. Nakut Faith Loru</b>	<b>Ibanda County</b>	
14	<b>Hon. Nangoli Gerald</b>	<b>North County</b>	
15	<b>Hon. Katali Loy</b>	<b>DWR Napak</b>	
16	<b>Hon. Ochai Maximus</b>	<b>Jinja County</b>	
17	<b>Hon. Opolot Patrick Isiagi</b>	<b>West Budama County</b>	
18	<b>Hon. Wanda Richard</b>	<b>Central</b>	

19	Hon. Okwir Samuel	Moroto County	
20	Hon. Nabukeera Hanifa	DWR Mukono	
21	Hon. Muwanga Kivumbi	Butambala County	
22	Hon. Ssenyonyi Joel	Nakawa West	
23	Hon. Nandala Mafabi	Budadiri West County	
24	Hon. Kalule Flavia	Jinja West County	
25	Hon. Akol Anthony	Kilak North	
26	Hon. Luttabaguzu Semakula P K	Nakaseke South	
27	Hon. Ocan Patrick	Apac Municipality	
28	Hon. Omara Paul	Otuke County	
29	Hon. Muhammad Nsereko	Kampala Central Division	
30	Hon. Aciro Paska Menya	DWR Pader	
31	Hon. Masaba Karim	Mbale, Industrial Division	