



**THE REPUBLIC OF UGANDA**

**IN THE TAX APPEALS TRIBUNAL AT KAMPALA**

**MISCELLANEOUS CAUSE NO. 97 OF 2025**

**UGANDA INTERNET EXCHANGE POINT LIMITED .....APPLICANT**

**VERSUS**

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

**BEFORE: HON. KABAKUMBA MASIKO, MS. CHRISTINE KATWE,  
HON. WILLY NANGOSYAH**

**RULING**

**I. Introduction**

1. This ruling is in respect of an application brought under S.16(2) of the Tax Appeals Tribunal Act, S.98 of the Civil Procedure Act, Rules 11 and 30 of the Tax Appeals Tribunal (Procedure) Rules, 2012, and Order 52 rules 1 and 3 of the Civil Procedure Rules.
2. The Applicant seeks orders that:
  - (i) The time within which to file an application for review of the Respondent's objection decision dated 27 August 2025 be extended;
  - (ii) Costs of this application be in the cause.

**II. Background facts**

3. This Application is supported by the affidavit of Mr. Kyle Spencer, the Executive Director of the Applicant, sworn on 24 December 2025. The facts, as deponed, are as follows:

- (i) The Applicant is a registered company engaged in the provision of local internet interconnection services for network operators in Uganda. On 30 September 2022, the Respondent issued a written authorization permitting the Applicant to account for Value Added Tax (VAT) on a cash basis, rather than on an accrual basis.
- (ii) On 21 May 2025, notwithstanding the Applicant's authorization to use the cash-basis method, the Respondent issued an automatic VAT default assessment amounting to Shs. 12,944,995.02, computed on an accrual basis. The Applicant, in line with the cash-basis method, paid Shs. 9,142,000, being the actual VAT due based on payments received.
- (iii) The Applicant wrote to the Respondent on 7 July 2025, raising concerns regarding the assessment, the EFRIS blockage, and the VAT treatment. On 21 August 2025, the Respondent issued a notice requiring the Applicant to furnish a letter confirming authorisation to account for VAT on a cash basis. The Applicant duly submitted the requested evidence on 25 August 2025 within the specified timeline.
- (iv) Despite receiving the necessary documentation, the Respondent, on 27 August 2025, issued an objection decision disallowing the Applicant's objection on the grounds that there was allegedly "no confirmation" of authorisation to use cash-basis accounting.
- (v) On 9 September 2025, the Applicant was notified that its support ticket (H25082600911) had been closed on the basis that the information provided "was out of time," notwithstanding that the evidence had been furnished within the required period. The Applicant thereafter applied for Alternative Dispute Resolution (ADR) on 12 September 2025, three days after the communication, but the Respondent rejected the ADR request on 18<sup>th</sup> September 2025, claiming it was filed outside the prescribed 7-day window.
- (vi) On 25 September 2025, within 30 days of the objection decision, the Applicant formally approached KTA Advocates for representation in

filing an application for review before the Tribunal. Counsel immediately referred the matter to their tax consultant, Mr. Daniel Kikwaya, and the Applicant supplied all required documents the same day.

- (vii) Between September and December 2025, the Applicant repeatedly followed up with the consultant, who continuously assured the Applicant that the matter was being handled. However, the consultant later became nonresponsive, despite several follow-up emails from the Applicant seeking updates on the filing status.
  - (viii) That on 18 December 2025, upon further follow-up, the Applicant discovered that the consultant had taken no steps whatsoever to file the review application, and that the statutory filing period had lapsed due to the consultant's inaction. The Applicant immediately instructed counsel to take corrective steps.
  - (ix) The Application for extension of time was filed on 24th December 2025, a mere six days after the Applicant became aware of the omission. The Applicant contends that the delay was caused solely by the consultant's mistake and negligence, and that such negligence ought not to be visited upon a diligent litigant. The Applicant asserts that it had continuously acted within the prescribed timelines and had undertaken consistent follow-ups.
  - (x) The Respondent opposes the Application, arguing that the Applicant failed to lodge the review application within the 30-day limit; that no sufficient cause has been demonstrated; and that statutory timelines must be strictly adhered to as held in *URA v Consolidated Properties Ltd.*
4. In the Affidavit in Reply sworn by **Ms. Doreen Amutuaire**, the **Respondent's Legal Officer**, states as follows:
- (i) An application to the Tax Appeals Tribunal for review of a taxation decision must be lodged within 30 days after the person making the application has been served with a notice of the objection decision.

