

THE REPUBLIC OF UGANDA

IN THE TAX APPEALS TRIBUNAL AT KAMPALA

MISCELLANEOUS CAUSE NO. 39 OF 2025

**IN THE MATTER OF AN APPLICATION FOR EXTENSION OF TIME WITHIN
WHICH TO FILE AN APPLICATION FOR REVIEW OF THE RESPONDENT'S
OBJECTION DECISION**

BABWE HOLDING LIMITED.....APPLICANT

VERSUS

UGANDA REVENUE AUTHORITY.....RESPONDENT

BEFORE:

MR. SIRAJ ALI, MS. ROSEMARY NAJJEMBA, MR. WILLY NANGOSYAH

RULING

This ruling is in respect of an application for extension of time within which to lodge an Application to the Tax Appeals Tribunal.

The Application was brought under **Article 126(2) (e)** of the **Constitution of the Republic of Uganda**, **S. 16(2)** and **S. 22(1), (2), (3) and (4)** of the **Tax Appeals Tribunal Act**, **Rules 12 and 30** of the **Tax Appeals Tribunal (Procedure) Rules, 2012** and **Order 52 Rule 1, 2 and 3** of the **Civil Procedure Rules**.

The Application is supported by the affidavit of Mr. Tigabasa Brian, a Director of the Applicant.

The Affidavit states that the Respondent commenced an audit of the Applicant on 20th October 2023. Following the completion of the audit the Respondent issued Additional Assessments against the Applicant in the sum of Shs. 463,516,772 for the tax period 1st July 2021 to 30th June 2022 on the grounds that some of the expenses claimed by the Applicant in its tax filings were unsupported and that there were variances between the purchases and sales declared.

The Applicant objected to the assessment on 15th May 2024. An objection decision was rendered by the Respondent on 12th August 2024.

The following the objection decision the Applicant applied to the Respondent's Alternative Dispute Resolution (ADR) for a resolution of the objection. On 10th October 2024, the Respondent dismissed the Application for ADR on the grounds that the Application was filed out of time.

The Affidavit states that when it decided to file an application before the tribunal for a review of the objection decision it was out time. The Affidavit places the reason for the delay squarely on the shoulders of its tax consultant.

The Respondent objected to the Application through an affidavit in reply deponed by Oseku Samuel, an officer in the Respondent's Legal Services and Board Affairs department.

Mr. Oseku stated that there must be just cause before an application to extend time to file an application for review can be granted. Mr. Oseku stated that the Applicant ought to have lodged its application for review of the Respondent's taxation decision by 12th September 2024 before the expiration of 30 days.

Mr. Oseku deponed further that the Respondent's ADR processes do not impede Applicants from filing contemporaneous Applications before the tribunal.

Mr. Oseku deponed that the Application did not disclose any sufficient ground for the grant of the orders sought.

The Applicant submitted relying on S. 16(2) of the Tax Appeals Tribunal Act (TAT Act) that the tribunal has the discretion to extend the time within which to file an application for review before it. The Applicant also submitted on the authority of S, 16(7) of the TAT Act that Applications for review of taxation decisions of the Respondent can be made within a period of six months. The Applicant implying that the decision of ADR rendered on 10th October 2024 was a taxation decision submitted that the Applicant was still within the six months period provided for under S. 16(7) of the TAT Act.

The Applicant submitted that it sought ADR in good faith and that it should not be penalized for the omissions of its tax consultant.

The Applicant relied on Rule 11(6) of the Tax Appeals Tribunal (Procedure) Rules, 2012 for the argument that the tribunal may grant extension of time within which to file an application for review if it is satisfied that the taxpayer was unable to file the application due to absence from Uganda, illness or any other reasonable cause.

The Applicant relying on the decision in **Boney Katatumba vs. Waheed Karim SCCA No. 27 of 2007** submitted that what constitutes sufficient reason is left to the court's unfettered discretion and the court will accept either a reason that prevented an applicant from taking the essential step in time or other reasons why the intended appeal should be allowed to proceed out of time.

The Applicant stated that the delay was caused by the negligence and or indifference of its tax consultant. The Applicant submitted further that the Application for extension of time had been brought without inordinate delay.

