TAX APPEALS TRIBUNAL
Justice in Taxation

THE REPUBLIC IF UGANDA

IN THE TAX APPEALS TRIBUNAL OF UGANDA

MISCELLANEOUS CAUSE NO. 36 OF 2026.

EGYPTIAN AFRICAN CO. FOR PHARMACEUTICAL INDUSTRIES & MEDICAL SUPPLIES & MEDICAL SERVICES.....APPLICANT

VERSUS

UGANDA REVENUE AUTHORITY.....RESPONDENT

BEFORE: HON. STELLA NYAPENDI CHOMBO, HON. EDWARD BIRYETEGA, HON. GERALD AGABA KAKIMA.

RULING

I. Introduction

1. This application was brought under section 16(2) of the Tax Appeals Tribunal Act, Rules 12 and 30 of the Tax Appeals Tribunal Procedure Rules, 2012, section 98 of the Civil Procedure Act, and Order 52, Rules 1, 2 and 3 of the Civil Procedure Rules. The Applicant seeks the following orders:

   (i) Time within which to lodge an application for review of the Respondent's objection decision dated 29 April 2026 before the Tax Appeals Tribunal be extended.

   (ii) Costs be in the main application.

II. Background Facts

2. In the affidavit in support by Mr. Houssam Morsy Fatouh Morsy Almekawy, the Finance Manager of the Applicant, sworn and deponed on 7 October 2026, stating that:

(i) The Applicant is engaged in providing healthcare services. Sometime in November 2025, the Respondent issued the Applicant with an administrative additional PAYE assessment of Shs. 273,604,401 for the period 1 July 2021 to 30 June 2024.

(ii) The Applicant subsequently applied for permission to lodge an objection out of time, which was granted on 3 February 2026. On the same date, it lodged an objection against the assessment. On 29 April 2026, the Respondent communicated its objection decision by email, upholding the assessment in the principal sum.

(iii) The Applicant stated that it had engaged a tax consultant, Mr. Jamir Kibirige, to handle the tax dispute and relied on his professional advice. The consultant advised it to pursue Alternative Dispute Resolution (ADR) without advising it to simultaneously lodge an application for review before the Tribunal within the statutory period of 30 days. The Applicant requested ADR on 5 May 2026, by a letter dated 4 May 2026. The ADR process continued until August 2026, during which the Applicant participated in good faith.

(iv) In July 2026, while the ADR process was ongoing, the Applicant appointed M/S Ojambo & Ojambo Advocates as its new legal representatives. They advised the Applicant that it ought to have lodged an application for review before the Tribunal while pursuing ADR to avoid expiry of the statutory timelines. On 27 August 2026, the Respondent issued its ADR decision under reference, upholding the tax liability of Shs.280,119,378. The decision was served on the Applicant on 8 September 2026.

(v) Following service of the ADR decision, the Applicant instructed its lawyers to file the present application, which was lodged approximately 29 days after service of the ADR decision. It contended that the delay was neither deliberate nor intended to frustrate the proceedings but arose from its reliance on the professional advice of its former tax consultant and its good-faith participation in ADR.

(vi) The application for review has merit and a high likelihood of success. It also stated that on 5 October 2026, it paid Shs. 30,000,000 towards the statutory 30% tax deposit pending determination of the application. The Respondent would suffer no prejudice if the application were granted, whereas it would suffer grave injustice if condemned to pay the tax liability of Shs.280,119,378without an opportunity to have the merits of its case heard.

(vii) The Tribunal has discretion to extend time where sufficient cause is demonstrated and the application was brought within six months of receipt of the objection decision. It prayed that the application be granted in the interest of justice.

3. In the Affidavit in reply by Ms. Mbabazi Miriam, an Advocate in its Legal Services and Board Affairs Department, of the Respondent sworn and deponed on 19 October 2026 stating that:

(i) The Respondent opposed the application for extension of time and stated that the Applicant had been issued with an administrative additional PAYE assessment of Shs.273,604,401 for the period 1 July 2021 to 30 June 2024.

(ii) The Applicant lodged an objection against the assessment on 3 February 2026. On 29 April 2026, the Respondent issued its objection decision upholding the assessment on the ground that the Applicant had failed to provide documentation in support of its objection.