That since the objection decision was served on the Applicant on 27<sup>th</sup> August 2025, the Applicant ought to have filed the application for review not later than 27 September 2025.

- (ii) That an extension of time may only be granted where an applicant demonstrates sufficient cause. That in the present matter the Applicant has not shown any reasonable or justifiable grounds to warrant such extension.
- (iii) The Respondent therefore contends that the Application is time-barred, lacks legal merit, and should accordingly be dismissed with costs.

5. In the Affidavit in Rejoinder sworn by **Mr. Kyle Spencer**, the Executive Director of the Applicant, he states as follows:

- (i) Having read and understood the contents of the Affidavit in Reply, he contends that the Tribunal has a discretion under Section 16(2) of the Tax Appeals Tribunal Act to extend time where sufficient cause is shown. He further avers that the present Application was filed within the six-month period within which the Tribunal is empowered to grant an extension.
- (ii) The Applicant instructed KTA Advocates on 25 September 2025 to file the Application for review, which was within the 30-day statutory period from the date of the objection decision, and that counsel immediately referred the matter to the tax consultant on the same day.
- (iii) The Applicant's failure to file the Application for review within time was occasioned solely by the negligence and non-responsiveness of the consultant, despite clear instructions and consistent follow-up by the Applicant. He asserts that such negligence ought not to be visited on the Applicant, who acted diligently throughout.
- (iv) The Applicant has demonstrated sufficient cause within the meaning of Rule 11(6) of the Tax Appeals Tribunal (Procedure) Rules, and therefore prays that the Application for extension of time be allowed, with costs in the cause.

### **III. Issue for determination**

6. The issue for determination is whether the Applicant should be granted an extension of time to file an application before the Tribunal.

### **IV. Representation**

7. The Applicant was represented by Ms. Braver Owembabazi of KTA Advocates, whereas the Respondent was represented by Ms. Doreen Amutuhaire from the Legal and Board Affairs Department of the Respondent.
8. Both parties filed written submissions and relied on their respective affidavits in support and in reply.

### **V. Submissions of the Applicant**

9. The Applicant submitted that it was prevented by sufficient cause from filing the Application for review within the 30 days prescribed under Section 16(1)(c) of the Tax Appeals Tribunal Act. The delay, it argued, was not attributable to the Applicant, but was occasioned by the mistake, negligence and subsequent non-responsiveness of the tax consultant, Mr. Daniel Kikwaya, to whom its advocates had referred the matter on 25 September 2025, which was within the statutory 30-day period. The Applicant asserted that such negligence ought not to be visited upon an otherwise diligent litigant.
10. The Applicant contended that it acted promptly and diligently. It instructed KTA Advocates within the required time, provided all required documents for filing, and continuously followed up with the consultant between September and December 2025.
11. Accordingly, it was only upon making further inquiries on 18 December 2025 that the Applicant discovered that no application had been filed, despite the consultant's assurances to the contrary. The present Application was then filed on 24 December 2025, within only six days of the date of discovery.

