TAX APPEALS TRIBUNAL
Justice in Taxation

THE REPUBLIC OF UGANDA

IN THE TAX APPEALS TRIBUNAL AT KAMPALA

APPLICATION NO. 93 OF 2025

JJUKO MAWANDA ....APPLICANT

VERSUS

UGANDA REVENUE AUTHORITY...RESPONDENT

BEFORE: HON. REBECCA PROSCOVIA NAMBI. HON. CHRISTINE KATWE, HON. KENNETH BAGAMUHUNDA

RULING

I. Introduction

1. This Application arises from the Respondent's decision to raise additional Income Tax assessments against the Applicant and subsequently disallow his objection thereto. Dissatisfied with the Respondent's Objection Decision dated 14 November 2024, the Applicant lodged an Application before the Tribunal seeking review of the Respondent's decision.

2. At the commencement of the hearing, the Respondent raised preliminary objections challenging the competence of the Application on the grounds that it had been filed outside the statutory period and the Applicant had not paid 30% of the tax assessed as provided in the TAT Act. In this regard, the Tribunal directed that the preliminary objections be presented through written submissions for determination before consideration of the substantive dispute.

II. Background facts

3. The Applicant is an individual taxpayer registered with the Respondent effective 31 January 2022 and is engaged in the produce business.

4. On 30 July 2024, the Respondent issued Administrative Additional Income Tax Assessments against the Applicant for alleged non-declaration of income from coffee business activities. According to the Applicant, the assessments were raised in respect of the periods January 2022 to June 2022, July 2022 to June 2023 and July 2023 to June 2024 and gave rise to a tax liability amounting to Shs.27,951,119.

5. The Respondent's case is that the assessments arose from a compliance review undertaken on the Applicant's tax affairs. On 15 July 2024, the Respondent requested the Applicant to provide documentation and information relating to his business operations, including bank statements, audited financial statements, purchase invoices and receipts, payroll records, asset registers and tenancy agreements.

6. The Applicant objected to the assessments on the ground that the income upon which the assessments were based belonged to Wakika Namusujja Coffee Farmers Cooperative Society Limited, a cooperative society of which he is the Chairperson and a founding member.

7. The Applicant additionally challenged the assessment relating to the period July 2023 to June 2024 on the basis that it had allegedly been issued before the expiry of the statutory period for filing returns for that year of income.

8. Upon review of the objection, the Respondent concluded that even after Wakika Namusujja Coffee Farmers Cooperative Society Limited had opened its own bank account in November 2023, the Applicant's personal bank account continued to receive income. The Respondent consequently treated the income received through that account as separate from that of the cooperative society and disallowed the objection.

9. Accordingly, on 14 November 2024, the Respondent issued an Objection Decision disallowing the Applicant's objection and upholding the assessments.

10. The Applicant thereafter sought review of the Objection Decision through Alternative Dispute Resolution, which was declined by the Respondent through a letter dated 31 December 2024 because it had been lodged outside the period prescribed under the Tax Procedures Code (Alternative Dispute Resolution Procedure) Regulations, 2023.

11. Being dissatisfied with the Respondent's decision, the Applicant filed the present Application before the Tribunal.

III. Representation

12. The Applicant was represented by **Mr. Ronald Sseruwagi**, his accountant, while Ms. **Christine Mpumwire** from the Legal and Board Affairs Department appeared for the Respondent.

IV. Issues for determination

13. Based on the preliminary objections raised by the Respondent, the Tribunal framed the following issue for determination.

    a) Whether the Application was valid as it was filed outside the statutory period

    b) Whether the 30% deposit had been paid as required under Section 15 of the Tax Appeals Tribunal Act

    c) In view of the above, whether the Application should be dismissed

    d) Whether costs should be awarded

V. Submissions by the Respondent on the preliminary objection

Whether the application is competently before the Tribunal.

14. The Respondent challenged the competence of this application and invited the Tribunal to dismiss it with costs. They argued that the Applicant filed this application outside the mandatory 30 days and neither did he seek leave of the Tribunal to extend time before instituting this case.

15. The Respondent submitted that following the objection by the Applicant to the administrative additional income tax assessments of Shs. 27,951,119, the Respondent issued an Objection Decision on 14 November 2024

disallowing the objection and was communicated electronically through the Applicant's registered email address. Notwithstanding service of the Objection Decision, the Applicant did not commence the present proceedings until 7 April 2025, about five months after the decision had been served.

16. The Respondent maintained that sections 14 and 16 of the Tax Appeals Tribunal Act, read together with section 27(1) of the Tax Procedures Code Act, provide for a taxpayer dissatisfied with an objection decision to lodge an application for review within thirty days of service of notice.

17. The Respondent averred that the timelines provided were mandatory and substantive in nature, although the Tribunal retains discretion under section 16(2) of the Tax Appeals Tribunal Act to enlarge time, which the Applicant neither sought nor obtained leave to file outside time before lodging the Application.