(iii) The application for review of a taxation decision must be lodged before the Tribunal within 30 days of the objection decision. Since the objection decision was served on the Applicant on 29 April 2026, the Applicant ought to have filed by 29 May 2026. An extension of time can only be granted where sufficient cause has been demonstrated and maintained that the Applicant had not advanced any justifiable reason to warrant the Tribunal's discretion in its favour.

(iv) The Applicant had not demonstrated that it diligently followed up the filing of its intended application for review before expiry of the statutory period. It did not disclose any accident, illness, absence of its directors from Uganda or other circumstance beyond its reasonable control that prevented it from complying with the prescribed filing period. The Respondent maintained that the Applicant had failed to demonstrate sufficient cause for the delay and prayed that the application for extension of time be dismissed with costs.

4. In the affidavit in rejoinder by Mr. Houssam Morsy Fatouh Morsy Almekawy, its Director/Finance Manager, sworn and deponed on 127 October 2026, stating that:

(i) On about 15 May 2026, Mr. Almekawy fell seriously ill and was treated in Jinja for diabetic ketoacidosis. He subsequently travelled to Egypt for further treatment on 23 May 2026, before the statutory filing deadline of 29 May 2026. There was no officer available to follow up the matter, and it relied on its tax consultant, Mr. Jamir Kibirige, who had advised it to pursue ADR.

(ii) Upon discovering the consultant's error, it withdrew his instructions and appointed M/S Ojambo & Ojambo Advocates. The Applicant maintained that the Respondent would suffer no prejudice, whereas it stood to lose its right to challenge the Shs.273,604,401 assessment on its merits. The Applicant prayed that the application be granted in the interest of justice.

III. Issues

5. The following are the issues for determination:

   a) Whether the Tribunal has jurisdiction to extend time in the circumstances.

   b) Whether the Applicant has shown reasonable or sufficient cause for failing to lodge the review application within thirty days of the objection decision.

   c) In the alternative, whether the Respondent's ADR decision of 27 August 2026 is itself a taxation decision from which a review lies, so that time ran from its service on 8 September 2026

IV. The Applicant's Submissions

Whether the Tribunal has jurisdiction to extend time in the circumstances, and whether the Applicant has shown sufficient cause for failing to lodge the review application within thirty days of the objection decision.

6. The Applicant submitted that the objection decision was communicated on 29 April 2026, and the six-month period under section 16(7) expired on 29 October 2026. Since the present application was filed before that date, the Tribunal's discretion under section 16(2) to extend time was properly invoked.

7. The Applicant further submitted that the delay resulted from its reliance on the professional advice of its tax consultant, Mr. Jamir Kibirige, who advised it to pursue ADR instead of lodging an application for review before the Tribunal. It argued that ADR was a recognised dispute resolution mechanism under section 24(11) of the Tax Procedures Code Act and the Tax Procedures Code (Alternative Dispute Resolution Procedure) Regulations, 2023, and that it applied for ADR within the prescribed seven days of the objection decision.

8. The Applicant further contended that a mistake by a professional adviser should not necessarily be visited on the client, particularly where the client

had reasonably relied on the adviser's expertise. The reliance on the tax consultant constituted sufficient cause for the delay.

9. The Applicant pointed to its payment of Shs.30,000,000 towards the statutory 30% tax deposit as evidence of its commitment to pursuing the matter and submitted that the consultant's mistake should not deprive it of the opportunity to have its dispute determined on its merits.

In the alternative, whether the Respondent's ADR decision of 27 August 2026 is itself a taxation decision from which a review lies, so that time ran from its service on 8 September 2026.

10. In the alternative, the Applicant submitted that the Respondent's ADR decision dated 27 August 2026, served on 8 September 2026, constituted a taxation decision under section 16 of the Tax Appeals Tribunals Act, from which an application for review could be lodged. It argued that the ADR decision was the Respondent's final determination of the tax dispute and that time for seeking review ran from its service on 8 September 2026. The 30-day period expired on 8 October 2026.