12. The Applicant submitted that under S.16(2) of the Tax Appeals Tribunal Act (TAT Act) and Rule 11(1) of the Tax Appeals Tribunal (Procedure) Rules, the Tribunal possesses broad discretionary powers to extend time for filing an application for review.
13. The Applicant relied on the Tribunal's own affirmation of this principle in ***Justine Muhairwe v Uganda Revenue Authority, Misc. Cause No. 50 of 2025***, where it ruled that it may extend time where the Applicant demonstrates a reasonable cause preventing adherence to statutory timelines.
14. The Applicant further relied on Rule 11(6) of the TAT Procedure Rules, arguing that "other reasonable cause" includes the negligent omission of counsel or a consultant, especially where the Applicant itself acted diligently.
15. In confirmation of its position, the Applicant further cited ***Crane Finance Co. Ltd v Makerere Properties, Civil Appeal No. 1 of 2001***, in which the Supreme Court held that the mistake or error of counsel, even where negligent, should not be visited on a litigant. The Applicant argued that this principle is directly applicable to its circumstances.
16. On the guiding principles for extension of time, the Applicant relied on the Supreme Court decision in ***Mulindwa George William v Kisubika Joseph, Civil Appeal No. 12 of 2014***, which sets out four factors for consideration:
  - (i) *the length of the delay,*
  - (ii) *the reason for the delay,*
  - (iii) *the possibility of success of the intended action, and*
  - (iv) *the degree of prejudice to the respondent".*
17. The Applicant therefore submitted that each factor weighs in its favour. That is; the delay was short; the reason for the delay was fully explained; the intended review raises serious triable issues; and the Respondent would not suffer prejudice once this application was granted.

18. Regarding length and explanation of delay, the Applicant emphasized that this Application was filed less than four months from the date of the objection decision and within six months, as allowed under S. 16(7). according to the Applicant, the period between discovery of the omission and the filing of the present Application was only six days, which, according to ***Boney Katatumba v Waheed Karim, SCCA No. 27 of 2007***, should be regarded as prompt and therefore deserving of sympathetic consideration.
19. On the possibility of success, the Applicant argued that the Respondent's assessment was fundamentally flawed because it was issued on an accrual basis, notwithstanding the Applicant's written authorisation to account for VAT on a cash basis.
20. The Applicant contended that this raised a clear and arguable point of law and fact suitable for review. It further argued that the Respondent improperly rejected the Applicant's objection on a ground that was factually incorrect, namely, that the Applicant had not provided proof of authorisation despite the Applicant having furnished the document within the time stated in the Respondent's notice.
21. The Applicant further submitted that the Respondent will not suffer any prejudice if the extension is granted. It has already paid Shs. 9,142,000, which exceeds the 30% requirement under Section 15(1) of the Tax Appeals Tribunal Act. By contrast, the Applicant would suffer substantial injustice if denied its right to review due to the consultant's omission.
22. The Applicant called the attention of the Tribunal towards Article 126(2)(e) of the Constitution, which mandates the administration of justice without undue regard to technicalities. Further, the Applicant submitted that by refusing to extend time in the circumstances of this case, where the Applicant acted diligently, and the error was committed by its consultant, this would elevate procedural technicalities over substantive justice.
23. Therefore, the Applicant prayed that this Honourable Tribunal finds that sufficient cause has been shown, that the delay was neither inordinate nor deliberate, that the intended Application for review raises serious issues fit

for adjudication, and that no prejudice will be suffered by the Respondent. The Applicant therefore prayed that the Application for extension of time be allowed, with costs in the cause.

## VI. Submissions of the Respondent

24. The Respondent submitted that the Applicant failed to comply with the mandatory timelines prescribed under the law. It argued that S.25(1) of the Tax Procedures Code Act, provides that a person dissatisfied with an objection decision “*may, within 30 days after being served with the notice of objection decision, lodge an application with the Tax Appeals Tribunal for review.*” It further relied on S.16(1)(c) of the TAT Act, which similarly requires that an Application for review “*shall be lodged within 30 days after service of the objection decision.*”
25. The Respondent submitted that the objection decision was served on the Applicant on 27 August 2025, and accordingly, the Applicant was required to lodge its application for review on or before 27 September 2025. According to the Respondent, the present application for extension of time was, however, filed on 24 December 2025, nearly three months after the expiry of the statutory period and was therefore time-barred.
26. The Respondent argued that although S.16(2) of the TAT Act grants the Tribunal discretionary authority to extend time, such discretion must be exercised judiciously, and only where the Applicant shows sufficient cause.
27. In support of its objection to this application, the Respondent relied on Rule 11(6) of the TAT (Procedure) Rules, 2012, which limits extension of time to situations where the Applicant was unable to file the application “*because of absence from Uganda, illness, or other reasonable cause.*”
28. The Respondent contended that the Applicant had not demonstrated any of the grounds listed under Rule 11(6) and had instead cited the negligence of a consultant. It is submitted that negligence attributed to an advocate, consultant, or other agent does not constitute “absence from Uganda, illness, or reasonable cause” under Rule 11(6).

