



**THE REPUBLIC OF UGANDA**  
**IN THE TAX APPEALS TRIBUNAL AT KAMPALA**  
**APPLICATION NO. 73 Of 2026**

**MUNYANGA DEVELOPMENT LIMITED.....APPLICANT**

**VERSUS**

**UGANDA REVENUE AUTHORITY.....RESPONDENT**

**BEFORE: HON. CRYSTAL KABAJWARA, HON. KENNETH A BAGAMUHUNDA,  
HON. GERALD AGABA KAKIMA**

**RULING**

**I. Introduction**

1. This ruling is in respect of an application to declare the validity of an election made by the Applicant under Section 26 (7) of the Tax Procedures Code Act to treat its objection as allowed. This arises from the Respondent's alleged failure to issue an objection decision within the prescribed 90-day statutory period.

**II. Background Facts**

2. The applicant is in the business of tourist accommodation, trading as Mahogany Springs Luxury Resort, based in Kihhihi, Kanungu District. On 22 November 2025, the Respondent issued a tax assessment of Shs. 2,600,873,388 for the period 2022 to 2024 on the grounds that the revenue reported in the audited financial statements did not match the credits reflected on the Applicant's bank statements.

3. The Applicant objected to the tax amounting to Shs. 2,451,456,441 on 31 December 2025. On 31 March 2026, the Applicant accordingly issued an election notice to treat the objection as allowed in accordance with Sections 26(6) and 26 (7) of the Tax Procedure Code Act.
4. The Respondent had engagements with the Applicant on 5 February 2026, 16 March 2026 and 19 March 2026, where a number of documents were submitted by the Applicant for review by the Respondent.
5. On the same day at 18.11 hours, the Respondent issued a decision on the objection, partially allowing it in the sum of Shs. 792,248,194 and disallowing the objection in the sum of Shs. 1,808,625,194. The Respondent also issued an election rejection notice on the same day.
6. The Applicant filed the application before the Tax Appeals Tribunal, challenging the Respondent's actions.

### **III. Issues for determination**

7. The following are the issues for determination:
  - (i) Whether the election notice issued by the Applicant on 31 March 2026 to treat the objection made on 31 December 2025 as allowed is valid and within the ambit of Section 26 (7) of the Tax Procedure Code Act.
  - (ii) Whether objection decision issued by the Respondent on 31 March 2026 is lawful in accordance with Section 26 (7) of the Tax Procedure Code Act.

### **IV. Representation**

8. The Applicant was represented by Jackie Aturinda, Linda Mugisha and Jonathan Rukikaire of M/S Birungyi & Barata Associates, while the Respondent was represented by Sam Kwerit and Agaba Edmond of the Respondent's Legal and Board Affairs Department.

## V. Submissions of the Applicant

9. The Applicant submitted that the Respondent made a tax assessment against the Applicant of Shs. 2,600,873,388 for the period 2022 to 2024 on the grounds that the revenue reported in the audited financial statements did not match the credits reflected on the Applicant's bank statements, 22 November 2025. On 31 December 2025, the Applicant objected to the tax amounting to Shs. 2,451,456,441.

### **Issue 1 – Whether the election by the Applicant was valid**

10. The Applicant cited Section 26 of the Tax Procedures Code Act (“TPCA”), which governs the objection process in tax matters and provides as follows;
  1. *“(1) A person who is dissatisfied with a tax decision may lodge an objection with the Commissioner General within forty-five days after receiving notice of the lire decision.*
  2. *(5) The Commissioner General may make a decision on an objection-*
  3. *to a tax assessment, affirming, reducing, increasing, or otherwise varying the assessment to which the objection relates; or*
  4. *b) to any tax decision. Affirming, varying, or setting aside the decision.*
  4. *(6) The Commissioner General shall serve notice of an objection decision on the person objecting within ninety days from the date of receipt of the objection*
  5. *(7) Subject to Subsection (9), where an objection decision has not been served within the time specified under subsection (6), the person objecting may, by notice in writing to the Commissioner General, elect to treat the Commissioner General as having made a decision to allow the objection*
  6. *(8) Where a person makes an election under Section (7), the person is treated as having been served with a notice of the direction decision on the date the person's section is lodged with the Commissioner General”*
11. The Applicant submitted that it objected on 31 December 2025 and that, according to Section 26 (6) of the TPCA, the Respondent was required to issue

objection decisions within 90 days from the date of receipt of the objection. The 90 days begin to run from the date the Respondent receives the objection decision. The Respondent therefore had to serve the objection decision by 30 March 2026, which it did not.