11. The Applicant further submitted that the delay was sufficiently explained. The parties engaged in ADR from 5 May 2026 to 27 August 2026, the ADR decision was served on 8 September 2026, and the present application was filed on 7 October 2026, approximately 29 days after service.

12. The Applicant submitted that the intended review raised arguable issues concerning the PAYE assessment of Shs. 280,119,378 for the period July 2023 to June 2024. It contended that the contracts related to consultants rather than employees and that the payments were therefore subject to withholding tax rather than PAYE.

13. The Applicant argued that the Respondent would suffer no prejudice, whereas refusal of the application would deny it an opportunity to challenge a tax liability exceeding Shs. 280 million on its merits.

14. The Applicant stated that it had paid Shs. 30,000,000 towards the statutory 30% deposit and was willing to comply with any further directions of the Tribunal. The Applicant prayed that the Tribunal finds that sufficient cause had been established.

15. It alternatively argued that the Tribunal declares the ADR decision of 27 August 2026 a taxation decision for purposes of section 16, extends time to lodge the review application, directs that the substantive application be filed within 14 days of the ruling and awards costs in the main application.

V. The Respondent's Submissions

16. The Respondent submitted that section 27(1) of the Tax Procedures Code Act and section 16(1)(c) of the Tax Appeals Tribunal Act require an application for review to be lodged within 30 days of service of the objection decision. In the case of ***Uganda Revenue Authority v Uganda Consolidated Properties Ltd, Civil Appeal No. 31 of 2000***, it was argued that statutory timelines must be strictly complied with. The Applicant ought to have filed its application by 29 May 2026.

17. The Respondent acknowledged that the Tribunal has discretion under Rule 11 of the Tax Appeals Tribunal (Procedure) Rules to extend time where justifiable reasons are established. However, in the case of ***Meghani v Uganda Revenue Authority, Civil Appeal No. 6 of 2021,*** it submitted that sufficient cause must be supported by specific facts explaining the failure to act within time.

18. The Respondent further relied on ***Mulindwa George William v Kisubika Joseph, CA No. 12 of 2014,*** and submitted that the Tribunal should consider the length of delay, reasons for the delay, prospects of success and prejudice. It argued that the Applicant had not sufficiently explained or substantiated its former consultant's alleged mistake or demonstrated diligence in following up the matter.

19. On whether the ADR decision dated 27 August 2026 constituted a taxation decision, the Respondent submitted that under section 26(11) of the Tax Procedures Code Act, ADR is a dispute resolution mechanism available to a dissatisfied taxpayer. Further, Rule 4(3) of the Tax Procedures Code (Alternative Dispute Resolution) Regulations provides that commencement of ADR does not affect the statutory timelines. The Applicant's decision to pursue ADR did not suspend or extend the deadline of 29 May 2026 for filing an application before the Tribunal.

20. The Respondent argued that the Applicant ought to have pursued ADR and filed its application for review simultaneously, since the law does not provide that pursuing ADR suspends the obligation to comply with Tribunal filing timelines. It therefore opposed the Applicant's contention that the ADR decision created a fresh right of review.

21. On the length of delay, the Respondent submitted that the Applicant had failed to explain why it did not file the application for approximately five months after expiry of the statutory deadline. The Applicant had slept on its rights and failed to exercise diligence in pursuing the matter.

22. The Respondent maintained that the Applicant had failed to establish an explanation for the delay. It prayed that the application be dismissed with costs.

VI. Determination

Whether the Applicant has established sufficient cause for its failure to lodge the application for review within thirty days of the objection decision.

23. The Applicant seeks an extension of time to lodge an application for review of the Respondent's objection decision dated 29 April 2026, which upheld an additional PAYE assessment. Alternatively, it seeks to challenge the Respondent's ADR decision dated 27 August 2026, served on 8 September 2026, as a taxation decision capable of review.

24. The Tribunal relied on Section 16(1)(c) of the Tax Appeals Tribunals Act, which requires an application for review to be lodged within thirty days after the person making the application has been served with notice of the decision. Similarly, section 27(1) of the Tax Procedures Code Act provides that:

> *"A person dissatisfied with an objection decision may, within thirty days after being served with a notice of the objection decision, lodge an application with the Tribunal for review of the objection decision."*

25. The objection decision in this matter was communicated on 29 April 2026. The Applicant was therefore required to lodge its application for review by 29 May 2026. It is not disputed that the Applicant did not lodge the application within the prescribed period.