29. The Respondent relied on the Court of Appeal decision in ***Uganda Revenue Authority v Uganda Consolidated Properties Ltd, Civil Appeal No. 75 of 2003***, arguing that:

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

30. The Respondent therefore contended that permitting the Applicant to bypass the statutory timelines would undermine the strict-compliance principle affirmed in this authority.

31. The Respondent further cited the Supreme Court authority in ***Mulindwa George William v Kisubika Joseph*** (supra), which places the burden on the Applicant to prove sufficient reason for failing to act within the prescribed time. The Respondent argued that the Applicant had not met this burden.

32. In order to prove that the Applicant had no such cause in the present case, the Respondent also relied on ***Safari Clothing (Uganda) Limited v Uganda Revenue Authority, Miscellaneous Application No. 1 of 2020***, where it was held that:

*“In order to qualify for an extension of time, there is a need for the Applicant to show that it has reasonable cause as to why the Application was not filed in time... Good cause must relate to and include the factors which caused inability to file the appeal within the prescribed period of 30 days.”*

33. The Respondent submitted that the Applicant could not rely on the alleged negligence of the consultant as a basis for extension, and that failure by the consultant to act could not override express statutory timelines. It emphasised that the Applicant had the means and opportunity to file the review Application within the required 30 days, and its failure to do so cannot be excused.

34. The Respondent concluded by praying that the substantive application be dismissed with costs on grounds that it was time-barred, unsupported by sufficient cause, and contrary to mandatory statutory timelines.

## VII. Submissions of the Applicant in rejoinder

35. In rejoinder, the Applicant reiterated its reliance on S.16(2) of the TAT Act and Rule 11(1) of the TAT Procedure Rules, which expressly confer on the Tribunal discretionary authority to extend time for filing an application for review. The Applicant argued that if statutory timelines were intended to be immutable, Parliament would not have provided mechanisms for extension.
36. The Applicant submitted that the Respondent's interpretation of strict compliance ignores the Tribunal's statutory and inherent powers to grant relief in deserving cases. It relied on Rule 11(6), which expressly includes "*other reasonable cause*" as a legitimate basis for extension, and argued that the negligence of the consultant, combined with the Applicant's diligence, was a recognised form of "reasonable cause," supported by judicial authority.
37. The Applicant referenced the Supreme Court case ***Boney Katatumba v Waheed Karim (supra)*** to emphasise the importance of sufficient cause, where the Court stated that:
- "The court will accept either a reason that prevented an applicant from taking an essential step in time, or other reasons why the intended appeal should be allowed though out of time... An application that is brought promptly will be considered more sympathetically than one brought after unexplained inordinate delay."*
38. The Applicant strengthened its position above by making a further reference to the Court of Appeal decision in ***Prof. G.S.Z. Ssenyonga & Namuddu Christine v Uganda, Miscellaneous Application No. 10 of 1999***, which held that:
- "The fault of an advocate cannot be visited on the client, and the advocate's mistake constitutes sufficient reason for extension of time."*
39. The Applicant argued that the principle above was directly applicable to the facts in issue as the failure to file on time was entirely due to the consultant's negligence, not the Applicant's conduct.

40. Thus, the Applicant emphasized that it had acted diligently, instructed counsel within the statutory period, provided all necessary documents on the same day, and consistently followed up with the consultant. It contended that these facts clearly demonstrate that the delay was neither deliberate nor negligent on the part of the Applicant.