12. The Applicant submitted that, as a result, the Applicant exercised its statutory right under Section 26(7) and lodged elections, thereby treating the objections as allowed.
13. The Applicant submitted that the Respondent duly acknowledged the election on 31 March at 9.50 AM, which confirmed that the Applicant had satisfied the statutory condition of lodging an election.
14. The Applicant cited ***Kumi Orthopaedic Centre Ltd V URA TAT Application No. 23 of 2018***, where the Respondent issued two assessments against the Applicant for the period 2012/2013 and 2012/2013. The Applicant objected online to the assessments on 6 October 2015, having not received an objection decision within the prescribed time. On 17 May 2016, the Applicant elected online to the objections and on 7 June 2016, the Respondent rejected the elections. On 28 July 2017, the Respondent allowed the objection to the 2012/13 assessment and partially allowed the objection to the 2013/14 assessment, thereby issuing an additional assessment. The Tribunal held that:

*"Having objected online, the Respondent did not make an objection decision within the prescribed time...the Respondent was supposed to serve a notice of an objection decision within 90 days, that is by 6 December 2015.... The Tax Procedure Code Act still provides for an election where an objection decision has not been served within the prescribed time. The effect of Section 99(8) is that the election is deemed to have the effect of an objection decision. It finally resolves the matter as the election is treated as an objection decision in favour of the taxpayer."*

15. The Applicant stated that the right of election under Section 26(7) is not discretionary and is not dependent on the Commissioner General's approval or acceptance. Once the election is lodged, Section 26(8) automatically deems the taxpayer to have been served with an objection decision allowing the objection on the date of the election. Therefore, the Applicant legally exercised their statutory right under Section 26(7), and the election which took effect on 31 March 2026, is valid.
16. The Applicant therefore maintained that it legally exercised its statutory right under Section 26(7) of the TPCA.

**Issue 2- Whether the Objection decision issued on 31 March 2026 was lawful**

17. The Applicant further submitted that after the election, the Respondent approached the Applicant to withdraw the election, but the Applicant declined to on the basis that the election had been made validly in accordance with the law.
18. The Respondent subsequently issued an objection decision on 31 March 2026 at 18.11 hours, partially allowing the objection in the sum of Shs. 792,248,194 and disallowing the same period to Shs. 1,808,625,194.
19. The objection decisions were issued after the expiry of the mandatory 90- day period under Section 26(6) of the TPCA, when the Applicant had already lodged a valid election under Section 26(7), hence lacked jurisdiction to issue further objection decisions in respect of the said objection.
20. The Applicant cites ***Uganda Revenue Authority V Uganda Consolidated Properties Ltd Civil Appeal No 31 of 2001***, where the court held that:

*“Time limits set by the statutes are matters of substantive law and not mere technicalities and must be strictly complied with”*

21. Section 26 (8) expressly provides that upon receipt of an election by the Respondent, the Applicant is deemed to have been served with an objection decision on the date of election. Since the election was made, the objection was deemed allowed under the law, confirming the conclusion of the objection proceedings and the decision on no further objection.
22. The Applicant prayed that the Tribunal determine that the Respondent possessed no jurisdiction to issue the objection decisions after the election had taken effect. The Applicant also cited ***Kuku Foods V Uganda Revenue Authority, TAT Application No 210 of 2024***, where it was held that the  
*“The Respondent’s objection decision issued outside the statutory period is time-barred and of no legal effect. Consequently, the tax demand is unenforceable”*
23. The Applicant averred that the objection decision issued after a valid election was therefore unlawful, issued without jurisdiction, null and void ab initio, having been made in contravention of Section 26(7) and 26(8) of the TPCA.
24. The Applicant submitted that in view of the invalidity of the objection decision issued, the additional assessment arising from the decision thereof is unlawful, invalid and unenforceable in law.

### **Remedies**

25. Consequently, the Applicant prayed for the following remedies
  - i. A declaration that the Applicant’s election is valid
  - ii. A declaration that the Respondent’s objection decision issued after the election is unlawful and void
  - iii. The assessment of Shs. 1,808,625,194 is set aside
  - iv. The Applicant is awarded costs of the application
  - v. Any other relief the Tribunal may deem fit.