26. However, section 16(2) of the Tax Appeals Tribunals Act provides:

> *"A tribunal may, upon application in writing, extend the time for making an application to the tribunal for a review of a taxation decision."*

27. Furthermore, Rule 11(1) of the Tax Appeals Tribunals (Procedure) Rules, 2012, similarly empowers the Tribunal, upon a written application, to extend the time for making an application. Rule 11(2) requires an application for an extension of time to be supported by an affidavit stating why the Applicant was unable to lodge the application within the prescribed period. Rule 11(6) identifies circumstances which the Tribunal may consider, including absence from Uganda, illness and any other reasonable cause.

Reasons for the delay

28. The Applicant attributed its failure to lodge the application within time to its former tax consultant, Mr. Jamir Kibirige, who advised it to pursue Alternative Dispute Resolution (ADR) without simultaneously lodging an application for review before the Tribunal. It relied on ***Banco Arabe Espanol v Bank of Uganda, Supreme Court Civil Appeal No. 8 of 1998***, for the principle that a mistake by counsel or a professional adviser should not necessarily be visited upon a litigant.

29. In the case of ***Farid Meghani v Uganda Revenue Authority, High Court Civil Appeal No. 6 of 2021***, the Court held that sufficient cause under section 16(2) of the Tax Appeals Tribunals Act and Rule 11 must relate to the Applicant's failure to take the required step within the prescribed time and must be supported by specific facts.

30. The Tribunal has considered the Applicant's explanation concerning its reliance on its former tax consultant. However, the Tribunal is mindful that a taxpayer remains responsible for ensuring compliance with statutory filing requirements. The engagement of a tax consultant does not, by itself, excuse non-compliance with statutory timelines.

31. The Tribunal has also considered the subsequent appointment of M/S Ojambo & Ojambo Advocates in July 2026. Upon taking over the matter, the new legal representatives advised the Applicant that it ought to have lodged an application for review within the statutory period notwithstanding the ongoing ADR process. The Applicant subsequently continued with the ADR process, which culminated in the Respondent's decision dated 27 August 2026.

32. The Tribunal considers that the appointment of new legal representatives and their intervention in the matter are relevant circumstances in assessing the Applicant's conduct and diligence. The Tribunal notes that the Applicant did not abandon its tax dispute but continued pursuing the available dispute resolution process. Upon service of the ADR decision on 8 September 2026, the Applicant instructed its new legal representatives to pursue the matter before the Tribunal and lodged the present application on 7 October 2026.

33. Although the ADR does not suspend statutory timelines under Regulation 4(3) of the Tax Procedures Code (Alternative Dispute Resolution Procedure) Regulations, 2023, the Tribunal considers the Applicant's conduct after the appointment of its new legal representatives, together with

the steps taken following service of the ADR decision, in determining whether sufficient cause has been established.

34. In the case of ***Mulindwa George William v Kisubika Joseph, Supreme Court Civil Appeal No. 12 of 2014,*** the Supreme Court identified the length of the delay, the reasons for the delay, the prospects of success and the prejudice to the parties as relevant considerations in determining whether sufficient cause has been established.

35. Applying these considerations, the Tribunal finds that the Applicant's subsequent engagement of new legal representatives, the intervention by those representatives upon taking over the matter, the continued pursuit of the ADR process and the filing of the present application within twenty-nine days of service of the ADR decision demonstrate an intention to pursue the tax dispute rather than abandon it. The Tribunal is satisfied that these circumstances constitute sufficient cause to warrant the exercise of its discretion under section 16(2) of the Tax Appeals Tribunals Act and Rule 11 of the Rules.

36. The Tribunal is mindful of the decision in ***Uganda Revenue Authority v Uganda Consolidated Properties Ltd, Court of Appeal Civil Appeal No. 31 of 2000,*** on the importance of complying with statutory timelines. However, the requirement to comply with statutory timelines must be considered alongside the express power conferred upon the Tribunal under section 16(2) to extend time where sufficient cause is established.

