



**Law enforcement.** KCCA law enforcers break the stalls of traders recently. The Kampala traders under their different associations have threatened to protest what they call the continuous manipulation by landlords and KCCA. FILE PHOTO

**Stability.** Whereas landlords say they charge in dollars to maintain the value of their money, traders think it is unfair.

# Traders cry out as landlords continue to charge in dollars

**Voices**

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"Why must we keep on being cheated like this yet we have leaders who could defend us? Parliament resolved this matter but some landlords have deliberately gone ahead to charge rent in dollars," MS FARIDAH NALUBWAMA, ONE OF THE TRADERS

"Traders shouldn't be complaining when landlords make slight adjustments because we are also pushed to the wall when the cost of operation becomes high. Actually, some landlords prefer charging rent in dollars because they want to maintain the value of their money unlike when it's in shillings," MR MUSA KAJOBA, A LANDLORD

**KAMPALA.** City property owners are still charging rent in dollars despite the Income Tax Amendment Bill which was assented to by the President on December 21, 2016. The law, among others, bars landlords from charging rent in dollars.

*Daily Monitor* has also learnt that traders under their different associations, have threatened to go on strike to protest what they call the continuous manipulation by landlords.

Some of the traders say although they transact in Ugandan Shillings, some of the landlords compel them to convert their money into dollars before paying rent.

"Why must we keep on being cheated like this yet we have leaders who could defend us? Parliament resolved this matter but some landlords have deliberately gone ahead to charge rent in dollars," Ms Faridah Nalubwama, a trader in one of the shopping malls on Luwum Street, says.

She explains that whenever they complain to their landlord, he threatens to kick them out.

"It doesn't make sense for me to pay rent in dollars yet for all the transactions I make are in shillings. Their target is to force us pay in dollars so that they can reap big when the dollar appreciates," Ms Nalubwama adds.

The chairperson of Kampala Traders Association (Kata), Mr

Godfrey Katongole, accuses government of failing to fulfil their pledge of implementing the law on rent yet they contribute a lot of money through the different taxes.

"The Minister of Trade has been promising that Cabinet will resolve this very matter but the situation is instead worsening. Traders have fallen prey to the landlords' greed and as a result, majority of them are closing their businesses," he says.

He reveals that they are now seeking audience with the president to explain their problems so that he can protect their interests.

"First of all, these landlords don't give traders receipts whenever they pay rent. This shows you that they actually avoid paying tax to URA (Uganda Revenue Authority) because they don't declare the whole income they collect," he said.

Besides paying rent in dollars, traders further accuse landlords of increasing rent every after three or four months, hence causing uncertainty.

**Rent woes**

Rental fees in the city vary according to location of the building and the floor level on which the shop is located.

For instance, a 12x12 Square metre ground floor shop on Luwum Street goes for between Shs8m and Shs10m.

However, the same shop could go for Shs5m on a building on Na-

kivubo Mews Road.

But some of the landlords say they are also compelled to make changes especially when the economy bites so as to keep in business.

"Traders shouldn't be complaining when landlords make slight adjustments because we are also pushed to the wall when the cost of operation becomes high. Actually, some landlords prefer charging rent in dollars because they want to maintain the value of their money unlike when it's in shillings," says Mr Musa Kajoba, a landlord.

**KEY ISSUES**

**Law.** When the Income Tax Bill was passed by MPs, traders jubilated and said it had relieved them of the enormous pressure which they claimed landlords normally pile on them.

**Protest.** However, some landlords protested the law, arguing that government did not consult them as property owners.

**Other charges.** This newspaper understands that apart from the high rental charges, traders pay other bills for power, water and toilet services. This excludes the numerous taxes they pay to Kampala Capital City Authority (KCCA) and the Uganda Revenue Authority (URA).

**Clashes.** Traders have previously clashed with landlords over increased rental charges. Although government has always pledged to resolve the impasse through legislation, the former argue that things are getting out of hand.

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Ms Stella Kiiza, the Kyegegwa Woman MP, who sits on the Parliamentary Committee on Trade, Industry and Cooperatives, acknowledges the traders' concerns but says the matter is currently before Cabinet.

She reveals that the committee compiled a report of all the challenges facing traders in the city, adding that there will be light at the end of the tunnel.

**Issue before Cabinet**

During a KCCA council meeting recently, Kampala Lord Mayor Erias Lukwago said the authority must find a solution to Kampala's rental problem, which he said has caused clashes among the business community, especially in the city centre. Mr Lukwago noted that the current Rent Restriction Act is outdated, hence needs to be reviewed to meet the current economic conditions.

The Rent Restriction Act enacted in 1949 to consolidate the law relating to the control of rents of dwelling houses at business premises.

According to Section 2 (1) the Act, no owner or lessee of dwelling house or premises shall let or sublet that dwelling house or premise at a rent which exceeds the standard rate.