## VI. Submissions of the Respondent

26. The Respondent submitted that they issued the Applicant with additional assessments for income tax for 2021/22, 2022/23 and 2023/24, amounting to Shs. 2,730,523,078 on 21 November 2025. On 31 December 2025, the taxpayer objected to the assessments. The Respondent held reconciliation engagements with the Applicant on 5 February 2026, 16 March 2026, and 19 March 2026, during which the Applicant was requested to provide supporting documents. The last batch of documents was submitted on 30 March 2026.
27. The Respondent issued its objection decision on 31 March 2026, partially allowing the objection where the tax liability was revised from Shs. 2,730,523,078 to Shs. 1,719,425,582. On 31 March 2026, the Applicant purported to elect to treat its objection on the allegation that the Respondent had not issued the objection decision within the 90-day period.
28. The Respondent submitted that the purported election is invalid.
29. The Respondent contended that this Tribunal will have to examine whether the Respondent made its Objection decision outside the 90-day period. The Respondent argued that by 31 March 2026, the Respondent was still within the statutory timeline to issue its Objection decision. The Applicant having lodged its objection on 31 December 2025, the 90-day period ended on 31 March 2026, when the Respondent issued its decision on the objection.
30. The Respondent further argued that the Applicant seemingly departs from its pleadings and suggests that the Respondent issued its Objection decision on 31 March, 2026. In its own pleadings under paragraph 3 (e), the Applicant states that *"By 31 March, 2026, the Respondent had not issued its Objection decisions..."* and in the submissions states that the Respondent issued its objection decisions belatedly on 31 March 2026.

31. The Applicant's claim that the decision was not made within the 90-day period is not backed by any evidence.
32. The Respondent submitted that the computation of time limits is guided by the Interpretation Act, which inter alia states under Section 34(1)(a) as follows:

*"In computing time for the purpose of any Act, a period of days from the happening of an event or the doing of any act, or thing shall be deemed to be exclusive of the day in which the event or the act or thing is done..."*
33. The Respondent submitted that in computing time, the first day of the event, which is the date of the objection, is excluded. Consequently, in calculating time in the instant case, the 1st day is 1 January 2026, and the 90th day is 31 March, 2026, when the Respondent issued its Objection decisions. The Respondent's decision was issued in a timely manner. The Respondent prayed that the Application be rejected with costs to the Respondent.
34. The Respondent further contended that even if the Objection decision was issued outside the 90 days, during objection review, the Applicant was requested to provide documents to support its objection and the last batch of documents was submitted on 30 March 2026, which had the effect of extending the time within which the Respondent was obligated to issue its objection decision. The time limit for the objection decision had already been waived under Section 26(9) of the TPCA, which allows an extension of time for the issuance of decisions.
35. The Respondent submitted that a review of annexure B and C attached to the Respondent's Statement of Reasons for the taxation decision shows that the Applicant was requested to submit some documents in support of its Objection, and the last batch of documents was submitted on 30 March, 2026. This consequently expanded the time within which the Respondent was obligated to issue its Objection decision.

36. The Respondent contended that even if the Respondent had not issued its objection decision by 31 March 2026, the time limit requirement had already been waived under section 26(9) of the Tax Procedures Code Act. This application is frivolous, vexatious and misconceived and should be dismissed with costs being awarded to the Respondent.
37. The Respondent prays that the application be dismissed with costs to be awarded.

**VII. The Applicant's submissions in rejoinder**

38. The Applicant submitted that, in line with Section 26(6) of the TPCA, the operative statutory act is service, not the internal generation or "issuance" of a decision within the Respondent's system.
39. The Applicant also submitted that the Respondent was required to serve its notices of the objection decisions within 90 days from the date of receipt of the objection notices, which fell on 30 March 2026. Having not received the objection decisions within the prescribed time (90 days), the Applicant elected to treat the objections as allowed by the Respondent on 31 March 2026 at 9.50 am, 9.53 am and 09.54 am, respectively. (Exh A4 at pages 24 to 31 of the Applicant's documents). The Respondent subsequently issued objection decisions on the same day at 11:00 am, 18.25 pm and 18.27 pm ( Exh A5 at pages 32 to 39 of the Applicant's documents)
40. The Applicant submitted that once a valid election is made under Section 26(7), Section 26(8) deems the Commissioner to have allowed the objection and deems the taxpayer served with that decision on the date of election.
41. The Applicant submitted that the Respondent's system is configured in such a way that it does not permit a taxpayer to elect before the expiry of the statutory 90 days. Any attempt to make such an election is automatically rejected with

the message: *"Election is not allowed before the statutory period of 90 days from objection date"* (See Exh A7 at page 46 of the Applicant's documents). By the time the Applicant successfully lodged its elections, the statutory period had already expired, thereby disposing of any contention that the elections were premature.