18. The Respondent therefore contended that the dispute was time-barred and improperly before the Tribunal and cited the case of ***Uganda Revenue Authority v Consolidated Properties Ltd*, Civil Appeal No. 31 of 2000, and *MC DE-AM (U) Ltd v Uganda Revenue Authority*, TAT Application MBL 2 of 2009,** where the court held that statutory timelines are matters of substantive law and should be strictly adhered to.

19. The Respondent further challenged the application on the failure by the Applicant to comply with section 15 of the Tax Appeals Tribunal Act that requires a taxpayer disputing an assessment to pay thirty percent (30%) of the tax assessed, or the amount not in dispute, whichever is greater, pending final determination of the dispute. The 30% of the assessed tax of Shs.27,951,119 would be Shs.8,385,335.70 payable, invoking the Tribunal's jurisdiction.

20. In support of the non-compliance, the Respondent asserted that there was no evidence adduced by the Applicant to demonstrate payment of the prescribed amount, nor an application to pay by instalments, or recourse to any other statutory mechanism available where a taxpayer is unable to meet the requirement immediately.

21. The Respondent therefore prayed that, based on the aforementioned grounds, the Application be dismissed with costs.

VI. Submissions of the Applicant on the preliminary objections

22. When the parties appeared before the Tribunal on 6 August 2026, where the preliminary objections were raised by the Respondent, the Tribunal directed the Respondent to file and serve its written submissions by 10th August 2026. The Applicant was directed to file and serve a response thereto by 12 August 2026, while the Respondent was granted leave to file any rejoinder by 14 August 2026.

23. The Tribunal further directed that its ruling on the preliminary objections would be delivered on 21 August 2026.

24. By the time of this Ruling, the Applicant had not filed any written submissions in rebuttal to the submissions on preliminary objections raised by the Respondent, contrary to the directives of the Tribunal.

25. The Tribunal decided to proceed with the Ruling as earlier fixed.

VII. Determination of issues by the Tribunal

26. The Tribunal has carefully considered the submissions of the parties, the pleadings on record and the applicable law.

Whether the application was filed out of time without leave of the Tribunal

27. The Tribunal considered the Respondent's first preliminary objection that the substantive Application was filed out of time and without leave of the Tribunal. The Objection Decision sought to be reviewed was issued on 14th November 2024, and the Applicant failed to lodge an application before the Tribunal within the period prescribed under the Tax Appeals Tribunals Act. The Respondent further argued that the Applicant did not make any application seeking an extension of time and consequently failed to properly invoke the jurisdiction of the Tribunal.

28. The right of an aggrieved taxpayer to challenge a taxation decision before the Tribunal is provided for under section 14 of the Tax Appeals Tribunals Act. However, the exercise of that right is subject to the procedural requirements prescribed under the Act. Section 16(1)(c) provides that an application for review of a taxation decision shall be lodged with the Tribunal within thirty days after the person making the application has been served with notice of the decision.

29. Further, section 16(2) empowers the Tribunal, upon application in writing, to extend time for making an application for review of a taxation decision. The precondition of a written application for extension of time is very explicit in Section 16(2) read together with Rule 11(6) of the Procedure Rules of TAT which provides for reasonable cause upon which an extension can be granted.

30. The purpose of these provisions is to ensure certainty and finality in tax administration while at the same time preserving a taxpayer's right to challenge taxation decisions. Parliament accordingly established both the time within which a challenge may be brought and the procedure through which relief from non-compliance may be sought.

31. The Tribunal notes that the Objection Decision under challenge was issued on 14 November 2024 and the Application before the Tribunal was lodged on 7 April 2025, long after the 30 days prescribed by the Act. There is no dispute that the Application was not lodged within the thirty days prescribed under section 16(1)(c) of the Act.

32. The Tribunal further notes that despite filing the Application outside the statutory period, the Applicant did not file any application seeking extension of time under section 16(2) of the Act. Instead, the Applicant proceeded directly to lodge the substantive Application before the Tribunal.

33. The Applicant explained that the delay arose because the accountant who had handled the objection proceedings was not available and that he only became aware of the Objection Decision after the lapse of time. The Applicant further stated that upon learning of the decision, he sought review through Alternative Dispute Resolution but that the request was rejected for having been filed outside the prescribed ADR timelines. Although ADR is a statutory administrative mechanism managed by the Respondent, the Tribunal reasserts that the ADR process does not stop, suspend, or extend a review application before the Tribunal, as was held in the matter of ***CIC Africa (Uganda) LTD v URA, TAT Application No.275 of 2022, [2023] UGTAT15.***

34. The explanation advanced by the Applicant notwithstanding, the Act provides a leeway through which a party who has failed to comply with the thirty-day requirement may seek the Tribunal's intervention. That mechanism under section 16(2) of the Act enables the Tribunal to interrogate the reasons for delay and determine whether sufficient cause has been shown to warrant enlargement of time. To the contrary, no effort was made by the Applicant to provide the reasonable cause for filing out of time through the established procedure set out in the Act and the Rules of TAT.

