

Speaker for tax-free donations

By Vision Reporter

The Speaker of Parliament, Rebecca Kadaga has pledged to negotiate with the Ministry of Finance to allow tax-free importation of donations from Ugandans in the Diaspora.

Her remarks followed complaints by Ugandans in North America that they have been frustrated when medical, educational and other technological donations are taxed. Kadaga, who was addressing the technology, trade and investment forum at the Ugandan North American Association (UNAA) in Miami Florida over the weekend, said she intends to find a way around it.

The 29th annual UNAA Convention, which is running under the theme: *Economic Empowerment and Healthcare Transformation*, offers an opportunity for Ugandans to network and debate on trade and investment, technology and governance among other issues.

"You should not hesitate at all to send us equipment that is both for education or medical use because of fear of it being highly taxed. With proper planning, our colleagues in the central government can arrange for lifting of taxes because we need all the help we can get," she said.

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She added, that in some cases, the Government might totally waive taxes without the line ministry having to pay.

However, the Government Chief Whip, Ruth Nankabirwa, said the taxes were instituted after some Ugandans abused the privilege. She explained that these people declare items they would intended to sell in private businesses as donations.

"Ugandans misuse the opportunities set in place by the Government for those who intend to use them well. When you want to send equipment, inform the relevant ministry, which in turn can make an allowance in its budget to pay for the taxes of the equipment," she added.

Kadaga also proposed the creation of a construction bank to support the housing sector with friendly loan facilities for Ugandans both at home and in the diaspora to develop Uganda's real estate industry.

"Most of the banks offer mortgage facilities that support building personal houses and this may not necessarily develop the economy to the level that we want. We want to see a construction-focused bank that can support Ugandans in the diaspora who want to invest in building housing estates," Kadaga said. She said construction will have a multiplier effect because it provides opportunities for other industries that contribute to the value chain and others like the small scale food providers at building sites.

Alex Ruhunda (Fort Portal Municipality) supported her saying high commercial interest rates were stacked against Ugandan entrepreneurs.

"The Chinese and Indians access better interest rates from their home banks, which gives them an edge over Ugandans. Commercial banks should offer better interest rates and this appeal goes out to the Central Bank, which is the regulator," Ruhunda said.