42. In rejoinder to the Respondent's allegation that the Applicant attached to its application a document which is not dated and does not show when the objection decision was made, the Applicant submitted that this was an error that occurred during the printing and photocopying process, and complete copies were filed as Exh A5, pages 34-38 in the Applicant's documents, indicating the notice date of the objection decisions as 31/03/2026.
43. The Applicant submitted that by 31 March 2026, the Respondent had not yet issued or served the Applicant with the objection decisions; as a result, the Applicant elected. The Applicant maintained that, having lodged its objection on 31 December 2025, the 90 day was 30 March 2026, when the Respondent issued its objection decisions.
44. Regarding the Respondent's reliance on the Interpretation Act, the Applicant submitted that the long title to the Interpretation Act states:

*"An Act to provide for the law relating to the construction and interpretation of Acts of Parliament; to regulate certain other matters relating to Acts of Parliament and to statutory powers and duties and for related matters."*
45. The Applicant submitted that the TPCA regulates the procedures for the administration of specified tax laws in Uganda and for related matters. The specified tax laws under Schedule 2 to the Act are the TPCA, Income Tax Act, Value Added Tax Act, Excise Duty Act, Lotteries and Gaming Act, and other Acts imposing a tax as the Minister may by statutory instrument declare.

46. The Applicant relied on the case of *Harriet Negesa v Umeme Limited [2026] UGIC 7 (27 February 2026)*, where the Industrial Court held that the specific review procedure under the Labour Disputes (Arbitration and Settlement) Act took precedence over the general review provisions of the Civil Procedure Act and Rules.
47. The specific deeming provision under the Tax Procedures Code Act takes precedence over the general provisions of the Interpretation Act. Therefore, the computation of time provided for under Section 26(6) of the TPCA takes precedence over Section 34(1) (a) of the Interpretation Act.
48. The Applicant further argued that Section 26(9) does not provide for an automatic or implied waiver merely because the Respondent requested documents or information. Section 26(9) must expressly be invoked through a notification by the Respondent to a taxpayer. Without such communication, the taxpayer is left to speculate.
49. The Applicant submitted that the election under section 26(7) was validly made. By operation of section 26(8), the Commissioner was deemed to have allowed the objections, and the Applicant was deemed to have been served with that decision on the date of the election. The Respondent's subsequent objection decisions, issued after the statutory deeming had taken effect, were of no legal effect.
50. The Applicant submitted that this application has merit, the election was valid, and the Respondent has no jurisdiction to issue the objection decisions. The Applicant prayed for a declaration that the election was valid, the objection decisions issued after the election are unlawful, and the assessment of Shs. 1,808,625,194 is set aside for application costs.

## VIII. The Determination

51. The Tribunal considered the two issues presented by the parties regarding the validity of the election made by the Applicant and whether the objection decisions made by the Respondent were lawful and enforceable. The additional issues on liability to pay assessed tax and remedies were consequential to the determination of the first two issues.
52. The Tribunal's determination is anchored on Section 26 of the Tax Procedures Code Act, which states:

*"(6) The Commissioner General shall serve notice of an objection decision on the person objecting within ninety days from the date of receipt of the objection.*

*(7) Subject to Subsection (9), where an objection decision has not been served within the time specified under subsection (6), the person objecting may, by notice in writing to the Commissioner General, elect to treat the Commissioner General as having made a decision to allow the objection.*

*(8) Where a person makes an election under Section (7), the person is treated as having been served with a notice of the objection decision on the date the person's election is lodged with the Commissioner General.*"