### VIII. Determination by the Tribunal

41. The Tribunal has carefully considered the application, the affidavits in support, reply and rejoinder and the submissions of both parties.
42. The central question for determination is whether the Applicant has demonstrated sufficient cause warranting extension of time to lodge an application for review of the Respondent's objection decision dated 27 August 2025.
43. The Applicant was authorised by the Respondent to account for VAT on a cash-basis, yet was later issued a VAT assessment computed on an accrual basis. The Applicant attempted to object but encountered system limitations and subsequently provided the required documentation within the time limit. Nonetheless, the Respondent issued an objection decision on 27<sup>th</sup> August 2025, which the Applicant intended to challenge. The Applicant instructed its advocates within the statutory 30 days, but due to the consultant's negligence and nonresponsiveness, the review application was not filed. Upon discovering the omission, the Applicant filed this application for extension of time six days later.
44. S.16(1)(c) of the TAT Act provides that an application for review
- "shall be lodged within 30 days after the person making the application has been served with notice of the decision".*
45. S.16(7) of the same Act further provides that an application for review
- "shall be made within six months after the date of the taxation decision".*
46. However, S.16(2) grants the Tribunal discretion to *"extend the time for making the application for review"* upon written request. This discretionary power was

expressly affirmed in the Tribunal's earlier decision in ***Justine Muhairwe v Uganda Revenue Authority*** (*supra*), where the Tribunal held that extension may be granted where the Applicant demonstrates a reasonable cause for the delay.

47. Rule 11(6) of the TAT (Procedure) Rules, 2012 permits the Tribunal to extend time where the Applicant was unable to file the Application due to "absence from Uganda, illness, or other reasonable cause."
48. The Tribunal notes that the objection decision was issued on 27<sup>th</sup> August 2025, and therefore, the Applicant had until 27<sup>th</sup> September 2025 to file an application for review. This Application for extension of time was filed on 24 December 2025, which is within four months of the decision and within the six-month period contemplated under S.16(7).
49. The above implies that, although S.16(1)(c) prescribes a 30-day period within which a taxpayer must file an application for review, S.16(7) clearly preserves the Tribunal's jurisdiction to entertain such an application for up to six months from the date of the taxation decision. In the present matter, the Applicant lodged this Application on 24 December 2025, well within that permissible six-month window. This interpretation is reinforced by the Court of Appeal in ***Uganda Revenue Authority v Uganda Consolidated Properties Ltd, Civil Appeal No. 31 of 2000***, which held that, even though statutory timelines must generally be respected, the Tribunal may extend them where Parliament has expressly granted discretion and the applicant demonstrates sufficient cause. Accordingly, the Tribunal is properly seized of jurisdiction under S.16(2).
50. Imploring Rule 11(6) of the Tax Appeals Tribunal Procedures, the Tribunal looks at its satisfaction at extending time to file an application as to whether the Applicant was unable to file the application on a) absence from Uganda, b) illness, or c) any other reasonable cause.
51. The objection decision date was 27/08/2025. Implying that the Applicant had up to 26/09/2025 to file an application with the Tribunal. The Applicant requested ADR on 12/09/2025, but the Respondent informed the Applicant that it was out of time. On 25/09/2025, the Applicant reached out to M/S

Muhangi Kenneth of KTA Advocates via email, seeking to escalate the matter to TAT or to find an alternative way to resolve the dispute. In the third last part of the email, the Applicant intimated that, "It filed an ADR application on 12/09/2025 and the Respondent rejected the Application on 25/09/2025 claiming that the original objection dated 27/08/2025 is too old to be handled by ADR." In the email dated 25/09/2025, M/s Muhangi acknowledged receipt of the message and promised to advise on the ADR approach. He copied in M/s Braver and Mr. Norbert of the firm's dispute resolution team, led by Mr. Kenneth Kipaalu, advising them to follow and prepare should the matter go beyond ADR