The Respondent submitted on the authority of S, 16(1) (c) of the TAT Act that applications for the review of objection decisions shall be made to the tribunal within 30 days from the date of service of the objection decision.

The Respondent submitted that too long a time has elapsed between 12th August 2024 and 27th March 2025 when the objection decision was issued and served and when the Application for extension of time was filed. Relying on the decision in **Eriga Jos Perion vs. Vuzzi Azza Victor and 2 others HCMA No. 9 of 2017**, the Respondent submitted that an order for the enlargement of time to file an appeal should ordinarily be allowed unless the Applicant is guilty of unexplained and inordinate delay in seeking the indulgence of Court.

The Respondent submitted that the Applicant had failed to make out a case to justify the extension of time.

Having studied the submissions of both parties, this is the ruling of the tribunal.

The time for filing an application for review is provided for under **S. 16 (c)** of the **Tax Appeals Tribunal Act**, as follows;

“(1) An application to the Tribunal for the review of a taxation decision shall-

(c) Be lodged with the Tribunal within thirty (30) days after the person making the application has been served with the notice of the decision”.

In **Uganda Revenue Authority Vs Consolidated Properties Ltd, Court of Appeal. Civil Appeal No. 31 of 2000**, the Court of Appeal held that timelines set by statute are matters of substantive law and not mere technicalities and must strictly be complied with.

Rule 11 (1) of the Tax Appeals Tribunal (Procedure) Rules provides that the Tribunal may, in its discretion, upon the application of the applicant in writing, extend the time for making an application.

In order to succeed in this application, the Applicant is required to show the existence of sufficient grounds or a good cause as to why he or she was not able to file the application within time.

In **Tight Security limited v Chartis Uganda Insurance Company Ltd, Miscellaneous Application No. 8 of 2024**, the court held that;

“Good cause relates to and include the factors which caused inability to file within the prescribed period of 30 days. The phrase “good cause” is however wider, and includes other causes of delay”.

Despite the above, the law envisages situations where a taxpayer may not be able to comply with the above timelines due to extraneous circumstances which are beyond the taxpayer’s control.

Upon review of the matter before this Tribunal, it is noted that the Applicant failed to file an application for review of its objection decision within the prescribed 30-day period as mandated by law. Furthermore, the applicant did not seek an extension within the allowable six-month period.

The Applicant advanced the reason that they pursued alternative dispute resolution which was unsuccessful.

Regulation 4 (3) of the Tax Procedures Code (Alternative Dispute Resolution Procedure) Regulations, 2023 (ADR Rules) states that;

“Where an alternative dispute resolution procedure is commenced between a taxpayer and

the Commissioner, the time within which the Taxpayer is required to file an Application with the Tribunal, or a suit with Court, shall not be affected by the alternative dispute resolution procedure”.

In light of the above express provision of the law, the Tribunal finds that the Alternative Dispute Resolution (ADR) process does not operate to suspend or interrupt the statutory timelines for lodging an application before the Tribunal.

While the Tribunal acknowledges that negligence or inadvertence of a tax consultant upon whom a taxpayer relies, may in principle, constitute sufficient cause to justify an extension of time, such a claim must be substantiated with credible evidence.

In the present case, the Applicant failed to adduce any proof in support of the assertion that the said tax consultant was negligent. The Applicant does not mention the consultant’s name, no proof of the consultant’s instructions have been provided. Without proper substantiation, this assertion remains speculative and cannot satisfy the legal standard required to warrant an extension of time.

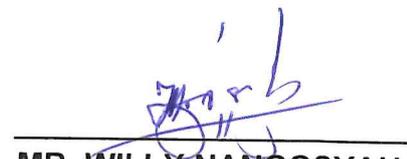
Accordingly, the Tribunal finds that the Applicant has failed to demonstrate reasonable cause for the delay. The application is hereby dismissed with costs.

Dated at Kampala this 30th day of October 2025.



MR. SIRAJ ALI
CHAIRMAN

MS. ROSEMARY NAJJEMBA
MEMBER



MR. WILLY NANGOSYAH
MEMBER