### **Whether the election by the Applicant was valid**

53. Section 26 (6), (7), (8) and (9) are explicit in laying out the process and timelines of objection decisions and elections. Both the Respondent and the Applicant recognised the substantiveness of the 90-day limit within which objections are to be made. The importance of time limits in tax law was underpinned in the case of ***Uganda Revenue Authority V Uganda Consolidated Properties Ltd, Civil Appeal No 31 of 2001***, where the court held:

*"Time limits set by the statutes are matters of substantive law and not mere technicalities and must be strictly complied with"*

54. Section 26 (6) of the TPCA specifies that the 90 days start **from the date of receipt of the objection**. The keyword is the verb “from” which, according to the Oxford Advanced Learner’s Dictionary, is defined as “when something starts”, meaning that it specifies the time, day or month when an act starts with no room for variation from that point of commencement.
55. This contrasts with the adverb “**after**” used in a number of provisions in the same Act and defined in the same Dictionary as “**later than something; following something in time**”, meaning that it allows flexibility on the start time or date to start at a later point.
56. The TPCA contains different provisions on time limitations that use the two words, such as Sections 26 (1) and 27 (1), which use “... after receiving” and “... after being served”, while Subsection 6 uses “... **from the date of receipt**”. This distinction, which is in the same provision of the TPCA, that is, Section 26, cannot be treated as accidental. It indicates that the framers of the TPCA used different terms to deliberately and specifically specify when the clock starts ticking.
57. In their submission, the Respondent cited the Interpretation Act Section 34 (1), which provides that the computation of the statutory period starts on the following day of doing any Act. In applying this provision, the Respondent asserted that the computation of time began on 1st January 2026 and that the 90 days ended on 31 March 2026.
58. The issue here is which provision prevails in regard to the start time of counting the 90 days. In the case of ***Uganda Revenue V Kampala Properties Limited & 4 Others, Misc Cause No. 026 of 2024***, the High Court states:
- “The Latin term, generalia specialibus non derogant, literally meaning “things general do not derogate from things special.”*

59. The principle, therefore, is that where there are provisions in a special Act and in a general Act on the same subject which are inconsistent, if the special Act gives a complete rule on the subject, the expression of the rule acts as an exception to the subject-matter of the rule from the general Act.
60. This means that if the special Act gives a full, clear rule for the matter, that rule becomes an exception to what the General Act says. In cases like these, the General Act does not apply. In the circumstances, the TPCA, being a special and non-general Act in this case, takes precedence over the Interpretation Act. Section 26 (6) is very specific, as it uses the words "from the date of objection" rather than "after the date of objection."
61. The Tribunal therefore agrees with the Applicant's submission that the specific provision under the Tax Procedures Code Act takes precedence over the general provisions of the Interpretation Act. The computation of time provided for under Section 26(6) of the TPCA takes precedence over Section 34(1) (a) of the Interpretation Act.
62. Accordingly, the Tribunal finds that the 90-day period prescribed by Section 26(6) of the TPCA expired on 30 March 2026. The Applicant lodged their election on 31 March 2026, which was the 91st day after the objection. The Respondent issued its objection decision on the same day, after receiving and acknowledging the elections.
63. It should also be noted that in their application and oral submissions, the Applicant also contended the Respondent's electronic system is configured so that it only unlocks for lodging of an election after 90 days have elapsed, implying that the election was duly accepted as valid. In their response, the Respondent did not dispute this assertion made by the Applicant. This indicates that if the Applicant's election was accepted in the system on 31

March 2026, the 90-day period commenced on 31 December 2025 and ended on 30 March 2026.

64. In the circumstances, the Tribunal finds that the Applicant's elections were valid.

**Whether the objection decisions issued after the Applicant's election were lawful?**

65. The Tribunal notes that both the election and the objection Decision fell on the same day, that is, 31 March 2026. However:
- (i) According to the Applicant's documents, the Applicant lodged its election in line with Section 26(7) of the TPCA, and the same was acknowledged by the Respondent at 9:50 am on 31 March 2026, as seen in annexure A4 on pages 24, 25, 28 of the Applicant's documents.
  - (ii) However, according to Annexure A5, on the same day at around 18:11, by way of email, the Respondent stated that the objection was partially allowed.
  - (iii) Therefore, the Respondent served its objection decision electronically at 18:11 hours, which is 6:11 pm.
  - (iv) Further, according to Annexure A7 on page 46 of the Applicant's documents, a notice from the Respondent stated that the election is not allowed before the statutory period of 90 days from the objection date. The Tribunal notes that as of 31 December 2025, the 90-day period began to run; therefore, the Respondent cannot claim that the 90 days had not expired.
66. The Tribunal also notes that at 9:50 am on 31 March 2026, the Respondent had not yet served its Objection Decision, which triggered the coming into effect of Section 26(7), which provides as follows:

*“Subject to Subsection (9), where an objection decision has not been served within the time specified under subsection (6), the person objecting may, by notice in writing to the Commissioner General, elect to treat the Commissioner General as having made a decision to allow the objection.”*

67. Furthermore, Section 26(8) provides that upon the lodging of an election, the person is treated as having been served with a notice of the objection decision allowing the objection on the date of lodging. This legal consequence is automatic and self-executing by the operation of statute. It does not require the Commissioner General's concurrence, approval, or acceptance. Based on this fact, the rejection of the election by the Respondent is untenable.
68. Upon lodging of the election at 9:50 am on 31 March 2026, the objection was conclusively resolved by operation of law in the Applicant's favour. The Respondent became functus officio at that moment and ceased to have any jurisdiction to issue, vary, or supplement any further objection decision in relation to the same objection.
69. The Respondent's Objection decision served at 6:11 pm on the same day was therefore issued without jurisdiction. This is consistent with the holding of this Tribunal in ***Kuku Foods v URA, TAT Application No. 210 of 2024***, where the Tribunal held:
- “The Respondent's objection decision issued outside the statutory period is time-barred and of no legal effect.”*
70. Having failed to serve its decision before the Applicant's election took effect, the Respondent cannot remedy that failure by purporting to issue a decision hours later.

**Waiver of the period within which to serve an objection decision**

71. The Respondent submitted that the time limit under Section 26(6) was waived by Section 26(9) because a review of records was ongoing, with the last batch of documents submitted on 30 March 2026.
72. This Tribunal reaffirms its position in the case of ***Kumi Orthopaedic Centre Ltd v URA, TAT Application No. 23 of 2018***, where it held:
- "The Tribunal does not find these as good reasons for not complying with timelines .... Having further meetings with a taxpayer, or where there is not enough information, does not stop the respondent from making an objection decision. There is no law that requires a respondent to have all the information at hand before it makes an objection decision. The information can still be availed after an objection decision has been made or when a taxpayer has taken the next step by filing an application in the Tribunal."*
73. The Tribunal notes the Respondent could have still made its objection decision, and nothing could have stopped them from using the information they had. Section 26(7) is itself qualified by the words "Subject to Subsection (9)." For Section 26(9) to foreclose the Applicant's right of election, the waiver must have been communicated to the taxpayer before the election was lodged. The Tribunal finds no evidence that the Respondent at any time formally notified the Applicant that the 90 days had been waived or extended under Section 26(9) and that the documents were required to make an objection decision.
74. According to the Respondent, the last batch of documents was received on 30 March 2026. Even if this triggered a waiver, the Respondent failed to communicate any consequential extension to the Applicant before the election was lodged the following day. The Respondent should have informed the Applicant that the documents were required to issue a decision on the objection. Consequently, the Respondent's arguments in this regard do not hold.

75. The additional assessments of Shs. 1,808,625,194 were issued solely pursuant to the Respondent's objection Decision of 31 March 2026 at 18:11 pm. That decision, having been issued without jurisdiction and being void ab initio, it follows that the assessments arising therefrom are equally void and unenforceable in law.

**IX. Orders**

76. In the circumstances, the Tribunal orders as follows:

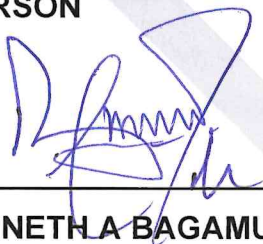
- (i) The election dated 31 March 2026 is declared valid.
- (ii) The objection decision issued on 31 March 2026 is hereby declared null and void
- (iii) The additional assessment of Shs. 1,808,625,194 is set aside.
- (iv) Costs are hereby awarded to the Applicant

Dated at Kampala this 30<sup>th</sup> day of June 2026.



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**HON. CRYSTAL KABAJWARA  
CHAIRPERSON**



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**HON. KENNETH A. BAGAMUHUNDA  
MEMBER**



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**HON. GERALD AGABA KAKIMA  
MEMBER**