52. The Tribunal notes that this was the first mistake on the side of the Lawyer not to have looked at the date of the objection decision in comparison with the date, as it was on that day to embrace time limits, as they had only one day left to file the TAT application. Instead of embarking on ADR, which had already been rejected, the Applicant wasted valuable time on by-gones.
53. Therefore, the Applicant argued that it instructed its advocates on 25<sup>th</sup> September 2025, within the 30-day statutory period, to file the Application for review. The advocates immediately referred the matter to their tax consultant, Mr. Daniel Kikwaya, and all requisite documents were provided on the same day. This evidence was not disputed by the Respondent.
54. On the other hand, the Respondent argued that the Applicant had not shown "reasonable cause" within the meaning of Rule 11(6). The Tribunal will now look at "other reasonable cause" as a category. In ***Justine Muhairwe v URA***, the Tribunal held that reasonable cause may include circumstances in which the Applicant was prevented from acting through no fault of their own, provided the evidence supports such a finding.
55. In the Supreme Court decision, ***Mulindwa v Kisubika*** (supra), it establishes the four-part test applied when determining whether sufficient cause exists, the Court emphasised that the Tribunal must consider: (i) the length of delay; (ii) the explanation for the delay; (iii) the chances of success of the intended action; and (iv) the degree of prejudice to the respondent.

56. Importantly, the Court notes that discretion must be exercised judiciously, flexibly, and in a manner that advances substantive justice rather than procedural rigidity.
57. In the Court of Appeal's decision, *The Uganda Revenue Authority v Consolidated Properties* (supra), is equally instructive, having affirmed that statutory timelines, though substantive, may be relaxed where the taxpayer acted diligently but was prevented by circumstances beyond their control, particularly where the enabling legislation grants the Tribunal discretion to extend time.
58. As mentioned above, the Tribunal notes that the Lawyers failed to check the time limits but instead wasted time with their Tax Consultant on ADR, which was already denied. The Tribunal is satisfied that the delay was caused exclusively by the negligence of the lawyers, coupled with the consultant's non responsiveness. The Applicant, on the other hand, acted diligently by providing all required documents on the same day instructions were issued and by continuously following up on the matter.
59. Courts have long affirmed that the negligence of counsel, even where serious, cannot justly be visited upon a diligent litigant. This principle, articulated in *Crane Finance v Makerere Properties* (supra), resonates with the Court of Appeal's position in *Uganda Revenue Authority v Consolidated Properties* (supra), where the Court underscored that procedural lapses may be excused where the taxpayer's conduct is faultless.
60. The equitable maxim "*vigilantibus non dormientibus jura subveniunt*" translated as "the law aids the vigilant, not those who slumber", further supports the Applicant. Having acted promptly, persistently, and in good faith, the Applicant is precisely the kind of vigilant party whom equity protects, and should not be penalised for the failures of its consultant.
61. The persuasive comparative authority in *Autologic Holdings v Inland Revenue*, [2005] UKHL 54 complements this approach by underscoring that procedural or administrative requirements must never be applied in a

manner that renders a taxpayer's access to lawful remedies "excessively difficult" or effectively impossible. This case affirms that adjudicatory bodies should prioritise the protection of substantive rights over mechanical adherence to procedural form.

62. S.22(6) of the Tax Appeals Tribunal Act grants this Tribunal broad powers to make orders, and this includes granting the prayer for extension of time. Given the findings above, the Tribunal finds that the application for extension of time should be allowed with costs in the cause.

### Conclusion

63. The Tribunal finds that the Applicant acted diligently and that the delay in filing the review application was caused solely by the Lawyers and the consultant's negligence. The delay was short, satisfactorily explained, and promptly addressed. The intended review raises significant issues deserving adjudication. No prejudice will be suffered by the Respondent, whereas denying the extension would unjustly extinguish the Applicant's right to challenge the assessment.

### Orders

1. The Application for extension of time is hereby granted.
2. Costs shall be in the cause.

Dated at Kampala this 8<sup>th</sup> day of May 2026.



**HON. KABAKUMBA MASIKO**  
**CHAIRPERSON**



**MS. CHRISTINE KATWE**  
**MEMBER**



**MR. WILLY NANGOSYAH**  
**MEMBER**