35. During the proceedings held on 6 August 2026, the Tribunal explicitly provided the process with timelines for written submissions by both parties regarding preliminary objections raised by the Respondent. However, only the Respondent complied by making timely submissions, while the Applicant did not make submissions in response hence closed an opportunity for the Tribunal to consider the pleadings of the parties on the matter. In the circumstances, the Tribunal only relied on the submissions made by the Respondent.

36. In this regard, the Tribunal was denied the power to exercise the discretion conferred upon it by section 16(2) of the Act. The Applicant's explanation contained in the substantive Application cannot substitute the statutory procedure expressly prescribed by Parliament for enlargement of time.

37. The Tribunal has also considered section 16(7) of the Act, which provides that an application for review of a taxation decision shall be made within six months after the date of the taxation decision. However, that provision cannot be read in isolation from sections 16(1)(c) and 16(2).

38. In the case of ***Farid Meghan v URA, Civil Appeal No 6 of 2021 [2022] UGHC 11***, the High Court provided that the application of Sections 16 (1) (c), 16(2) and 16(7) of the TAT Act should be harmonious and no one of them should render the other meaningless.

39. Although Section 16(1) (c) limits the application to be made within 30 days of the objection decision, a taxpayer can request for extension of time beyond the 30 days period under Section16 (2) while Section 16 (7) allows application within 6 months of the tax decision. The requirement of written request under Section 16 (2) is mandatory and the subsequent sections can be invoked upon complying with this requirement.

40. The Tribunal therefore finds that the Applicant failed to comply with the mandatory requirement under section 16(1)(c) of the Tax Appeals Tribunals Act nor invoked the Tribunal's discretion under section 16(2) by seeking extension of time or utilise the additional flexibility under Section 16(7) of the TAT Act.

41. The Application was consequently lodged without properly complying with the statutory requirements governing the institution of proceedings before the Tribunal. Extension of time to file an application is not automatic as there are statutory preconditions thereof.

42. Accordingly, the Respondent's first preliminary objection succeeds. The Tribunal finds that the Application was filed out of time and without leave of the Tribunal and is therefore incompetent.

Whether the Applicant's failure to pay 30% of the tax in dispute renders the Application incompetent

43. The Respondent's second preliminary objection is that the Applicant failed to pay thirty percent (30%) of the tax in dispute prior to instituting the present Application. The Respondent submitted that payment of the prescribed amount is a mandatory requirement under the Tax Appeals Tribunals Act and that failure to comply with that requirement renders the Application incompetent. The Respondent therefore prayed that the Application be dismissed.

44. The Tribunal has considered the submissions of the parties and the applicable law.

45. Section 15(1) of the Tax Appeals Tribunals Act provides that:

> *"A taxpayer who has lodged a notice of objection to an assessment shall, pending final resolution of the objection, pay thirty percent of the tax assessed or that part of the tax assessed not in dispute, whichever is greater."*

46. The above section is explicit as a precondition for final resolution of an objection to an assessment ordinarily under the substantive matter. Section 16 (2), on which the first preliminary objection is premised, deals with the discretion of the Tribunal to extend time, and payment of 30% is not a condition precedent to exercising this authority. To conflate the two would create a procedural confusion on the application of the two provisions.

47. The above notwithstanding, the Tribunal further observed that consideration of the ground of nonpayment of 30% in this matter is dependent on the final determination of the first ground relating to extension of time. In circumstances that the first ground of filing out of time is upheld, then the second ground becomes inconsequential and therefore collapses.

48. Accordingly, having upheld the first preliminary ground presented by the Respondent, the Tribunal finds the second ground to have no consequential effect on the case and therefore decides not to pronounce itself on this ground.

VIII. Conclusion

49. Having considered the preliminary objections raised by the Respondent, the Tribunal finds merit in the first objection on filing outside the statutory period, while on the second objection, the Tribunal decided not to pronounce itself on the issue. The Applicant failed to institute the Application within the prescribed period and did not seek leave of the Tribunal to file the Application out of time.

50. Accordingly, the Tribunal finds that the Application was not properly brought before it and is therefore incompetent. The Respondent's first preliminary

objection is upheld, and the Application is dismissed with costs to the Respondent.

IX. Orders

1. The preliminary objection that the Application was filed out of time is upheld.
2. The substantive Application before the Tribunal is incompetent and is hereby dismissed.
3. Costs are awarded to the Respondent.

Dated at Kampala this **28th** day of **August** 2026.

HON. REBECCA PROSCOVIA NAMBI
CHAIRPERSON

HON. CHRISTINE KATWE
MEMBER

HON. KENNETH A. BAGAMUHUNDA
MEMBER