37. In the circumstances, the Tribunal allows the application for extension of time to lodge an application for review of the objection decision communicated on 29 April 2026.

Whether the ADR decision dated 27 August 2026 constitutes a taxation decision capable of review.

38. The Applicant alternatively contended that the ADR decision dated 27 August 2026, served on 8 September 2026, constituted a taxation decision under the Tax Appeals Tribunal Act. It submitted that the decision was the Respondent's final determination of the tax dispute and that the period for seeking review therefore ran from the date of its service.

39. The Respondent argued that ADR is a dispute resolution mechanism under section 26(11) of the Tax Procedures Code Act and that Regulation 4(3) of the ADR Regulations expressly preserves statutory timelines. According to the Respondent, the ADR decision did not create a fresh right of review.

40. Section 14(1) of the Tax Appeals Tribunals Act provides for an application to the Tribunal by a person dissatisfied with a decision made by the Commissioner under a taxing Act. Section 14(2) empowers the Tribunal to review a taxation decision properly brought before it.

41. Regulation 4(3) of the ADR Regulations prevents the commencement of ADR from suspending or extending the time for challenging the original objection decision.

42. In the case of ***Egis Road Operation Uganda SMC Ltd v Uganda Revenue Authority, TAT Misc Cause No. 83 of 2025***, the Tribunal considered whether a decision communicated following ADR could constitute a taxation decision capable of review. The Tribunal recognised that a decision by the Commissioner which determines a taxpayer's tax dispute may, depending on its substance and effect, constitute a decision capable of review under the Tax Appeals Tribunal Act.

43. The Tribunal considers that the principle in *Egis Road Operation Uganda SMC Ltd* applies to the circumstances of this case. The original additional PAYE assessment was Shs. 273,604,401. However, following the ADR

process, the Respondent communicated a decision dated 27 August 2026, which upheld a computed tax liability of Shs. 280,119,378. The latter decision therefore communicated the Respondent's final position on the tax liability following the ADR process and specified the amount demanded from the Applicant.

44. The above is in line with ***Asiimwe Eunice Trading as Assy Lodges v Uganda Revenue Authority Miscellaneous Cause NO. 21 Of 2025, where the Tribunal held that:***

> *"The Tribunal finds the ADR decision of 11 November 2024 to be the more appropriate "taxation decision" for calculating the appeal timeframe in this case. This is because the ADR process provided a comprehensive and final determination of the tax liability".*

45. The Tribunal finds that the ADR decision dated 27 August 2026 constituted a distinct taxation decision capable of review under the Tax Appeals Tribunal Act. It was served on the Applicant on 8 September 2026, and the thirty-day period for seeking review expired on 8 October 2026. The Applicant lodged the present application on 7 October 2026, within the prescribed period. The Tribunal finds that the ADR decision dated 27 August 2026 is a taxation decision capable of review.

The statutory tax deposit

46. The Tribunal notes that, based on the tax liability of Shs.280,119,378 communicated in the ADR decision, the statutory thirty per cent (30%) tax deposit amounts to Shs.84,035,813. The Applicant subsequently filed a letter dated 6 November 2026 indicating that it had made an additional payment of Shs.25,000,000 under PRN 2270007643822 towards the statutory deposit, bringing the total amount paid to Shs.55,000,000.

47. Accordingly, the outstanding balance of the statutory deposit is Shs.29,035,813. The Tribunal considers compliance with the statutory tax deposit requirement a necessary condition for the Applicant to proceed with the substantive application for review.

Orders

48. The Tribunal makes the following orders:

    (i) The Applicant is granted leave to lodge its substantive application for review within fourteen (14) days from the date of this ruling.

    (ii) The Applicant is directed to pay the outstanding balance of 30 per cent within a period of three (3) months from the date of this ruling.

    (iii) Each party to bear their own costs.

Dated at Kampala this ....12th.....day of....November.....2026.

HON. STELLA NYAPENDI CHOMBO
CHAIRPERSON

HON. EDWARD BIRYETEGA
MEMBER

HON. GERALD AGABA KAKIMA
MEMBER