

URA SUSPENDS SIX SENIOR OFFICIALS

By Umaru Kashaka

Uganda Revenue Authority (URA) has suspended six members of senior management over corruption allegations.

COMBATING CORRUPTION GAPS

"A full investigation is underway. Currently, the acting commissioner in charge of customs is Henry Kwaligonza," a highly placed source within URA told *New Vision* yesterday.

"Since John Musinguzi was appointed as Commissioner General on March 29, 2020, over 300 staff have been thrown out due to corruption," the source added. With Musinguzi's stewardship at URA, significant changes have been observed.

In April last year, URA banned the imported groupage or consolidated cargo clearance practice with immediate effect.

This was after noting with concern the increasing abuse of the process by fraudulent individuals commonly known as container leaders.

"These unscrupulous actors exploit unsuspecting traders, inflate tax charges,

COMPLIANCE

To simplify compliance and protect traders, Uganda Revenue Authority (URA) advised that for legitimate cargo consolidators to provide a master bill for all cargo in the container, issue individual house bills to each importer and transfer each cargo to the correct importer's name and TIN upon arrival. For importers, URA advised them to provide genuine commercial documents for their goods. "URA encourages all stakeholders to adhere to these guidelines to avoid non-compliance, which may lead to legal repercussions under customs laws," URA Commissioner General John Musinguzi said.

 **Since Musinguzi was appointed as Commissioner General in 2020, over 300 staff have been thrown out due to corruption.**

and undermine government revenue," Musinguzi said in a statement announcing the ban. He explained that the groupage clearance is where the so-called container leaders fraudulently present consolidated cargo belonging

to multiple traders as their own and clear it under their personal name or respective name and Tax Identification Number (TIN).

"This practice is illegal, exploitative and punishable by law. URA has, therefore,

banned it with immediate effect," the URA boss said.

He noted that cargo consolidation itself was not banned and that traders could still jointly transport goods in one container.

Musinguzi also said the container leaders illegally claimed value added tax refunds on behalf of the actual importers and misled small importers by discouraging self-clearance with false claims that it is more expensive and time-consuming.

"Through these fraudulent schemes and propaganda, these 'container leaders' or 'groupage clearers' have enriched themselves at the expense of small importers and national revenue. URA strongly condemns these illegal acts and their perpetrators," he said.

He said several offenders had already been arrested and charged in court.

INDIVIDUAL HOUSE BILLS

Small importers using joint containers were urged to insist on receiving individual house bills from consolidators and to pay their taxes directly to URA in

line with the aforementioned procedure.

"By following these steps, your goods can be cleared within 48 hours and you will only pay what you legally owe; free from inflated charges imposed by unauthorised middlemen," Musinguzi said.

CORRUPT CLEARING AGENTS

On February 6, last year, Musinguzi urged the leaders of the clearing and forwarding fraternity to report, dismiss and prosecute the corrupt agents as one of the ways to clean up their industry.

"At URA, we don't tolerate corruption and we have lost several staff. But we know that there is no corruption that happens, especially in customs, without the involvement of clearing agents. What have you done on your side? Almost nothing," he said.

He made the remarks while addressing over 650 clearing agents at Hotel Africana in Kampala during a dialogue on how best the clearing and forwarding industry could be managed to avoid revenue loss.